



Annual Comprehensive Financial Report

City of Shoreview Minnesota
For the Fiscal Year Ended December 31, 2021

CITY OF SHOREVIEW, MINNESOTA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

DEPARTMENT OF FINANCE

Debbie Maloney, Assistant Finance Director

Fred W. Espe, Finance Director

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CITY OF SHOREVIEW, MINNESOTA
Table of Contents

	<u>Reference</u>	<u>Page No.</u>
I. INTRODUCTORY SECTION		
Letter of Transmittal		iii
Certificate of Achievement for Excellence in Financial Reporting		xii
Principal City Officials		xiii
Organizational Chart		xiv
II. FINANCIAL SECTION		
Independent Auditor’s Report		2
Management’s Discussion and Analysis		5
Basic Financial Statements		
Government-Wide Financial Statements		
Statement of Net Position	Statement 1	21
Statement of Activities	Statement 2	22
Fund Financial Statements		
Balance Sheet – Governmental Funds	Statement 3	24
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	Statement 4	26
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	Statement 5	28
Statement of Net Position – Proprietary Funds	Statement 6	29
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	Statement 7	30
Statement of Cash Flows – Proprietary Funds	Statement 8	31
Statement of Fiduciary Net Position – Fiduciary Fund	Statement 9	32
Statement of Changes in Fiduciary Net Position – Fiduciary Fund	Statement 10	33
Notes to Financial Statements		34
Required Supplementary Information		
Budgetary Comparison Schedule – General Fund	Statement 11	78
Budgetary Comparison Schedule – Community Center Operations Fund	Statement 12	80
Budgetary Comparison Schedule – Recreation Programs Fund	Statement 13	81
Schedule of City’s and Non-Employer Proportionate Share of Net Pension Liability – PERA – General Employees Retirement Fund	Statement 14	82
Schedule of City Contributions – PERA – General Employees Retirement Fund	Statement 14	82
Notes to RSI		83

CITY OF SHOREVIEW, MINNESOTA

Table of Contents

	<u>Reference</u>	<u>Page No.</u>
Combining and Individual Nonmajor Fund Statements and Schedules		
Combining Balance Sheet – Nonmajor Governmental Funds	Statement 15	92
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	Statement 16	93
Subcombining Balance Sheet – Nonmajor Special Revenue Funds	Statement 17	96
Subcombining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds	Statement 18	97
Subcombining Balance Sheet – Nonmajor Debt Service Funds	Statement 19	101
Subcombining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Debt Service Funds	Statement 20	105
Subcombining Balance Sheet – Nonmajor Capital Project Funds	Statement 21	110
Subcombining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Capital Project Funds	Statement 22	114
Nonmajor Special Revenue Funds		
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual		
Recycling	Statement 23	117
Cable TV	Statement 24	118
Slice of Shoreview Event	Statement 25	119
Economic Development Authority	Statement 26	120
Housing and Redevelopment Authority	Statement 27	121
Combining Statement of Net Position – Internal Service Funds	Statement 28	124
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Internal Service Funds	Statement 29	125
Combining Statement of Cash Flows – Internal Service Funds	Statement 30	126

CITY OF SHOREVIEW, MINNESOTA

Table of Contents

	<u>Reference</u>	<u>Page No.</u>
Other City Financial Information		
Combining Schedule of Indebtedness	Exhibit 1	128
Taxable Valuations, Tax Levies, and Tax Rates	Exhibit 2	130
Schedule of Deferred Tax Levies		
Other General Obligation Bonds	Exhibit 3	131
General Obligation Improvement Bonds	Exhibit 4	133
Debt Service Payments to Maturity		
Revenue Bonds	Exhibit 5	135
General Obligation Improvement Bonds	Exhibit 6	140
Other General Obligation Bonds	Exhibit 7	142
Certificates of Participation	Exhibit 8	143
Combining Schedule of Property and Equipment	Exhibit 9	144
III. STATISTICAL SECTION (UNAUDITED)		
Financial Trends		
Net Position by Component – Last Ten Fiscal Years (Accrual Basis of Accounting)	Table 1	148
Changes in Net Position – Last Ten Fiscal Years (Accrual Basis of Accounting)	Table 2	150
Governmental Activities Tax Revenues by Source – Last Ten Fiscal Years (Accrual Basis of Accounting)	Table 3	155
Fund Balances of Governmental Funds – Last Ten Fiscal Years (Modified Accrual Basis of Accounting)	Table 4	156
Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years (Modified Accrual Basis of Accounting)	Table 5	158
Revenue Capacity		
Taxable Net Tax Capacity Value and Estimated Market Value of Taxable Property – Last Ten Fiscal Years	Table 6	161
Property Tax Rates – Direct and Overlapping Governments – Last Ten Fiscal Years	Table 7	162
Principal Property Taxpayers – Current Year and Nine Years Ago	Table 8	165

CITY OF SHOREVIEW, MINNESOTA

Table of Contents

	<u>Reference</u>	<u>Page No.</u>
Property Tax Levies and Collections – Last Ten Fiscal Years	Table 9	166
Water Sold by Type of Customer – Last Ten Fiscal Years	Table 10	168
Residential Utility Rates per Quarter – Last Ten Fiscal Years	Table 11	170
Commercial Utility Rates per Quarter – Last Ten Fiscal Years	Table 12	172
Debt Capacity		
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	Table 13	174
Ratios of Net General Bonded Debt Outstanding – Last Ten Fiscal Years	Table 14	176
Direct and Overlapping Governmental Activities Debt – as of December 31, 2021	Table 15	179
Legal Debt Margin Information – Last Ten Fiscal Years	Table 16	180
Pledged Revenue Coverage – Last Ten Fiscal Years	Table 17	182
Demographic and Economic Information		
Demographic and Economic Statistics – Last Ten Fiscal Years	Table 18	183
Principal Employers – Current Year and Nine Years Ago	Table 19	185
Operating Indicators		
Budgeted Full-Time Equivalent City Government Employees by Function – Last Ten Fiscal Years	Table 20	186
Operating Indicators by Function – Last Ten Fiscal Years	Table 21	188
Capital Asset Statistics by Function – Last Ten Fiscal Years	Table 22	190

INTRODUCTORY SECTION

I. INTRODUCTORY SECTION

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4600 VICTORIA STREET NORTH
SHOREVIEW, MINNESOTA 55126
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June 1, 2022

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, 2021.

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, 2021. 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 26,921. 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 the following services, general government operations including, council and commissions, administration, human resources, elections, communications, finance and accounting, information systems, legal, cable TV and the Slice of Shoreview festival; public safety including, police and fire protection; public works including, administration and engineering, street maintenance, trail management, forestry and recycling; parks and recreation including, administration, municipal buildings, parks maintenance, community center operations and recreation programs; enterprise operations including, water, sewer, surface water, and street light systems; community development including, planning and zoning, building inspection, Economic Development Authority and Housing and Redevelopment Authority.

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 global leaders in their respective industries of banking and business systems, manufacturing, medical and automation technologies. A strong business community led by such high profile companies as Ally Financial Services, Cummins Power, Hill-Rom Corporation, Wells Fargo, PaR Systems, Target Corporation, TSI Inc., and Westinghouse Company 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 4.8 percent in 2020. The 2021 unemployment rate is 2.7 percent. The April 30, 2022 rate (most current data available) is 1.1 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, but decreased as a percentage of total governmental fund revenues, from 47.1 percent in 2012 to 46.1 percent in the current fiscal year (a 10-year decrease of 1.0 percent). Intergovernmental revenues have increased from 4.8 percent in 2012, to 15.8 percent of total revenues in the current fiscal year (a 10-year increase of 11.0 percent). Charges for services have decreased from 28.1 percent in 2012 to 19.4 percent in the current fiscal year (a 10-year decrease of 8.7 percent). The increase in intergovernmental revenue is a

result of federal COVID-19 related Federal State and Local Fiscal Recovery Funds, and the decrease in charges for services is a result of decreases in Community Center and Recreation Programs revenue as a result of closures and limitations in services 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. The City approved an increase to the utility franchise fee effective January 1 2021, the increase generated an additional \$350,698 in franchise revenue during 2021. Over 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 3.1 percent (\$591,698) in 2012 to 7.1 percent (\$2,119,113) in the current fiscal year (a 10-year increase of 4.0 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 18.8 percent (\$3,027,782) in 2012, to 24.4 percent (\$4,969,987) in the current fiscal year (a 10-year increase of 5.6 percent). The increase reflects additional costs incurred in 2021 related to the COVID-19 pandemic.

In 2021 the City had periodic service disruptions 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 (51.1 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 2022 (to accommodate cash flows and the timing for receipt of taxes and state aids), and an allocation of 10 percent of 2022 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 17.5 x 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 6.0 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 following provides a summary of recent commercial and housing development, as well as major initiatives undertaken by the City to continue to foster a vibrant and strong local economy and high quality of life in Shoreview.

The Destination Shoreview 2040 Comprehensive Plan was officially made effective on passing of a resolution by the city Council at their January 18, 2022 meeting. This was a process that began in 2016 with extensive public engagement and the City Council adopting the updated plan in December of 2018. After three years of review and required technical revisions, the plan was approved by the Metropolitan Council in December, 2021. The Comprehensive Plan serves as a key policy document that guides future development to ensure it is consistent with the City's vision and needs of the community.

The City continues to see significant new commercial and residential development, reinvestment, and construction activity despite the impacts of the COVID-19 pandemic. In the past few years, Shoreview has added more than 1,200 market-rate apartments and townhomes in the City, greatly expanding the variety of housing choices that are available. The following residential developments have either been completed or under construction:

- Edison at Rice Creek - St. Louis-based JPL Development is developing a total of 401 rental housing units including 300 apartments and 101 townhomes and carriage homes. The City helped support 22 affordable units with the project through a local tax abatement. The final phase of a 150-unit apartment building and an additional 33 townhomes are currently under construction and scheduled to open by the end of 2022.
- Emrik SV - the second phase apartment building of the nearly \$90 million multi-family residential redevelopment project opened in November, 2021. Along with the first phase Loden SV, a total of 410 upscale apartments were constructed. The City is providing funding assistance to provide 24 affordable units within both phases.
- Midland Terrace - construction is nearing completion of a new apartment building within the Midland Terrace rental community. The project involved the tear down of an older 42-unit apartment building to be replaced with a new 103-unit building. The new building is being constructed adjacent to the luxury Lakeview Terrace building, and is expected to open by summer of 2022.

The following affordable housing initiatives have either been completed or are in process:

- The City, through our economic development authority, purchased properties at 902 and 910 County Road E and renovated the homes to repurpose as affordable family rentals.
- The City received a grant to acquire a forfeiture property at 5931 Lexington Avenue and working with a non-profit agency for up to 3 affordable units including a renovation of the existing house.
- The City is partnering with Rondo Community Land Trust and Habitat for Humanity-Twin Cities to develop 6 owner-occupied affordable units in 3 twin-homes in the northeast part of the community. The project has been awarded nearly \$1.4 million in grants through the Metropolitan Council, Ramsey County and Minnesota Housing Finance Agency.

The following housing policies and programs have either been completed or are in process:

- The economic development authority adopted the Shoreview Inclusionary Housing Policy in 2022. This policy promotes high quality housing for households with a variety of income levels, ages, and sizes in order to meet the City's goal of preserving and promoting economically diverse housing options in our community. The City recognizes the need to provide affordable housing to households of a broad range of income levels in order to maintain a diverse population and to provide housing for those who live or work in the City. Without intervention, the trend toward rising housing prices in new developments will continue to increase. As a result, this policy is being adopted to ensure that a reasonable proportion of each new multi-family development includes units affordable to low-and-moderate income households and working families. The requirements set forth in this policy further the City's housing goals and the City's comprehensive plan to create and preserve affordable housing opportunities. These requirements are intended to provide a structure for participation by both the public and private sectors in the production of affordable housing.
- Modified and enhanced Shoreview Home Improvement Loan and Down Payment Assistance programs to support reinvestment in the community.
- Created a pilot Manufactured Home Improvement program including forgiveness terms to assist owners within our only mobile home community.

At the direction of the economic development authority, with the support of the City council, the City engaged a consulting firm Stantec to undertake a Shoreview Housing Study. This comprehensive study was initiated to understand the housing inventory and market conditions more deeply, and to explore potential strategies and mechanisms to further the City's goals relative to providing a range of housing options for its residents. Key outcomes of the study included the following:

- Housing strategies were identified to address Shoreview's goals to provide a range of housing to meet the needs of its residents.
- Proposed strategies would diversify the housing inventory in the production of new housing, and in the preservation of important existing housing types.
- Proposed strategies relate to maintaining the condition of existing housing, preserving housing affordability, increasing the stock of affordable housing, and increasing the diversity of housing types.
- Implementation of this housing study will involve prioritization of strategies to reflect the City's view of their relative impact, their ease of implementation, and the availability of resources.

The city also continues to see redevelopment and growth in its business and commercial areas as summarized below:

- The Lex@4100 – a major redevelopment and upgrade to an older office building was completed in Shoreview Corporate Center campus at Lexington Avenue and County Road F. The City assisted with the renovations to modernize the corporate offices to convert it from a single user to a high-end multi-tenant facility. Once fully leased, the developer anticipates as many as 600 jobs at this site. The property owner, Eagle Ridge Partners, has submitted applications for the demolition and redevelopment of the 4100 east building (formerly 1050 County Road F) in the Shoreview Corporate Center. The existing 67,000 square foot building is vacant and substandard for corporate office or business use, and has been difficult to market. The redevelopment proposal would tear-down the 1050 building, altering the parking for the renovated Lex@4100 building, and creating a new building site in the center of the campus for another phase of multi-family apartments in partnership with Greco Development. This proposal is expected to be considered and approved in 2022.
- Nextek Development - Gradient Financial Group purchased and undertook major upgrades to a vacant medical office building at 4625 Churchill Street north of Hwy 96. Gradient moved their software division Nextek to the Shoreview location, and their growth plan projects up to 100 employees in the next several years. The project was financially supported with a grant from the City.
- Scannell Properties Site - Scannell Properties, a national developer, acquired the 50-acre campus formerly the home to Deluxe Corporation. Scannell is working with the City in developing a master plan for the redevelopment of this attractive property, which could include a mix of retail, multifamily housing, and business park development that will hopefully bring many additional jobs to the community. The City expects approvals of the master plan this year with construction starting in 2023.
- Rice Street Crossing - The City will be issuing a request for proposals seeking a developer to purchase and develop the City-owned 10-acre Rice Street Crossing property at the southwest corner of I-694 and Rice Street. The property was the site of the county maintenance facility for many years and was acquired by the City through special funding for the reconstruction of the bridge and interchange at Rice Street and I-694 (now complete). The City has received strong interest in the site and expects a selection of a developer by the end of 2022 with development occurring in 2023.

Other commercial projects that were approved and/or completed this past year include:

- Wells Fargo Operations Center building expansion, 1801 Park View Drive
- Mead Metals building expansion, 555 Cardigan Road
- Holiday Station Store, northwest corner of I-694 & Rice Street
- Churchill Street restaurant, 4606 Churchill Street
- Cafesjian Art Museum, 4600 Churchill Street

The City has expanded support and outreach efforts to the local business community, especially due to the economic challenges faced by businesses during the health pandemic in the past few years. These efforts include:

- Launched a new business-focused website called “[Think Shoreview.com](http://ThinkShoreview.com)” to serve as a one-stop resource for businesses and promote economic development.
- Established through the economic development authority the Shoreview Small Business Emergency Assistance program, issuing 55 grants during two rounds of funding totaling \$280,000 in assistance.
- Partnered with the BizRecycling program that provides free expert advice and grants up to \$10,000 to businesses to start or improve recycling efforts.
- Joined Open to Business program offering free advice and technical support to small businesses and entrepreneurs.
- Hosted several Business Webinars this past two years during COVID, including a county-wide event on business resources and Shoreview business event on Open to Business program, and workforce/labor shortage issues.
- Re-launched the Arden Hills-Shoreview Business Council quarterly business meetings in partnership with Arden Hills and Twin Cities North Chamber of Commerce.
- Co-host the Business Education Series – quarterly sessions in partnership with the cities of Shoreview, Maplewood, and Roseville and the Saint Paul Chamber.
- Created a new Shoreview Business Peer Advisory Group through the economic development commission. The program brings together business owners, executives, and entrepreneurs from Shoreview to exchange ideas and share experiences among each other in a safe and informal learning environment. The monthly group meetings are led by a member of the commission, an experienced business coach and facilitator.
- Host the Shoreview Business Hour social networking event for the business community twice a year providing an opportunity for business representatives to interact with City officials including the mayor and City Council.

The City experienced another very busy year with construction permits in 2021. Some of the highlights included:

- \$88,716,640 total building valuation in 2021, up from \$69 million in 2020.
- A total of 21 new single-family homes constructed in 2021.
- The City also issued 33 townhouse permits at the Edison (phase 4), which is currently under construction.

The following lists some of the larger projects the City issued permits for this past year:

- 150 unit apartment (Edison phase 3) at 5901 Rice Creek Parkway
- 103 unit apartment (Midland Terrace) at 3585 Owasso Street
- Warehouse addition (Mead Metals) at 555 Cardigan Road
- Restaurant (Churchill Street restaurant) at 4606 Churchill Street

- Exterior facade & drive-up delivery (Target) at 3800 Lexington Avenue
- Interior remodel (Wells Fargo) at 1801 Park View Drive
- Interior remodel (Allina Clinic) at 4194 Lexington Avenue

The City began 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 spring of 2022 and is 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 annual comprehensive financial report for the fiscal year ended December 31, 2020. This was the thirty-sixth 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 annual comprehensive 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 annual comprehensive 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,



Fred W. Espe
Finance Director/Treasurer



Deborah Maloney
Assistant Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Shoreview
Minnesota**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morill

Executive Director/CEO

CITY OF SHOREVIEW, MINNESOTA

Principal City Officials

December 31, 2021

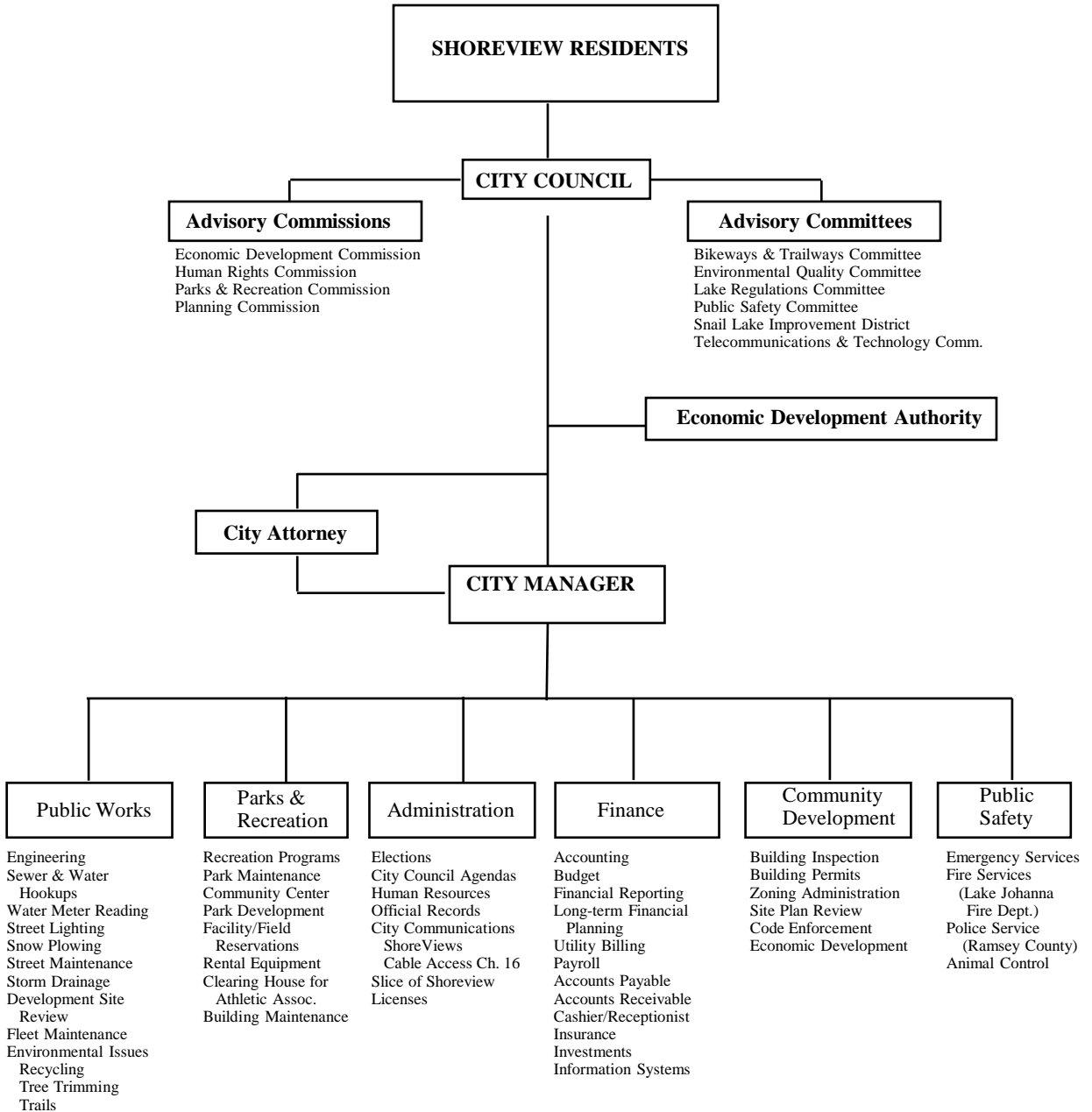
City Council

	<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 Brad Martens	December 6, 2021
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, 2021



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

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

OPINIONS

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, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

BASIS FOR OPINIONS

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

RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern within 12 months beyond the financial statements date, including any currently known information that may raise substantial doubt shortly thereafter.

(continued)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information (RSI), as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the 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.

(continued)

Supplementary 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 combining and individual nonmajor fund statements and schedules, as listed in the table of contents, are presented for purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory, other city financial information, and statistical sections, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 1, 2022, 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, 2022

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, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which 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 \$124,903,875 (net position). Of this amount, \$28,292,044 (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 \$8,679,812 as a result of a \$6,812,158 increase in net position for governmental activities and a \$1,867,654 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 \$21,933,143, an increase of \$1,886,050 in comparison with the prior year. Approximately 13.6 percent of this amount (\$2,986,743) is considered unassigned and available for spending at the City's discretion.
- The unassigned fund balance for the General Fund was \$5,256,575 or 43.5 percent of the total General Fund expenditures. Fund balance in the General Fund increased \$122,357 during the year.
- The City's total governmental activity bonded and certificate of participation debt decreased by \$1,965,000 (excluding premiums) from the prior year. The City did not issue any new governmental activity debt in 2021.
- During 2021, the City's business-type activity bonded debt decreased \$1,965,000 (excluding premiums) from the prior year. The City did not issue any new business-type activity debt in 2021. 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 (net of accumulated depreciation) increased \$1,987,709, or 2.3 percent for governmental activities, and increased \$432,005, or 0.8 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 II improvements (\$3,241,912), and infrastructure improvements related to the Edgetown Acres reconstruction project (\$2,030,000).

Overview of the Financial Statements

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

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

The Statement of Net Position presents information on all of the City's assets and liabilities, and deferred inflows/outflows (as applicable), with the differences reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

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

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

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

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements.

By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

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

Proprietary funds. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, surface water management, and street light operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its short-term disability self-insurance, liability claims, and central garage functions. Because each of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, sewer, surface water management, and street light operations, which are considered to be major funds of the City. Conversely, all three internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 29–31 of this report.

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

The basic fiduciary fund financial statements can be found on pages 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 \$124,903,875 at the close of the most recent fiscal year.

By far the largest portion of the City's net position (\$88,651,125 or 71.0 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	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 31,983,002	\$ 30,094,045	\$ 15,550,682	\$ 16,575,705	\$ 47,533,684	\$ 46,669,750
Capital assets	90,008,761	88,021,052	54,872,401	54,440,396	144,881,162	142,461,448
Total assets	\$ 121,991,763	\$ 118,115,097	\$ 70,423,083	\$ 71,016,101	\$ 192,414,846	\$ 189,131,198
Deferred outflows of resources	\$ 2,504,107	\$ 616,276	\$ 683,807	\$ 168,589	\$ 3,187,914	\$ 784,865
Long-term liabilities outstanding	\$ 29,995,777	\$ 33,351,595	\$ 26,750,167	\$ 29,520,450	\$ 56,745,944	\$ 62,872,045
Other liabilities	4,092,023	3,837,561	2,787,937	2,741,636	6,879,960	6,579,197
Total liabilities	\$ 34,087,800	\$ 37,189,156	\$ 29,538,104	\$ 32,262,086	\$ 63,625,904	\$ 69,451,242
Deferred inflows of resources	\$ 6,242,739	\$ 4,189,044	\$ 830,242	\$ 51,714	\$ 7,072,981	\$ 4,240,758
Net position						
Net investment in capital assets	\$ 61,634,118	\$ 57,978,651	\$ 27,017,007	\$ 25,874,728	\$ 88,651,125	\$ 83,853,379
Restricted	7,873,448	7,067,639	87,258	95,090	7,960,706	7,162,729
Unrestricted	14,657,765	12,306,883	13,634,279	12,901,072	28,292,044	25,207,955
Total net position	\$ 84,165,331	\$ 77,353,173	\$ 40,738,544	\$ 38,870,890	\$ 124,903,875	\$ 116,224,063

An additional portion of the City's net position (\$7,960,706 or 6.4 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$28,292,044 or 22.6 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 \$8,679,812 (7.5 percent) from \$116,224,063 at December 31, 2020 to \$124,903,875 at December 31, 2021. Governmental activities increased \$6,812,158 (8.8 percent) from the prior year while the business-type activities increased \$1,867,654 (4.8 percent) during the same period.

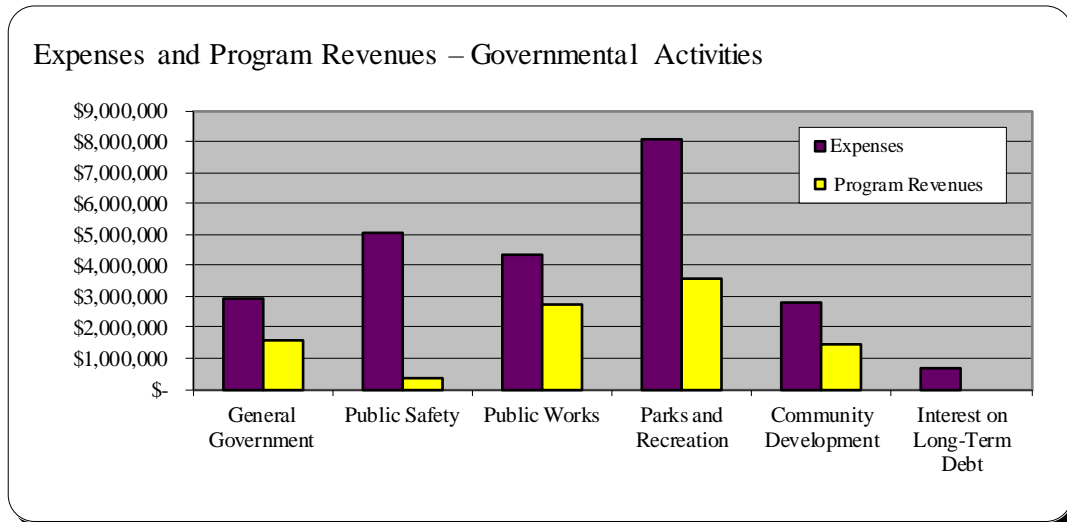
Fluctuations in deferred outflows and inflows and long-term liabilities is due mainly, to changes in the City's proportionate share of the state-wide pension benefits.

Governmental activities. Governmental activities increased the City's net position by \$6,812,158. Key elements of this increase are as follows:

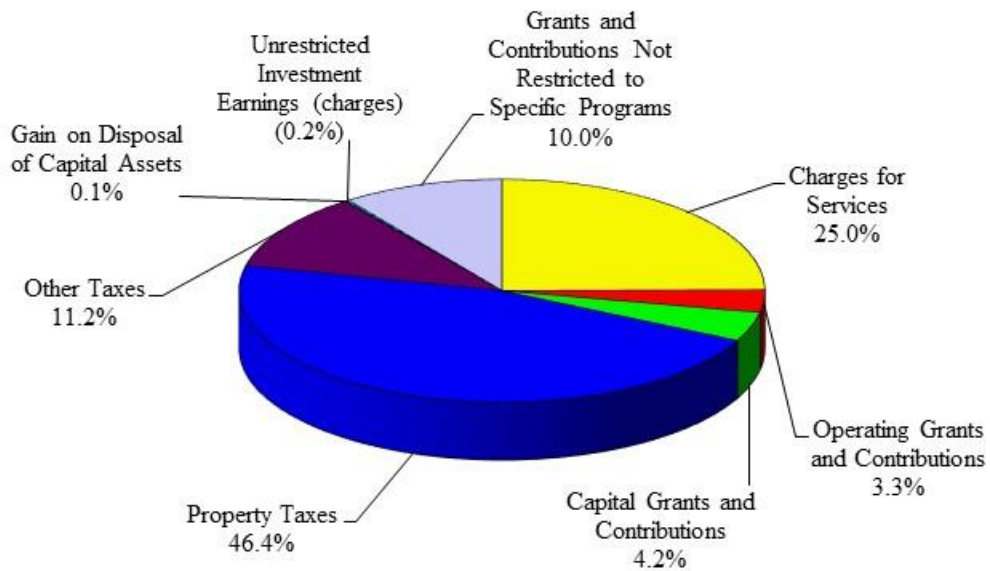
	City of Shoreview's Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues						
Program revenues						
Charges for services	\$ 7,468,449	\$ 5,705,688	\$ 12,293,968	\$ 11,170,029	\$ 19,762,417	\$ 16,875,717
Operating grants and contributions	976,484	910,572	6,086	7,864	982,570	918,436
Capital grants and contributions	1,266,920	1,371,401	–	8,091	1,266,920	1,379,492
General revenues						
Property taxes	13,890,264	12,945,692	–	–	13,890,264	12,945,692
Tax increment collections	1,754,624	1,631,801	–	–	1,754,624	1,631,801
Franchise tax	1,603,203	1,248,483	–	–	1,603,203	1,248,483
Grants and contributions not restricted to specific programs	2,982,350	2,035,827	–	–	2,982,350	2,035,827
Unrestricted investment earnings (charges)	(57,592)	502,407	(30,764)	130,168	(88,356)	632,575
Gain on disposal of capital assets	14,143	70,694	–	–	14,143	70,694
Total revenues	<u>29,898,845</u>	<u>26,422,565</u>	<u>12,269,290</u>	<u>11,316,152</u>	<u>42,168,135</u>	<u>37,738,717</u>
Expenses						
General government	2,934,432	3,026,853	–	–	2,934,432	3,026,853
Public safety	5,055,046	5,309,626	–	–	5,055,046	5,309,626
Public works	4,347,558	4,872,473	–	–	4,347,558	4,872,473
Parks and recreation	8,069,134	7,112,278	–	–	8,069,134	7,112,278
Community development	2,793,289	2,329,567	–	–	2,793,289	2,329,567
Interest on long-term debt	664,312	716,615	–	–	664,312	716,615
Water	–	–	3,354,801	3,330,641	3,354,801	3,330,641
Sewer	–	–	4,240,960	4,361,002	4,240,960	4,361,002
Surface water	–	–	1,639,956	1,607,915	1,639,956	1,607,915
Street lights	–	–	388,835	384,425	388,835	384,425
Total expenses	<u>23,863,771</u>	<u>23,367,412</u>	<u>9,624,552</u>	<u>9,683,983</u>	<u>33,488,323</u>	<u>33,051,395</u>
Increase (decrease) in net position before transfers	6,035,074	3,055,153	2,644,738	1,632,169	8,679,812	4,687,322
Transfers	777,084	(669,174)	(777,084)	669,174	–	–
Increase (decrease) in net position	6,812,158	2,385,979	1,867,654	2,301,343	8,679,812	4,687,322
Net position – January 1	77,353,173	74,967,194	38,870,890	36,569,547	116,224,063	111,536,741
Net position – December 31	<u>\$ 84,165,331</u>	<u>\$ 77,353,173</u>	<u>\$ 40,738,544</u>	<u>\$ 38,870,890</u>	<u>\$ 124,903,875</u>	<u>\$ 116,224,063</u>

- Charges for services for governmental activities increased \$1,762,761 (30.9 percent) during the year. A significant portion of this increase is due to park and recreation revenue increases of \$1,622,085 from 2020 to 2021 (104.1 percent). Parks and recreation revenue declined significantly in 2020, due to service disruptions and facility closures as a result of the COVID-19 pandemic. Increases in community development charges are a result of increased building activity in 2021.
- Operating grants and contributions increased \$65,912 (7.2 percent) during the year. Significant changes from 2020 to 2021 included a \$58,963 increase in parks and recreation. The parks and recreation increase is 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 \$104,481 (7.6 percent) during the year. Changes from 2020 to 2021 included a \$13,018 decrease in parks and recreation and a \$91,463 decrease in public works. The parks and recreation decrease is mainly due to park dedication fees. The public works decrease is mainly due to decreased State of Minnesota highway construction aid.
- Property taxes for governmental activities increased by \$944,572 (7.3 percent) during the year, due to levy increases for the General Fund, permanent Capital Project Funds, the Edison tax abatement levy and Special Revenue Funds.
- Tax increment collections for governmental activities increased by \$122,823 (7.5 percent), primarily due to property value increases.
- Franchise tax revenue for governmental activities increased \$354,720 (28.4 percent) primarily due to an increase in the gas and electric franchise fee rate.
- Grants and Contributions not restricted to specific programs increased by \$946,523 (46.5 percent) primarily as a result of Federal American Rescue Plan Act funding.
- Investment earnings decreased by \$559,999 (111.5 percent) during the year, primarily due to year-end adjustments to fair value.
- General government expenses decreased by \$92,421 (3.1 percent) during the year. A significant portion of the decrease was related to information technology costs.
- Public safety expenses decreased by \$254,580 (4.8 percent) during the year. A significant portion of the decrease is related to COVID-19 pandemic costs in 2020 that were not present in 2021.
- Public works expenses decreased by \$524,915 (10.8 percent) during the year. The decrease is due primarily to a reduction in losses on the disposal of fixed assets in 2021.
- Parks and recreation expenses increased \$956,856 (13.5 percent) during the year. The increase is due mainly, to increased service levels in 2021 as the effects of the COVID-19 pandemic ease.
- Community development expenses increased by \$463,722 (19.9 percent) during the year. A significant portion of the increase is the result of business assistance in response to the COVID-19 pandemic and increased developer assistance payments in TIF Districts in 2021.
- Interest on long-term debt decreased by \$52,303 (7.3 percent) during the year.
- Governmental activities reported net transfers of \$777,084 from business-type activities.

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



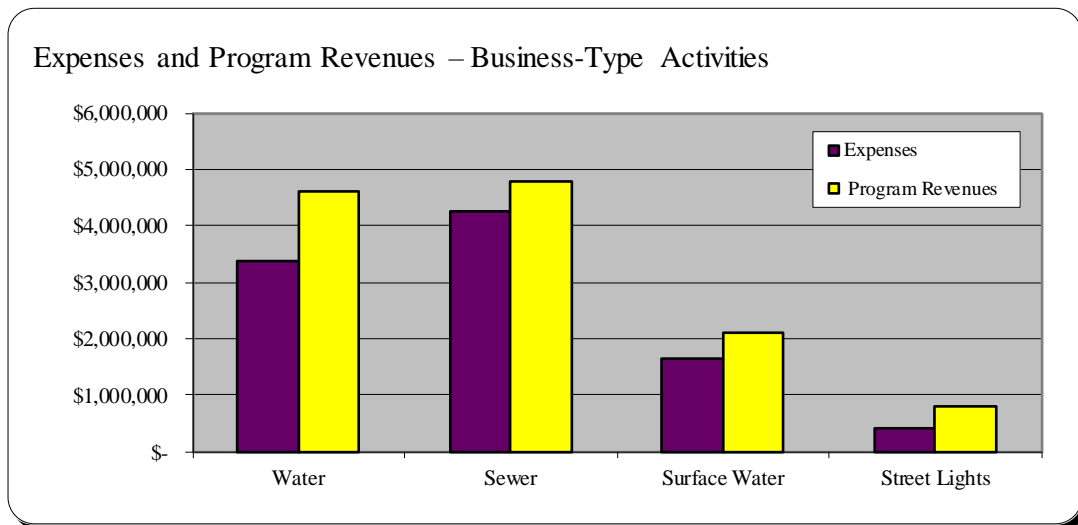
Governmental Activities – Revenues



Business-type activities. Business-type activities increased the City’s net position by \$1,867,654. Key elements of this increase are as follows:

- Charges for services for business-type activities increased \$1,123,939 (10.1 percent). Water operations increased \$793,652 (20.9 percent); this increase was due to a water rate increase of 9.8 percent for the average residential customer, and a 10.5 percent increase in the gallons of water sold during the year. Sewer operations increased \$187,432 (4.1 percent); rates increased 2.0 percent and winter residential water consumption increased 3.4 percent, which provides the basis for residential sewer charges, connection charges increased \$21,336. Surface Water operations increased \$97,166 (4.8 percent), due to a 3.0 percent rate increase. Street Light operations increased \$45,689 (6.1 percent), due to the impact of a street light rate increase of 5 percent.
- Operating grants and contributions provided \$6,086 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 (\$2,229) and a water efficiency grant (\$3,857).
- Expenses for business-type activities decreased \$59,431 (0.6 percent). A significant portion of the decrease was a result of lower sewage treatment costs (\$133,396).
- Business-type activities reported net transfers of \$777,084 to governmental activities.

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



Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$21,933,143, an increase of \$1,886,050 in comparison with the prior year. Approximately 13.6 percent of this amount (\$2,986,743) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is classified as non-spendable in the form of prepaid items, restricted, committed, or assigned for specific activities and projects. These amounts are not available for new spending because they are restricted by externally imposed constraints or committed and assigned through internally imposed constraints.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$5,256,575. 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 43.5 percent of total General Fund expenditures, while total fund balance represents 51.1 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 2022 are \$530,119 more than in 2021; consequently, the unassigned General Fund balance for working capital increased \$265,060 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 \$12,989,865, which results in an unassigned fund balance for unanticipated expenditures of \$1,298,987 (an increase of \$68,525). As of year-end, the City has met its maximum unassigned unanticipated expenditure fund balance.
- The maximum unassigned fund balance is equal to the combined unassigned working capital and unanticipated expenditure fund balances less any nonspendable items. The total for the current fiscal year is \$5,256,575, as compared to \$4,998,626 for the previous year, an increase of \$257,949 (due to an increase of nonspendable items of \$75,636).

The Community Center Operation Fund balance increased \$1,293,527 and the Recreation Programs Fund balance increased \$333,152, the increases are attributable to increased services as the disruptions associated with the COVID-19 pandemic have started to ease and transfers from the General Fund.

Fund balances for the Municipal State Aid, Street Renewal, Capital Asset Replacement, and Community Investment Funds are designed to fluctuate between years depending on the type of operating repairs and capital costs in any given year. Revenues of the Street Renewal and Capital Asset Replacement Funds are designed to change gradually from one year to the next, providing a stable revenue stream to support repair and replacement costs that vary due to type, size, and scope. The fund balance of the Municipal State Aid Fund increased \$549,987, due to state aid and earnings on investments (charges) exceeding transfers out for costs related to the Owasso Boulevard North Reconstruction project. The fund balance of the Street Renewal Fund decreased \$253,858. 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 Edgetown Acres Reconstruction project costs. Operating expenditures are for an annual street condition survey. In accordance with the General Fund, fund balance policy, a \$500,000 transfer was made into the Street Renewal Fund to build up fund balance. Fund balance increased \$1,004,122 in the Capital Asset Replacement Fund. Significant expenditures in 2021 included various community center and park and recreation repairs and supplies in the amount of \$302,354, and public safety expenditures in the amount of \$270,060 paid to the Lake Johanna Fire Department for the City's share of capital costs and \$27,860 for the replacement of a warning siren and public works trail sealcoating in the amount of \$44,152. 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) and computer acquisitions (\$303,025). In accordance with the General Fund, fund balance policy, a \$600,000 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 decreased \$1,695,281. Significant expenditures include operating costs in the amount of \$66,255 for Community Center and park improvements and capital expenditures for Community Center improvements (\$14,967), park improvements (\$198,672) and Commons Master Plan Phase II improvements (\$3,241,912). 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). In accordance with the General Fund, fund balance policy, a \$481,509 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.

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 \$3,976,366 for water, \$5,349,294 for sewer, \$2,901,217 for surface water management, and \$1,296,831 for street lights. Water Fund net position increased \$815,824, primarily due to increased summer irrigation and a rate increase. Sewer Fund net position increased \$333,802, primarily due to a rate increase. Surface Water Fund net position increased \$338,935, primarily due to a rate increase and contributions. The Street Lights Fund net position increased \$386,333, primarily as a result of a rate increase and contributions.

General Fund Budgetary Highlights

Total General Fund revenues were \$3,900,153 more than estimated in the budget. Property taxes were over budget by \$94,972, due to the settlement of prior year's tax appeals. Licenses and permits surpassed anticipated levels by \$691,340, primarily due to building permits and the city's policy to conservatively budget this revenue source, intergovernmental revenues exceeded budget by \$3,035,428, due to Federal State and Local Fiscal Recovery Funds revenue, state fire aid and state road maintenance aid, charges for services surpassed anticipated levels by \$164,318, primarily as a result of plan check fees.

Total General Fund expenditures were under budget by \$213,713 (1.7 percent). Within general government, human resources was under budget, due to a vacant position, communications was under budget, due to a vacant position and newsletter costs and 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 (\$3,991,509) 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, 2021 amounts to \$144,881,162 (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 1.7 percent (a 2.3 percent increase for governmental activities and a 0.8 percent increase for business-type activities).

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

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 7,084,410	\$ 7,084,410	\$ 325,202	\$ 325,202	\$ 7,409,612	\$ 7,409,612
Buildings and structures	40,782,742	41,630,014	14,717,257	15,136,090	55,499,999	56,766,104
Machinery and equipment	4,633,811	5,096,257	1,388,020	1,495,126	6,021,831	6,591,383
Distribution and collection systems	—	—	31,224,466	32,390,527	31,224,466	32,390,527
Infrastructure	25,884,951	27,802,878	—	—	25,884,951	27,802,878
Construction in progress	11,622,847	6,407,493	7,217,456	5,093,451	18,840,303	11,500,944
Total	<u>\$ 90,008,761</u>	<u>\$ 88,021,052</u>	<u>\$ 54,872,401</u>	<u>\$ 54,440,396</u>	<u>\$ 144,881,162</u>	<u>\$ 142,461,448</u>

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

- A variety of capital assets for governmental activities were completed at a cumulative cost of \$697,641. Construction in progress at year-end for governmental activities is \$11,622,847.
- Various capital assets for business-type activities were completed at a cumulative cost of \$88,154. Construction in progress for business-type activities as of the end of the current fiscal year is \$7,217,456.

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 \$48,215,000 (excluding unamortized premiums), a decrease of \$3,500,000 from 2020. The entire bonded debt amount is backed by the full faith and credit of the City. An additional \$900,000 of outstanding certificates of participation financed building improvements and a \$5,195,035 loan payable financed land acquisition. Unamortized premium on City debt totaled \$2,041,819. The liability for compensated absences totals \$530,018. The City's net pension liability is \$4,219,203.

City of Shoreview's Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
General obligation improvement bonds	\$ 2,520,069	\$ 2,728,840	\$ —	\$ —	\$ 2,520,069	\$ 2,728,840
General obligation bonds	19,692,544	21,110,246	—	—	19,692,544	21,110,246
General obligation revenue bonds	—	—	28,044,206	30,123,529	28,044,206	30,123,529
Loans payable	5,195,035	5,195,035	—	—	5,195,035	5,195,035
Certificates of participation	900,000	1,330,000	—	—	900,000	1,330,000
Compensated absences	405,847	404,735	124,171	118,180	530,018	522,915
Net pension liability	3,314,183	4,566,405	905,020	1,249,190	4,219,203	5,815,595
Total	<u>\$ 32,027,678</u>	<u>\$ 35,335,261</u>	<u>\$ 29,073,397</u>	<u>\$ 31,490,899</u>	<u>\$ 61,101,075</u>	<u>\$ 66,826,160</u>

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 \$112,341,837. The City's net debt applicable to this limit totals \$7,204,348.

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 2021 annual average unemployment rate (not seasonally adjusted) for the City was 2.7 percent, which compares favorably to 3.4 percent unemployment for the state of Minnesota, and 5.3 percent unemployment nationally.
- The current property tax collection rate for the current period is 99.5 percent.
- Building permit activity in the current period resulted in permit valuation equal to \$88.7 million. New residential and commercial construction accounted for 71 percent of building permit values. Reinvestment in homes through improvements to property by homeowners accounted for 20 percent of building permit values, and commercial property accounted for the remaining 9 percent of building permit values.
- The 2022 adopted levy supports the 2022 budget.

All of these factors were considered in preparing the City's budget for the 2022 fiscal year.

Water, sewer, surface water management, and street light rates were increased for the 2022 budget year. The increase for the average customer was 6.0 percent for water, 4.0 percent for sewer, 6.0 percent for surface water management, and 4.0 percent for street lights. The total impact on the average residential customer is estimated to be 4.9 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 2021, and is expected to continue to impact the City's finances and operations in fiscal 2022 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**

BASIC FINANCIAL STATEMENTS

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CITY OF SHOREVIEW, MINNESOTA
Statement of Net Position
December 31, 2021

Statement 1

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	\$ 26,512,587	\$ 12,454,099	\$ 38,966,686
Accrued interest receivable	62,132	23,303	85,435
Accounts receivable	528,485	2,735,537	3,264,022
Loan receivable	164,559	–	164,559
Taxes receivable	346,774	–	346,774
Special assessments receivable	1,619,407	18,876	1,638,283
Internal balances	(110,571)	110,571	–
Due from other governmental units	1,903,489	10,490	1,913,979
Prepaid items	956,140	197,806	1,153,946
Capital assets			
Nondepreciable	18,707,257	7,542,658	26,249,915
Depreciable (net of accumulated depreciation)	71,301,504	47,329,743	118,631,247
Total assets	<u>121,991,763</u>	<u>70,423,083</u>	<u>192,414,846</u>
Deferred outflows of resources			
Deferred pension resources	2,504,107	683,807	3,187,914
Liabilities			
Accounts payable	397,073	90,442	487,515
Salaries payable	153,915	40,086	194,001
Contracts payable	110,776	–	110,776
Accrued bond interest payable	306,881	310,456	617,337
Deposits payable	784,206	18,183	802,389
Due to other governmental units	60,015	5,540	65,555
Unearned revenue	247,256	–	247,256
Compensated absences payable			
Due within one year	26,901	8,230	35,131
Due in more than one year	378,946	115,941	494,887
Loan payable			
Due in more than one year	5,195,035	–	5,195,035
Certificates of participation payable			
Due within one year	440,000	–	440,000
Due in more than one year	460,000	–	460,000
Bonds payable			
Due within one year	1,565,000	2,315,000	3,880,000
Due in more than one year	20,647,613	25,729,206	46,376,819
Net pension liability			
Due in more than one year	3,314,183	905,020	4,219,203
Total liabilities	<u>34,087,800</u>	<u>29,538,104</u>	<u>63,625,904</u>
Deferred inflows of resources			
State aid received for subsequent years	3,202,386	–	3,202,386
Deferred pension resources	3,040,353	830,242	3,870,595
Total deferred inflows of resources	<u>6,242,739</u>	<u>830,242</u>	<u>7,072,981</u>
Net position			
Net investment in capital assets	61,634,118	27,017,007	88,651,125
Restricted for			
Cable television	79,972	–	79,972
Debt service	2,859,150	–	2,859,150
Economic development	83,993	–	83,993
Housing and redevelopment	258,216	–	258,216
Recycling	1,057,664	–	1,057,664
Trunk facility	–	87,258	87,258
Tax increment purposes	3,130,489	–	3,130,489
Tax abatement	42,957	–	42,957
Infrastructure improvements	361,007	–	361,007
Unrestricted	14,657,765	13,634,279	28,292,044
Total net position	<u>\$ 84,165,331</u>	<u>\$ 40,738,544</u>	<u>\$ 124,903,875</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, 2021

	<u>Expenses</u>	<u>Charges For Services</u>
Functions/programs		
Primary government		
Governmental activities		
General government	\$ 2,934,432	\$ 1,537,641
Public safety	5,055,046	36,945
Public works	4,347,558	1,259,366
Parks and recreation	8,069,134	3,180,362
Community development	2,793,289	1,454,135
Interest on long-term debt	664,312	-
Total governmental activities	<u>23,863,771</u>	<u>7,468,449</u>
Business-type activities		
Water	3,354,801	4,592,272
Sewer	4,240,960	4,791,667
Surface water	1,639,956	2,114,438
Street lights	388,835	795,591
Total business-type activities	<u>9,624,552</u>	<u>12,293,968</u>
Total primary government	<u>\$ 33,488,323</u>	<u>\$ 19,762,417</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
\$ 26,741	\$ –	\$ (1,370,050)	\$ –	\$ (1,370,050)
328,031	–	(4,690,070)	–	(4,690,070)
347,159	1,133,588	(1,607,445)	–	(1,607,445)
269,991	133,332	(4,485,449)	–	(4,485,449)
4,562	–	(1,334,592)	–	(1,334,592)
–	–	(664,312)	–	(664,312)
<u>976,484</u>	<u>1,266,920</u>	<u>(14,151,918)</u>	<u>–</u>	<u>(14,151,918)</u>
4,788	–	–	1,242,259	1,242,259
812	–	–	551,519	551,519
486	–	–	474,968	474,968
–	–	–	406,756	406,756
<u>6,086</u>	<u>–</u>	<u>–</u>	<u>2,675,502</u>	<u>2,675,502</u>
<u>\$ 982,570</u>	<u>\$ 1,266,920</u>	<u>(14,151,918)</u>	<u>2,675,502</u>	<u>(11,476,416)</u>
General revenues				
Property taxes		13,890,264	–	13,890,264
Tax increment collections		1,754,624	–	1,754,624
Franchise tax		1,603,203	–	1,603,203
Grants and contributions not restricted to specific programs		2,982,350	–	2,982,350
Unrestricted investment earnings (charges)		(57,592)	(30,764)	(88,356)
Gain on disposal of capital assets		14,143	–	14,143
Transfers		<u>777,084</u>	<u>(777,084)</u>	<u>–</u>
Total general revenues and transfers		<u>20,964,076</u>	<u>(807,848)</u>	<u>20,156,228</u>
Change in net position		<u>6,812,158</u>	<u>1,867,654</u>	<u>8,679,812</u>
Net position – beginning		<u>77,353,173</u>	<u>38,870,890</u>	<u>116,224,063</u>
Net position – ending		<u>\$ 84,165,331</u>	<u>\$ 40,738,544</u>	<u>\$ 124,903,875</u>

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

CITY OF SHOREVIEW, MINNESOTA

Balance Sheet

Governmental Funds

December 31, 2021

	General	Community Center Operation	Recreation Programs	Municipal State Aid
Assets				
Cash and investments	\$ 4,342,043	\$ 2,109,504	\$ 1,011,419	\$ 1,401,895
Accrued interest receivable	11,698	1,081	1,857	4,270
Accounts receivable (net of allowance for uncollectibles)	28,284	13,175	8,836	-
Loan receivable	-	-	-	-
Taxes receivable	234,113	-	-	-
Special assessments receivable	12,008	-	-	-
Interfund receivable	-	-	-	-
Due from other governmental units	1,492,967	297	-	-
Prepaid items	922,305	10,657	6,029	-
Total assets	\$ 7,043,418	\$ 2,134,714	\$ 1,028,141	\$ 1,406,165
Liabilities				
Accounts payable	\$ 79,685	\$ 88,862	\$ 19,294	\$ -
Salaries payable	90,714	35,367	15,062	-
Contracts payable	-	-	-	-
Deposits payable	593,422	189,784	-	-
Interfund payable	-	-	-	-
Due to other governmental units	35,023	24,611	381	-
Unearned revenue	-	-	-	-
Total liabilities	798,844	338,624	34,737	-
Deferred inflows of resources				
Unavailable revenue – loan receivable	-	-	-	-
Unavailable revenue – property taxes	65,694	-	-	-
Unavailable revenue – special assessments	-	-	-	-
State aid received for subsequent years	-	-	-	3,202,386
Total deferred inflows of resources	65,694	-	-	3,202,386
Fund balances (deficits)				
Nonspendable	922,305	10,657	6,029	-
Restricted	-	-	-	-
Committed	-	1,785,433	987,375	-
Assigned	-	-	-	-
Unassigned	5,256,575	-	-	(1,796,221)
Total fund balances (deficits)	6,178,880	1,796,090	993,404	(1,796,221)
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 7,043,418	\$ 2,134,714	\$ 1,028,141	\$ 1,406,165

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

Statement 3

Street Renewal	Capital Asset Replacement	Community Investment	Other Governmental Funds	Intra- Activity Eliminations	Total Governmental Funds
\$ 2,089,416	\$ 2,254,723	\$ 2,704,804	\$ 7,271,256	\$ -	\$ 23,185,060
6,917	3,700	10,771	14,302	-	54,596
-	3,290	320,814	110,281	-	484,680
-	-	-	164,559	-	164,559
26,277	43,130	-	38,605	-	342,125
174,048	-	-	1,433,351	-	1,619,407
-	-	-	667,982	(667,982)	-
-	-	-	410,225	-	1,903,489
-	-	-	15,453	-	954,444
<u>\$ 2,296,658</u>	<u>\$ 2,304,843</u>	<u>\$ 3,036,389</u>	<u>\$ 10,126,014</u>	<u>\$ (667,982)</u>	<u>\$ 28,708,360</u>
\$ -	\$ 9,321	\$ 19,260	\$ 148,251	\$ -	\$ 364,673
-	-	-	7,374	-	148,517
-	-	66,504	44,272	-	110,776
-	-	-	1,000	-	784,206
-	-	-	667,982	(667,982)	-
-	-	-	-	-	60,015
-	-	247,256	-	-	247,256
-	9,321	333,020	868,879	(667,982)	1,715,443
-	-	-	164,559	-	164,559
7,455	12,107	-	11,957	-	97,213
171,401	-	-	1,424,215	-	1,595,616
-	-	-	-	-	3,202,386
<u>178,856</u>	<u>12,107</u>	<u>-</u>	<u>1,600,731</u>	<u>-</u>	<u>5,059,774</u>
-	-	-	15,453	-	954,444
-	-	-	6,643,000	-	6,643,000
2,117,802	2,283,415	2,703,369	287,535	-	10,164,929
-	-	-	1,184,027	-	1,184,027
-	-	-	(473,611)	-	2,986,743
<u>2,117,802</u>	<u>2,283,415</u>	<u>2,703,369</u>	<u>7,656,404</u>	<u>-</u>	<u>21,933,143</u>
<u>\$ 2,296,658</u>	<u>\$ 2,304,843</u>	<u>\$ 3,036,389</u>	<u>\$ 10,126,014</u>	<u>\$ (667,982)</u>	<u>\$ 28,708,360</u>
Fund balance reported above					\$ 21,933,143
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.					83,407,781
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.					1,857,388
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.					6,513,939
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.					(25,820,509)
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.					(3,726,411)
Net position of governmental activities					<u>\$ 84,165,331</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, 2021

	General	Community Center Operation	Recreation Programs	Municipal State Aid
Revenues				
Taxes				
General property taxes	\$ 9,374,638	\$ -	\$ -	\$ -
Tax increments	-	-	-	-
Franchise tax	-	-	-	-
Special assessments	-	-	-	-
Licenses and permits	1,126,540	-	-	-
Intergovernmental	3,598,428	-	-	797,614
Charges for services	1,665,718	1,913,591	1,237,191	-
Fines and forfeits	36,685	-	-	-
Earnings on investments (charges)	(15,698)	(1,456)	(2,502)	(5,753)
Billboard fees	-	-	-	-
Antenna fees	-	-	-	-
Park dedication fees	-	-	-	-
Other	18,458	3,500	-	-
Total revenues	<u>15,804,769</u>	<u>1,915,635</u>	<u>1,234,689</u>	<u>791,861</u>
Expenditures				
Current				
General government	2,524,430	-	-	-
Public safety	4,699,927	-	-	-
Public works	1,736,204	-	-	-
Parks and recreation	2,324,355	2,907,108	1,451,537	-
Community development	805,987	-	-	-
Capital outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Parks and recreation	-	-	-	-
Community development	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Fiscal charges	-	-	-	-
Total expenditures	<u>12,090,903</u>	<u>2,907,108</u>	<u>1,451,537</u>	<u>-</u>
Revenues over (under) expenditures	<u>3,713,866</u>	<u>(991,473)</u>	<u>(216,848)</u>	<u>791,861</u>
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Transfers in	945,000	2,285,000	550,000	-
Transfers out	(4,536,509)	-	-	(241,874)
Total other financing sources (uses)	<u>(3,591,509)</u>	<u>2,285,000</u>	<u>550,000</u>	<u>(241,874)</u>
Net change in fund balances	122,357	1,293,527	333,152	549,987
Fund balances (deficits) – January 1	6,056,523	502,563	660,252	(2,346,208)
Fund balances (deficits) – December 31	<u>\$ 6,178,880</u>	<u>\$ 1,796,090</u>	<u>\$ 993,404</u>	<u>\$ (1,796,221)</u>

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

Statement 4

Street Renewal	Capital Asset Replacement	Community Investment	Other Governmental Funds	Intra- Activity Eliminations	Total Governmental Funds
\$ 1,049,901	\$ 1,725,757	\$ -	\$ 1,531,190	\$ -	\$13,681,486
-	-	-	1,753,114	-	1,753,114
-	-	1,210,286	392,917	-	1,603,203
40,349	-	-	317,332	-	357,681
-	-	-	-	-	1,126,540
-	-	-	294,696	-	4,690,738
-	10,000	-	932,973	-	5,759,473
-	-	-	-	-	36,685
(9,318)	(4,984)	(14,512)	6,784	-	(47,439)
-	-	61,863	-	-	61,863
-	-	454,047	-	-	454,047
-	-	118,332	-	-	118,332
-	-	17,000	71,838	-	110,796
<u>1,080,932</u>	<u>1,730,773</u>	<u>1,847,016</u>	<u>5,300,844</u>	<u>-</u>	<u>29,706,519</u>
-	-	-	262,363	-	2,786,793
-	270,060	-	-	-	4,969,987
4,790	44,152	-	681,686	-	2,466,832
-	302,354	66,255	226,246	-	7,277,855
-	-	-	2,064,494	-	2,870,481
-	-	-	272,520	-	272,520
-	27,860	-	-	-	27,860
-	-	-	2,033,690	-	2,033,690
-	-	3,455,551	-	-	3,455,551
-	-	-	55,878	-	55,878
-	-	-	1,665,000	-	1,665,000
-	-	-	677,096	-	677,096
-	-	-	6,726	-	6,726
<u>4,790</u>	<u>644,426</u>	<u>3,521,806</u>	<u>7,945,699</u>	<u>-</u>	<u>28,566,269</u>
<u>1,076,142</u>	<u>1,086,347</u>	<u>(1,674,790)</u>	<u>(2,644,855)</u>	<u>-</u>	<u>1,140,250</u>
-	800	-	-	-	800
500,000	600,000	481,509	3,441,034	(8,057,543)	745,000
(1,830,000)	(683,025)	(502,000)	(264,135)	8,057,543	-
<u>(1,330,000)</u>	<u>(82,225)</u>	<u>(20,491)</u>	<u>3,176,899</u>	<u>-</u>	<u>745,800</u>
(253,858)	1,004,122	(1,695,281)	532,044	-	1,886,050
2,371,660	1,279,293	4,398,650	7,124,360	-	20,047,093
<u>\$ 2,117,802</u>	<u>\$ 2,283,415</u>	<u>\$ 2,703,369</u>	<u>\$ 7,656,404</u>	<u>\$ -</u>	<u>\$21,933,143</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, 2021

Statement 5

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

Net change in fund balances – total governmental funds.	\$ 1,886,050
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.	2,922,480
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.	(217,670)
Revenues in the Statement of Activities that do not provide current financial resources and are not reported as revenues in the funds.	41,768
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas material amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	1,744,604
Long-term pension activity is not reported in governmental funds.	287,827
The transfer out of governmental capital assets contributed to enterprise funds.	(87,316)
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.	14,837
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>219,578</u>
Change in net position of governmental activities.	<u><u>\$ 6,812,158</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, 2021

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	\$ 3,791,861	\$ 4,658,119	\$ 2,823,248	\$ 1,180,871	\$ 12,454,099	\$ 3,327,527
Accrued interest receivable	5,493	10,293	4,735	2,782	23,303	7,536
Accounts receivable						
Customers	863,484	1,072,770	495,877	117,872	2,550,003	43,805
Customer accounts certified to county	63,892	79,607	29,288	12,747	185,534	–
Taxes receivable	–	–	–	–	–	4,649
Due from other governmental units	1,087	2,844	6,215	344	10,490	–
Prepaid items	7,017	186,910	3,521	358	197,806	1,696
Total current assets	4,732,834	6,010,543	3,362,884	1,314,974	15,421,235	3,385,213
Noncurrent assets						
Special assessments receivable	7,188	10,427	912	349	18,876	–
Capital assets						
Land	27,577	11,459	286,166	–	325,202	36,293
Buildings and structures	19,181,579	2,080,742	–	–	21,262,321	6,929,379
Machinery and equipment	2,579,239	87,475	8,538	723	2,675,975	7,087,338
Distribution and collection systems	21,972,045	15,279,472	16,928,184	3,528,992	57,708,693	–
Construction in progress	1,455,150	2,813,574	2,468,818	479,914	7,217,456	–
Total capital assets	45,215,590	20,272,722	19,691,706	4,009,629	89,189,647	14,053,010
Less accumulated depreciation	(18,236,277)	(9,895,985)	(4,705,683)	(1,479,301)	(34,317,246)	(7,452,030)
Total capital assets (net of accumulated depreciation)	26,979,313	10,376,737	14,986,023	2,530,328	54,872,401	6,600,980
Total noncurrent assets	26,986,501	10,387,164	14,986,935	2,530,677	54,891,277	6,600,980
Total assets	31,719,335	16,397,707	18,349,819	3,845,651	70,312,512	9,986,193
Deferred outflows of resources						
Deferred pension resources	285,637	248,976	149,194	–	683,807	80,654
Liabilities						
Current liabilities						
Accounts payable	44,525	29,999	1,345	14,573	90,442	32,400
Salaries payable	16,272	14,315	8,595	904	40,086	5,398
Accrued bond interest payable	191,982	62,002	56,472	–	310,456	35,484
Deposits payable	18,183	–	–	–	18,183	–
Due to other governmental units	2,749	–	2,791	–	5,540	–
Compensated absences payable	3,363	3,024	1,643	200	8,230	891
Bonds payable	1,365,000	475,000	475,000	–	2,315,000	310,000
Total current liabilities	1,642,074	584,340	545,846	15,677	2,787,937	384,173
Noncurrent liabilities						
Compensated absences payable (net of current portion)	47,373	42,601	23,152	2,815	115,941	12,554
Bonds payable (net of current portion)	15,406,157	5,544,044	4,779,005	–	25,729,206	2,840,938
Net pension liability	378,041	329,520	197,459	–	905,020	106,746
Total noncurrent liabilities	15,831,571	5,916,165	4,999,616	2,815	26,750,167	2,960,238
Total liabilities	17,473,645	6,500,505	5,545,462	18,492	29,538,104	3,344,411
Deferred inflows of resources						
Deferred pension resources	346,805	302,293	181,144	–	830,242	97,926
Net position						
Net investment in capital assets	10,208,156	4,407,333	9,871,190	2,530,328	27,017,007	3,439,345
Restricted for trunk facility	–	87,258	–	–	87,258	–
Unrestricted	3,976,366	5,349,294	2,901,217	1,296,831	13,523,708	3,185,165
Total net position	\$ 14,184,522	\$ 9,843,885	\$ 12,772,407	\$ 3,827,159	40,627,973	\$ 6,624,510
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					110,571	
Net position of business-type activities					<u>\$ 40,738,544</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, 2021

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	\$ 4,560,684	\$ 4,787,964	\$ 2,100,843	\$ 795,490	\$ 12,244,981	\$ 1,423,908
Water meter sales	24,477	–	–	–	24,477	–
Other	7,111	3,703	13,595	101	24,510	–
Total operating revenues	4,592,272	4,791,667	2,114,438	795,591	12,293,968	1,423,908
Operating expenses						
MCES sewer service charges	–	2,043,308	–	–	2,043,308	–
Administrative charges	256,070	385,450	122,820	40,000	804,340	–
Personal services	873,382	761,827	471,782	52,708	2,159,699	258,609
Materials and supplies	75,228	24,369	15,167	7,190	121,954	262,677
Water meters	18,502	–	–	–	18,502	–
Contractual services	514,105	518,923	554,486	30,231	1,617,745	181,532
Utilities	221,920	13,079	10,527	145,918	391,444	26,742
Insurance	10,729	20,885	2,773	257	34,644	19,456
Depreciation	971,916	346,940	349,492	111,806	1,780,154	755,478
Total operating expenses	2,941,852	4,114,781	1,527,047	388,110	8,971,790	1,504,494
Operating income (loss)	1,650,420	676,886	587,391	407,481	3,322,178	(80,586)
Nonoperating revenues (expenses)						
General property taxes	–	–	–	–	–	186,090
Earnings on investments (charges)	(7,261)	(13,612)	(6,143)	(3,748)	(30,764)	(10,153)
Intergovernmental revenue	4,788	812	486	–	6,086	263
Gain on sale of capital assets	–	–	–	–	–	13,343
Other	–	–	–	–	–	58,409
Interest	(402,072)	(121,193)	(112,843)	–	(636,108)	(74,044)
Fiscal charges	(7,051)	(1,091)	(1,272)	–	(9,414)	(384)
Total nonoperating revenues (expenses)	(411,596)	(135,084)	(119,772)	(3,748)	(670,200)	173,524
Income (loss) before contributions and transfers	1,238,824	541,802	467,619	403,733	2,651,978	92,938
Contributions	–	–	62,316	25,000	87,316	–
Transfers						
Transfers in	–	–	–	–	–	119,400
Transfers out	(423,000)	(208,000)	(191,000)	(42,400)	(864,400)	–
Total transfers	(423,000)	(208,000)	(191,000)	(42,400)	(864,400)	119,400
Change in net position	815,824	333,802	338,935	386,333	1,874,894	212,338
Net position – January 1,	13,368,698	9,510,083	12,433,472	3,440,826	38,753,079	6,412,172
Net position – December 31	<u>\$ 14,184,522</u>	<u>\$ 9,843,885</u>	<u>\$ 12,772,407</u>	<u>\$ 3,827,159</u>	<u>\$ 40,627,973</u>	<u>\$ 6,624,510</u>
Change in net position reported above					\$ 1,874,894	
Amounts reported for business-type activities in the Statement of Activities are different because:						
Transfer in of capital assets from governmental activities.					87,316	
Governmental activities contribution revenue reported above					(87,316)	
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.					(7,240)	
Change in net position of business-type activities					\$ 1,867,654	

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, 2021

Statement 8

	Business-Type Activities – Enterprise Funds				Totals Current Year	Governmental
	Water	Sewer	Surface Water	Street Lights		Internal Service Funds
Cash flows from operating activities						
Receipts from customers and users	\$ 4,465,952	\$ 4,696,503	\$ 2,058,301	\$ 784,456	\$12,005,212	\$ –
Receipts from interfund services provided	–	–	–	–	–	1,423,908
Payments to suppliers	(834,916)	(2,633,080)	(585,124)	(196,363)	(4,249,483)	(485,415)
Payments to employees	(909,616)	(795,017)	(470,852)	(52,453)	(2,227,938)	(257,073)
Payments for interfund services used	(256,070)	(385,450)	(122,820)	(40,000)	(804,340)	–
Miscellaneous revenue	3,883	812	486	–	5,181	58,672
Net cash flows from operating activities	<u>2,469,233</u>	<u>883,768</u>	<u>879,991</u>	<u>495,640</u>	<u>4,728,632</u>	<u>740,092</u>
Cash flows from noncapital financing activities						
Transfer to other funds	(423,000)	(208,000)	(191,000)	(42,400)	(864,400)	–
Cash flows from capital and related financing activities						
Acquisition and construction of capital assets	(189,750)	(1,213,739)	(965,614)	(107,914)	(2,477,017)	(144,115)
Receipts from taxpayers	–	–	–	–	–	185,679
Transfers from other funds	–	–	–	–	–	119,400
Principal paid on capital debt	(1,205,000)	(290,000)	(470,000)	–	(1,965,000)	(300,000)
Interest and paying agent fees on capital debt	(468,394)	(128,647)	(124,904)	–	(721,945)	(90,047)
Net cash flows from capital and related financing activities	<u>(1,863,144)</u>	<u>(1,632,386)</u>	<u>(1,560,518)</u>	<u>(107,914)</u>	<u>(5,163,962)</u>	<u>(229,083)</u>
Cash flows from investing activities						
Earnings on investments and changes in fair value on investments	(8,284)	(15,090)	(6,206)	(3,859)	(33,439)	(11,357)
Net change in cash and cash equivalents	174,805	(971,708)	(877,733)	341,467	(1,333,169)	499,652
Cash and cash equivalents – January 1	3,617,056	5,629,827	3,700,981	839,404	13,787,268	2,827,875
Cash and cash equivalents – December 31	<u>\$ 3,791,861</u>	<u>\$ 4,658,119</u>	<u>\$ 2,823,248</u>	<u>\$ 1,180,871</u>	<u>\$ 12,454,099</u>	<u>\$ 3,327,527</u>
Reconciliation of operating income (loss) to net cash flows from operating activities						
Operating income (loss)	\$ 1,650,420	\$ 676,886	\$ 587,391	\$ 407,481	\$ 3,322,178	\$ (80,586)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities						
Miscellaneous revenue	3,883	812	486	–	5,181	58,672
Depreciation	971,916	346,940	349,492	111,806	1,780,154	755,478
Decrease (increase) in receivables	(126,320)	(95,164)	(56,137)	(11,135)	(288,756)	(1,343)
Decrease (increase) in prepaid items	(4,697)	(14,474)	(3,521)	(358)	(23,050)	(1,696)
Decrease (increase) in deferred outflows	(214,136)	(186,344)	(114,738)	–	(515,218)	(62,053)
Increase (decrease) in payables	(136,705)	(127,969)	(53,557)	(12,154)	(330,385)	(20,600)
Increase (decrease) in deferred inflows	324,872	283,081	170,575	–	778,528	92,220
Total adjustments	818,813	206,882	292,600	88,159	1,406,454	820,678
Net cash flows from operating activities	<u>\$ 2,469,233</u>	<u>\$ 883,768</u>	<u>\$ 879,991</u>	<u>\$ 495,640</u>	<u>\$ 4,728,632</u>	<u>\$ 740,092</u>
Noncash investing, capital, and financing activities						
Contributions of capital assets –						
Governmental funds	\$ –	\$ –	\$ 62,316	\$ 25,000	\$ 87,316	\$ –
Capital asset purchase on account –						
Accounts payable	–	16,756	(9,932)	–	6,824	10,697
Contracts payable	–	–	(358,998)	–	(358,998)	–
Accounts receivable –						
Proceeds from sales of capital assets	–	–	–	–	–	42,462
Due from other governmental units –						
Miscellaneous revenue	905	–	–	–	905	–
Taxes receivable	–	–	–	–	–	411

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

CITY OF SHOREVIEW, MINNESOTA

Statement of Fiduciary Net Position

Fiduciary Fund

December 31, 2021

Statement 9

	<u>Custodial Fund</u>
Assets	
Cash and investments	\$ 346,390
Accrued interest receivable	<u>680</u>
Total assets	<u>347,070</u>
Net position	
Restricted for other organizations	<u>\$ 347,070</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, 2021

Statement 10

	<u>Custodial Fund</u>
Additions	
Earnings on investments (charges)	<u>\$ (1,364)</u>
Net change in fiduciary net position	(1,364)
Net position - beginning	<u>348,434</u>
Net position - ending	<u><u>\$ 347,070</u></u>

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

CITY OF SHOREVIEW

Notes to Financial Statements
December 31, 2021

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, 2021

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, 2021

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

The government reports the following major governmental funds:

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

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

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

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

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

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

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

The government reports the following major proprietary funds:

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

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

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

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

CITY OF SHOREVIEW

Notes to Financial Statements
December 31, 2021

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.

CITY OF SHOREVIEW

Notes to Financial Statements
December 31, 2021

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

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

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Over Budget</u>
Nonmajor funds			
Special revenue funds			
Economic Development Authority	\$ 165,986	\$ 473,465	\$ 307,479
Housing and Redevelopment Authority	238,566	285,184	46,618

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

F. CASH AND INVESTMENTS

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

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

CITY OF SHOREVIEW

Notes to Financial Statements
December 31, 2021

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 2021 totaled \$1,188,616. 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.

CITY OF SHOREVIEW

Notes to Financial Statements
December 31, 2021

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.

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2021

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 in actuarial assumptions, changes in proportion, net collective differences between projected and actual investment 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.

CITY OF SHOREVIEW

Notes to Financial Statements
December 31, 2021

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 (\$25,820,509) difference are as follows:

Long-term debt payable	\$ (24,220,035)
Issuance premium	(936,675)
Accrued interest payable	(271,397)
Compensated absences	<u>(392,402)</u>
Net adjustment to reduce fund balances – total governmental funds to arrive at net position – governmental activities	<u>\$ (25,820,509)</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 \$6,513,939 difference are as follows:

Net position of the internal service funds	\$ 6,624,510
Add: Internal payable representing charges in excess of costs to business-type activities – prior years	(117,811)
Add: Internal receivable representing costs in excess of charges to business-type activities – current year	<u>7,240</u>
Net adjustment to increase fund balances – total governmental funds to arrive at net position – governmental activities	<u>\$ 6,513,939</u>

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2021

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 (\$3,726,411) difference are as follows:

Deferred outflows of pension resources	\$ 2,423,453
Long-term net pension liability	(3,207,437)
Deferred inflows of pension resources	<u>(2,942,427)</u>
Net adjustment to reduce fund balances – total governmental funds to arrive at net position – governmental activities	<u>\$ (3,726,411)</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 \$2,922,480 difference are as follows:

Capital outlay	\$ 5,845,499
Depreciation expense	<u>(2,923,019)</u>
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 2,922,480</u>

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2021

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 \$41,768 difference are as follows:

Loan receivable deferred inflow of resources	
At December 31, 2020	\$ (125,282)
At December 31, 2021	164,559
Property taxes deferred inflow of resources	
At December 31, 2020	(73,015)
At December 31, 2021	97,213
Special assessments deferred inflow of resources	
At December 31, 2020	(1,617,323)
At December 31, 2021	<u>1,595,616</u>
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 41,768</u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the long-term debt consumes the current financial resources of governmental funds.” Neither transaction, however, has any effect on net position. The details of this \$1,744,604 difference are as follows:

Principal repayments	
General obligation improvement bonds	\$ 195,000
General obligation street reconstruction bonds	525,000
General obligation tax abatement bonds	515,000
Certificates of participation	430,000
Premium/discount on debt issuance	<u>79,604</u>
Net adjustment to net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 1,744,604</u>

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2021

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 \$14,837 difference are as follows:

Compensated absences	\$ 503
Accrued interest	<u>14,334</u>
Net adjustment to net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	<u><u>\$ 14,837</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.

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2021

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

At year-end, the carrying amount of the City's deposits was \$22,161 and the bank balance was \$22,161. 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, 2021, the City had the following cash and investments:

Investment Type	Concentration	Fair Value	Interest Risk – Maturity Duration in Years			Carrying Amount at Fair Value
	Risk		Measurement	Less Than	1 to 5	
	Over 5%	Using	1 Year	Years	Years	
	of Portfolio					
Federal Home Loan Bank	**	Level 2	\$ –	\$ 1,137,661	\$ –	\$ 1,137,661
Federal Farm Credit Bank	**	Level 2	–	1,335,067	–	1,335,067
Municipal bonds	**	Level 2	2,484,178	11,343,433	913,742	14,741,353
Marketable certificates of deposit	**	Level 2	1,178,934	5,017,335	238,133	6,434,402
Investment pools/mutual funds						
Minnesota Municipal Money Market						
4M Fund	N/A	Amortized Cost	8,941,869	–	–	8,941,869
4M Plus Fund	N/A	Amortized Cost	4,508,075	–	–	4,508,075
Western Asset Institutional Govt.	N/A	Level 1	169,404	–	–	169,404
First American Government Oblig.	N/A	Level 1	1,990,194	–	–	1,990,194
Wells Fargo Advantage Government Money Market Fund	N/A	Level 1	19,730	–	–	19,730
Total investments			<u>\$ 19,292,384</u>	<u>\$ 18,833,496</u>	<u>\$ 1,151,875</u>	39,277,755
Deposits						22,161
Petty cash						13,160
Totals						<u>\$ 39,313,076</u>
Government-wide Statement of Net Position						
Cash and investments						\$ 38,966,686
Statement of Fiduciary Net Position – Custodial Fund						
Cash and investments						346,390
Totals						<u>\$ 39,313,076</u>

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

N/A – Not Applicable

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

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

CITY OF SHOREVIEW

Notes to Financial Statements
December 31, 2021

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, 2021, 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 and AA by Standard & Poor’s Ratings Services in the amount of \$1,221,133, \$5,306,371, \$1,067,035, \$380,763, \$959,824 and \$5,806,227, respectively.

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2021

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, 2021 are as follows:

	Accounts Receivable	Certified Utility Accounts Receivable	Utility Customer Accounts Receivable	Delinquent Property Taxes	Special Assessment Receivable	Total
Major funds						
General	\$ 15,328	\$ –	\$ –	\$ 31,796	\$ –	\$ 47,124
Street Renewal	–	–	–	3,608	147,509	151,117
Capital Asset Replacement	–	–	–	5,860	–	5,860
Water	–	13,478	65,161	–	2,977	81,616
Sewer	–	16,793	79,164	–	8,168	104,125
Surface Water	–	6,178	35,644	–	97	41,919
Street Lights	–	2,689	13,426	–	–	16,115
Nonmajor governmental funds	–	–	–	5,699	1,307,622	1,313,321
	<u>\$ 15,328</u>	<u>\$ 39,138</u>	<u>\$ 193,395</u>	<u>\$ 46,963</u>	<u>\$ 1,466,373</u>	<u>\$ 1,761,197</u>

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2021

Note 5 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Adjustments	Ending Balance
Primary government					
Governmental activities					
Capital assets, not being depreciated					
Land	\$ 7,084,410	\$ —	\$ —	\$ —	\$ 7,084,410
Construction in progress	6,407,493	5,441,077	—	(225,723)	11,622,847
Total capital assets, not being depreciated	<u>13,491,903</u>	<u>5,441,077</u>	<u>—</u>	<u>(225,723)</u>	<u>18,707,257</u>
Capital assets, being depreciated					
Building and structures	58,267,300	169,487	16,006	225,723	58,646,504
Machinery and equipment	11,721,252	302,431	329,009	—	11,694,674
Infrastructure	66,123,435	—	266,153	—	65,857,282
Total capital assets, being depreciated	<u>136,111,987</u>	<u>471,918</u>	<u>611,168</u>	<u>225,723</u>	<u>136,198,460</u>
Less accumulated depreciation for					
Building and structures	16,637,286	1,236,801	10,325	—	17,863,762
Machinery and equipment	6,624,995	735,758	299,890	—	7,060,863
Infrastructure	38,320,557	1,705,938	54,164	—	39,972,331
Total accumulated depreciation	<u>61,582,838</u>	<u>3,678,497</u>	<u>364,379</u>	<u>—</u>	<u>64,896,956</u>
Total capital assets being depreciated – net	<u>74,529,149</u>	<u>(3,206,579)</u>	<u>246,789</u>	<u>225,723</u>	<u>71,301,504</u>
Governmental activities capital assets – net	<u>\$ 88,021,052</u>	<u>\$ 2,234,498</u>	<u>\$ 246,789</u>	<u>\$ —</u>	<u>\$ 90,008,761</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	5,093,451	2,124,005	—	—	7,217,456
Total capital assets, not being depreciated	<u>5,418,653</u>	<u>2,124,005</u>	<u>—</u>	<u>—</u>	<u>7,542,658</u>
Capital assets, being depreciated					
Building and structures	21,174,167	88,154	—	—	21,262,321
Machinery and equipment	2,675,975	—	—	—	2,675,975
Distribution and collection systems	57,708,693	—	—	—	57,708,693
Total capital assets, being depreciated	<u>81,558,835</u>	<u>88,154</u>	<u>—</u>	<u>—</u>	<u>81,646,989</u>
Less accumulated depreciation for					
Building and structures	6,038,077	506,987	—	—	6,545,064
Machinery and equipment	1,180,849	107,106	—	—	1,287,955
Distribution and collection systems	25,318,166	1,166,061	—	—	26,484,227
Total accumulated depreciation	<u>32,537,092</u>	<u>1,780,154</u>	<u>—</u>	<u>—</u>	<u>34,317,246</u>
Total capital assets being depreciated – net	<u>49,021,743</u>	<u>(1,692,000)</u>	<u>—</u>	<u>—</u>	<u>47,329,743</u>
Business-type activities capital assets – net	<u>\$ 54,440,396</u>	<u>\$ 432,005</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 54,872,401</u>

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2021

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

Governmental activities	
General government	\$ 204,505
Public safety	79,378
Public works	1,714,227
Parks and recreation	919,423
Community development	5,486
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets	<u>755,478</u>
Total depreciation expense – governmental activities	<u><u>\$ 3,678,497</u></u>
Business-type activities	
Water	\$ 971,916
Sewer	346,940
Surface water	349,492
Street lights	<u>111,806</u>
Total depreciation expense – business-type activities	<u><u>\$ 1,780,154</u></u>

COMMITMENTS

At December 31, 2021, 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>
Commons Master Plan Phase II	\$ 812,733
Owasso Blvd N Reconstruction	<u>209,797</u>
	<u><u>\$ 1,022,530</u></u>

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2021

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, 2021, the governmental activities long-term debt of the City consisted of the following:

	Issue Date	Final Maturity Date	Interest Rate	Authorized and Issued	Outstanding 12/31/2021
G.O. improvement bonds					
2013 Refunding Improvement Bonds	03/06/2013	02/01/2022	2.00 %	\$ 235,000	\$ 10,000
2013 Improvement Bonds	12/05/2013	02/01/2035	3.00-4.00	1,775,000	1,260,000
2014 Refunding Improvement Bonds	12/04/2014	02/01/2022	2.00-3.00	100,000	15,000
2015 Improvement Bonds	09/17/2015	02/01/2026	2.00-4.00	295,000	165,000
2018 Refunding Improvement Bonds	12/27/2018	02/01/2025	5.00	150,000	105,000
2020 Improvement Bonds	11/24/2020	02/01/2036	1.00-5.00	850,000	850,000
Total G.O. improvement bonds				<u>3,405,000</u>	<u>2,405,000</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	210,000
G.O. Street Reconstruction Bonds of 2013	03/06/2013	02/01/2028	2.00-2.375	2,415,000	1,215,000
G.O. Capital Improvement Plan Refunding Bonds of 2014	12/04/2014	02/01/2030	2.00-3.00	4,670,000	3,055,000
G.O. Tax Abatement Bonds of 2017	11/16/2017	02/01/2038	3.00-5.00	12,865,000	11,425,000
G.O. Street Reconstruction Bonds of 2018	12/27/2018	02/01/2034	3.00-5.00	3,180,000	2,870,000
Total other G.O. improvement bonds				<u>24,510,000</u>	<u>18,775,000</u>
Unamortized premium	N/A	N/A	N/A	N/A	1,032,613
Loan payable					
Metropolitan Right-of-Way Acquisition Loan Fund	09/26/2006	N/A	-	6,000,000	5,195,035
Certificates of participation					
Refunding Certificates of Participation 2011	04/01/2011	08/01/2023	2.00-3.75	4,620,000	900,000
Compensated absences	N/A	N/A	N/A	N/A	405,847
Net pension liability	N/A	N/A	N/A	N/A	3,314,183
Total city indebtedness – governmental activities				<u>\$ 38,535,000</u>	<u>\$ 32,027,678</u>

N/A – Not Applicable

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2021

BUSINESS-TYPE ACTIVITIES

As of December 31, 2021, 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 12/31/2021
G.O. revenue bonds					
Water Revenue Bonds of 2007	11/01/2007	02/01/2023	3.50-4.15 %	\$ 845,000	\$ 145,000
Sewer Revenue Bonds of 2007	11/01/2007	02/01/2023	3.50-4.15	260,000	45,000
Surface Water Revenue Bonds of 2007	11/01/2007	02/01/2023	3.50-4.15	600,000	100,000
Water Revenue Bonds of 2013A	03/06/2013	02/01/2023	2.00	775,000	170,000
Surface Water Revenue Bonds of 2013A	03/06/2013	02/01/2023	2.00	960,000	205,000
Water Refunding Revenue Bonds of 2013B	03/06/2013	02/01/2022	2.00	610,000	70,000
Sewer Refunding Revenue Bonds of 2013B	03/06/2013	02/01/2022	2.00	285,000	25,000
Water Revenue Bonds of 2013C	12/05/2013	02/01/2024	3.00	305,000	95,000
Surface Water Revenue Bonds of 2013C	12/05/2013	02/01/2024	3.00	190,000	60,000
Water Refunding Revenue Bonds of 2014	12/04/2014	02/01/2026	2.00-3.00	915,000	440,000
Sewer Refunding Revenue Bonds of 2014	12/04/2014	02/01/2026	2.00-3.00	730,000	340,000
Surface Water Refunding Revenue Bonds of 2014	12/04/2014	02/01/2026	2.00-3.00	265,000	130,000
Water Revenue Bonds of 2015	09/17/2015	02/01/2036	2.00-4.00	6,885,000	5,430,000
Sewer Revenue Bonds of 2015	09/17/2015	02/01/2031	2.00-4.00	1,650,000	1,180,000
Surface Water Revenue Bonds of 2015	09/17/2015	02/01/2031	2.00-4.00	860,000	615,000
Water Revenue Bonds of 2016	01/14/2016	02/01/2036	2.00-3.00	6,995,000	5,405,000
Sewer Revenue Bonds of 2016	01/14/2016	02/01/2031	2.00-3.00	230,000	155,000
Surface Water Revenue Bonds of 2016	01/14/2016	02/01/2031	2.00-3.00	380,000	260,000
Water Refunding Revenue Bonds of 2018	12/27/2018	02/01/2025	5.00	1,010,000	715,000
Sewer Refunding Revenue Bonds of 2018	12/27/2018	02/01/2025	5.00	245,000	170,000
Surface Water Refunding Revenue Bonds of 2018	12/27/2018	02/01/2025	5.00	100,000	70,000
Water Revenue Bonds of 2018	12/27/2018	02/01/2034	3.00-5.00	1,585,000	1,430,000
Sewer Revenue Bonds of 2018	12/27/2018	02/01/2029	3.00-5.00	345,000	285,000
Surface Water Revenue Bonds of 2018	12/27/2018	02/01/2034	3.00-5.00	1,020,000	920,000
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				<u>36,620,000</u>	<u>27,035,000</u>
Unamortized premium	N/A	N/A	N/A	N/A	1,009,206
Compensated absences payable	N/A	N/A	N/A	N/A	124,171
Net pension liability	N/A	N/A	N/A	N/A	905,020
Total city indebtedness – business-type activities				<u>\$ 36,620,000</u>	<u>\$ 29,073,397</u>

N/A – Not Applicable

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2021

GOVERNMENTAL ACTIVITIES

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

Year Ending December 31,	G.O. Improvement Bonds		Other G.O. Improvement Bonds		Certificates of Participation	
	Governmental Activities		Governmental Activities		Governmental Activities	
	Principal	Interest	Principal	Interest	Principal	Interest
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	<u>\$ 2,405,000</u>	<u>\$ 460,645</u>	<u>\$ 18,775,000</u>	<u>\$ 4,549,463</u>	<u>\$ 900,000</u>	<u>\$ 51,000</u>

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

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

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2021

BUSINESS-TYPE ACTIVITIES

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

Year Ending December 31,	G.O. Revenue Bonds	
	Business-Type Activities	
	Principal	Interest
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>\$ 27,035,000</u>	<u>\$ 4,654,530</u>

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

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2021

CHANGE IN LONG-TERM LIABILITIES

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

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental activities					
Bonds payable					
G.O. improvement bonds	\$ 2,600,000	\$ –	\$ 195,000	\$ 2,405,000	\$ 185,000
Other G.O. improvement bonds	20,115,000	–	1,340,000	18,775,000	1,380,000
Premium	1,124,086	–	91,473	1,032,613	–
Total bonds payable	<u>23,839,086</u>	<u>–</u>	<u>1,626,473</u>	<u>22,212,613</u>	<u>1,565,000</u>
Loan payable	5,195,035	–	–	5,195,035	–
Certificates of participation	1,330,000	–	430,000	900,000	440,000
Compensated absences	404,735	472,604	471,492	405,847	26,901
Net pension liability	4,566,405	3,201,272	4,453,494	3,314,183	–
Total governmental activity long-term liabilities	<u>\$ 35,335,261</u>	<u>\$ 3,673,876</u>	<u>\$ 6,981,459</u>	<u>\$ 32,027,678</u>	<u>\$ 2,031,901</u>
Business-type activities					
G.O. revenue bonds	\$ 29,000,000	\$ –	\$ 1,965,000	\$ 27,035,000	\$ 2,315,000
Premium	1,123,529	–	114,323	1,009,206	–
Total bonds payable	<u>30,123,529</u>	<u>–</u>	<u>2,079,323</u>	<u>28,044,206</u>	<u>2,315,000</u>
Compensated absences	118,180	150,245	144,254	124,171	8,230
Net pension liability	1,249,190	871,965	1,216,135	905,020	–
Total business-type activity long-term liabilities	<u>\$ 31,490,899</u>	<u>\$ 1,022,210</u>	<u>\$ 3,439,712</u>	<u>\$ 29,073,397</u>	<u>\$ 2,323,230</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, 2021 is backed by the full faith and credit of the City, including improvement, other improvement, and revenue bonds. Delinquent assessments receivable at December 31, 2021 totaled \$3,407.

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

Notes to Financial Statements
December 31, 2021

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, 2021. Future scheduled tax levies for all bonds outstanding at December 31, 2021 totaled \$11,155,854.

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.

In addition to pay-as-you-go tax increment revenue notes, the City in order to provide affordable rental housing opportunities has entered into private development agreements regarding certain housing developments. These agreements may in substance be a tax abatement but will depend on their individual circumstances. The City has established a tax abatement program and currently has two agreements that would be considered a tax abatement under GASB Statement No. 77. Included in the developer agreements are provisions for tax abatement in accordance with Minnesota Statute, Chapter 469. These agreements provide for the payment of tax abatement at set terms. The tax abatement agreements are not general obligations of the City and are payable solely from available property tax collections (repayment is required only if sufficient property tax payments are received) and the agreement is cancelled at the end of the repayment term, whether or not the amount stated in the agreement 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 tax increment 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, 2021, was \$1,065,280 and the City rebated \$168,965 in the current year. The outstanding principal balance on Note 2 was \$527,000 and the City did not have any rebate in the current year.

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

In 2013 the City entered into a development agreement with Lakeview Terrace, LLC to assist the developer with the financing of certain costs associated with the Lakeview Terrace apartment project within TIF District #8. For this agreement, the City used an economic development vehicle known as tax increment financing whereby tax increment

CITY OF SHOREVIEW

Notes to Financial Statements
December 31, 2021

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, 2021, was \$1,381,616 and the City rebated \$197,358 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 abated 90 percent of incremental taxes received through execution of the tax increment revenue pay-as-you-go note which was retired in 2021. The outstanding principal balance as of December 31, 2021, was \$0 and the City rebated \$90,272 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, 2021, was \$2,478,009 and the City rebated \$355,572 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, 2021, was \$7,400,000 and the City rebated \$382,765 in the current year.

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

CITY OF SHOREVIEW

Notes to Financial Statements
December 31, 2021

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.

Details of the tax abatement agreements are as follows:

Edison Tax Abatement Phase I

In 2021 the City entered into a tax abatement agreement with KJPL Shoreview LLC to assist the developer with the financing of certain costs associated with the Edison phase I housing project. For this agreement, the City used an economic development vehicle known as tax abatement whereby the City's share of real estate taxes is abated in accordance with state statute section 469. The City has agreed to reimburse the developer \$43,000 annually for a period up to twenty years beginning with real estate taxes payable in 2022, for a total reimbursement not to exceed \$860,000. The City rebated \$0 in the current year.

Edison Tax Abatement Phase II

In 2021 the City entered into a tax abatement agreement with KJPL Shoreview Two LLC to assist the developer with the financing of certain costs associated with the Edison phase II housing project. For this agreement, the City used an economic development vehicle known as tax abatement whereby the City's share of real estate taxes is abated in accordance with state statute section 469. The City has agreed to reimburse the developer \$39,000 annually for a period up to twenty years beginning with real estate taxes payable in 2024, for a total reimbursement not to exceed \$780,000. The City rebated \$0 in the current year.

The City is authorized to grant a tax abatement under Minnesota Statute, Chapter 469.1812 to 469.1815. The criteria that must be met under the statute are that, in the opinion of the municipality:

- The project is in the public interest because it will preserve and increase tax base and provide for employment opportunities within the City;
- The City expects that the benefits of the abatement are not less than the cost of the abatement;

CITY OF SHOREVIEW

Notes to Financial Statements
December 31, 2021

- The project is not located in a tax increment district; and
- The granting of the abatement will not cause the aggregate amount of abatements granted by the City under the Act in any year to exceed the greater of (i) ten percent of the City's net tax capacity for the taxes payable year to which the abatement applies or (ii) \$200,000.

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, 2021, the following pledges were in place:

G.O. Capital Improvement Plan Refunding Bonds of 2014

The City pledged \$1,073,350 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 63 percent of the revenue stream, and \$3,465,006 of the pledge commitment remains outstanding.

G.O. Water Revenue Bonds

The City pledged \$2,196,863 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 water system infrastructure improvements and has a final maturity date of years 2022–2036. The pledged revenues represent 48 percent of the revenue stream, and \$19,401,522 of the pledge commitment remains outstanding.

G.O. Sewer Revenue Bonds

The City pledged \$803,026 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 17 percent of the revenue stream, and \$6,516,517 of the pledge commitment remains outstanding.

G.O. Surface Water Revenue Bonds

The City pledged \$739,956 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 35 percent of the revenue stream, and \$5,771,491 of the pledge commitment remains outstanding.

Refunding Certificates of Participation of 2011

The City pledged \$460,357 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

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2021

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 \$951,000 of the pledge commitment remains outstanding.

G.O. Tax Abatement Bonds of 2017

The City pledged \$858,918 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 \$14,786,550 of the pledge commitment remains outstanding.

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

Bond Issue	Gross Revenue	Direct Operating Expenses	Available Net Revenue	Debt Service Requirements		
				Principal	Interest and Paying Agent Fees	Total
G.O. Capital Improvement Plan Refunding Bonds of 2014	\$ 1,711,895	\$ 638,545 *	\$ 1,073,350	\$ 300,000	\$ 74,428	\$ 374,428
G.O. Water Revenue Bonds	4,589,799	2,392,936 *	2,196,863	1,205,000	409,123	1,614,123
G.O. Sewer Revenue Bonds	4,778,867	3,975,841 *	803,026	290,000	122,284	412,284
G.O. Surface Water Revenue Bonds	2,108,511	1,368,555 *	739,956	470,000	114,115	584,115
Refunding Certificates of Participation of 2011	460,357	–	460,357	430,000	53,255	483,255
G.O. Tax Abatement Bonds of 2017	858,918	–	858,918	515,000	413,675	928,675
	<u>\$ 14,508,347</u>	<u>\$ 8,375,877</u>	<u>\$ 6,132,470</u>	<u>\$ 3,210,000</u>	<u>\$ 1,186,880</u>	<u>\$ 4,396,880</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 plan administered by the Public Employees Retirement Association (PERA) of Minnesota. The PERA’s defined benefit pension plan is established and administered in accordance with Minnesota Statutes, Chapters 353 and 356. The PERA’s defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code (IRC).

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

CITY OF SHOREVIEW

Notes to Financial Statements

December 31, 2021

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 for each of the first 10 years of service and 1.7 percent for each additional year. Under Method 2, the accrual rate for Coordinated Plan members is 1.7 percent 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 is 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. 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.

GERF Contributions

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2021. 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, 2021 were \$544,303. The City's contributions were equal to the required contributions as set by state statute.

D. Pension Costs

GERF Pension Costs

At December 31, 2021, the City reported a liability of \$4,219,203 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 state of Minnesota's proportionate share of the pension liability associated with the City totaled \$128,824. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by the PERA during the measurement period for employer payroll paid dates from July 1, 2020 through June 30, 2021, relative to the total employer contributions received from all of the PERA's participating employers. The City's proportionate share was .0988 percent at the end of the measurement period and .0970 percent for the beginning of the period.

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2021

The amount recognized by the City as its proportionate share of the net pension liability, the direct aid, and total portion of the net pension liability that was associated with the City were as follows:

City's proportionate share of the net pension liability	\$ 4,219,203
State's proportionate share of the net pension liability associated with the City	\$ 128,824

For the year ended December 31, 2021, the City recognized pension expense of \$179,305 for its proportionate share of the GERS's pension expense. In addition, the City recognized an additional \$10,394 as pension expense (and grant revenue) for its proportionate share of the state of Minnesota's contribution of \$16 million to the GERS.

At December 31, 2021, 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	\$ 23,482	\$ 128,847
Changes in actuarial assumptions	2,576,159	89,377
Net collective differences between projected and actual investment earnings	-	3,652,371
Changes in proportion	292,428	-
Contributions paid to the PERA subsequent to the measurement date	<u>295,845</u>	<u>-</u>
 Total	 <u><u>\$ 3,187,914</u></u>	 <u><u>\$ 3,870,595</u></u>

A total of \$295,845 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, 2022. 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>
2022	\$ (37,961)
2023	64,565
2024	(8,493)
2025	<u>(996,637)</u>
Total	<u><u>\$ (978,526)</u></u>

E. Long-term Expected Return on Investments

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	33.5%	5.10%
International equity	16.5%	5.30%
Fixed income	25.0%	0.75%
Private markets	25.0%	5.90%
Total	100.0%	

F. Actuarial Assumptions

The total pension liability in the June 30, 2021, actuarial valuation was determined using an individual entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 6.50 percent. This assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of return investment return rates deemed to be reasonable by the actuary. An investment return of 6.50 percent was deemed to be within that range of reasonableness for financial reporting purposes.

Inflation is assumed to be 2.25 percent. Benefit increases after retirement are assumed to be 1.25 percent.

Salary growth assumptions range in annual increments from 10.25 percent after one year of service to 3.00 percent after 29 years of service, and 6.00 percent per year thereafter.

Mortality rates are based on the Pub-2010 General Employee Mortality Table. The table is adjusted slightly to fit the PERA's experience.

Actuarial assumptions are reviewed every four years. The most recent four-year experience study 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 occurred in 2021:

Changes in Actuarial Assumptions

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

G. Discount Rate

The discount rate used to measure the total pension liability in 2021 was 6.5 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 GERF 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.

H. Pension Liability Sensitivity

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

	1% Decrease in Discount Rate (5.5%)	Discount Rate (6.5%)	1% Increase in Discount Rate (7.5%)
The City’s proportionate share of the GERF net pension liability	\$ 8,605,020	\$ 4,219,203	\$ 620,372

I. Pension Plan Fiduciary Net Position

Detailed information about the pensions plan’s fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the internet at www.mnpera.org.

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

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2021

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	
2021	\$ 2,011	\$ 2,011	5%	5%	5%
2020	\$ 1,951	\$ 1,951	5%	5%	5%
2019	\$ 1,951	\$ 1,951	5%	5%	5%

Note 9 INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

Interfund receivable and payable balances at December 31, 2021 are as follows:

Fund	Receivable	Payable
Nonmajor governmental funds	\$ 667,982	\$ 667,982

These balances represent infrastructure costs incurred in advance of future tax increment collections. This interfund balance will be repaid upon receipt of sufficient tax increment financing collections.

Interfund transfers for the year ended December 31, 2021 are as follows:

Transfers out	Transfer In				
	General Fund	Community Center Operation Fund	Recreation Programs Fund	Street Renewal	Capital Asset Replacement Fund
General Fund	\$ —	\$ 2,285,000	\$ 550,000	\$ 500,000	\$ 600,000
Municipal State Aid Fund	—	—	—	—	—
Street Renewal Fund	—	—	—	—	—
Capital Asset Replacement Fund	—	—	—	—	—
Community Investment Fund	—	—	—	—	—
Nonmajor Governmental Funds	200,000	—	—	—	—
Water Fund	380,000	—	—	—	—
Sewer Fund	165,000	—	—	—	—
Surface Water Fund	160,000	—	—	—	—
Street Lights Fund	40,000	—	—	—	—
Total transfers out	\$ 945,000	\$ 2,285,000	\$ 550,000	\$ 500,000	\$ 600,000

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2021

Transfers out	Transfer In			Total
	Community Investment Fund	Nonmajor Governmental Funds	Internal Service Funds	
General Fund	\$ 481,509	\$ 120,000	\$ -	\$ 4,536,509
Municipal State Aid Fund	-	241,874	-	241,874
Street Renewal Fund	-	1,830,000	-	1,830,000
Capital Asset Replacement Fund	-	683,025	-	683,025
Community Investment Fund	-	502,000	-	502,000
Nonmajor Governmental Funds	-	64,135	-	264,135
Water Fund	-	-	43,000	423,000
Sewer Fund	-	-	43,000	208,000
Surface Water Fund	-	-	31,000	191,000
Street Lights Fund	-	-	2,400	42,400
Total transfers out	\$ 481,509	\$ 3,441,034	\$ 119,400	\$ 8,921,943

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 2021 transfers are considered routine and consistent with previous practices.

Note 10 CAPITAL LEASE

In 2011, the City issued refunding certificates of participation for the lease of the community center expansion area. The lease is paid in semi-annual installments, and final payment is due August 1, 2023. Depreciation in the amount of \$73,826 has been recorded as depreciation expense during 2021.

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

	December 31, 2021
Building and structures	\$ 5,337,794
Accumulated depreciation	<u>(1,376,383)</u>
Net	<u>\$ 3,961,411</u>

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2021

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

<u>Year</u>	<u>Community Center Expansion</u>
2022	\$ 473,750
2023	477,250
Total	<u>951,000</u>
Less amount representing interest	<u>(51,000)</u>
Present value of minimum lease payments	<u>\$ 900,000</u>

Note 11 OPERATING LEASE PAYABLE

During 2021 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, 2021 amounted to \$24,528.

Future minimum annual lease payments at December 31, 2021 are as follows:

<u>Year Ending December 31,</u>	<u>Copiers</u>
2022	<u>\$ 12,264</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.

CITY OF SHOREVIEW

Notes to Financial Statements
December 31, 2021

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

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

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

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

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

B. LITIGATION

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

C. FEDERAL AND STATE FUNDS

The City receives financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the applicable fund. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2021.

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.

Note 13 NET POSITION/FUND BALANCE

A. NET INVESTMENT IN CAPITAL ASSETS

The government-wide statement of net position at December 31, 2021 includes the City’s net investment in capital assets calculated as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Net investment in capital assets:			
Capital assets			
Nondepreciable	\$ 18,707,257	\$ 7,542,658	\$ 26,249,915
Depreciable, net of accumulated depreciation	71,301,504	47,329,743	118,631,247
Less capital related long-term debt outstanding	(28,307,648)	(28,044,206)	(56,351,854)
Less capital related accounts/contracts payable	(128,880)	(16,755)	(145,635)
Add debt adjustment for unspent bond proceeds	61,885	205,567	267,452
	<u>\$ 61,634,118</u>	<u>\$ 27,017,007</u>	<u>\$ 88,651,125</u>
Total net investment in capital assets			

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2021

B. GOVERNMENTAL FUND BALANCE CLASSIFICATIONS

At December 31, 2021, 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	\$ 922,305	\$ 16,686	\$ —	\$ 15,453	\$ 954,444
Restricted for					
Cable television	—	—	—	79,972	79,972
Debt service	—	—	—	1,720,774	1,720,774
Economic development	—	—	—	94,036	94,036
Housing and redevelopment	—	—	—	268,579	268,579
Recycling	—	—	—	1,059,479	1,059,479
Tax increment purposes	—	—	—	2,964,420	2,964,420
Tax abatement purposes	—	—	—	42,957	42,957
Infrastructure improvements	—	—	—	412,783	412,783
Total restricted	<u>—</u>	<u>—</u>	<u>—</u>	<u>6,643,000</u>	<u>6,643,000</u>
Committed to					
Community center operations	—	1,785,433	—	—	1,785,433
Recreation programs	—	987,375	—	—	987,375
Street improvements	—	—	2,117,802	—	2,117,802
Capital asset replacements	—	—	2,283,415	—	2,283,415
Community projects	—	—	2,703,369	—	2,703,369
Cable television	—	—	—	204,091	204,091
Slice of Shoreview event	—	—	—	83,444	83,444
Total committed	<u>—</u>	<u>2,772,808</u>	<u>7,104,586</u>	<u>287,535</u>	<u>10,164,929</u>
Assigned to					
Debt service	—	—	—	983,091	983,091
Computer systems	—	—	—	200,936	200,936
Total assigned	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,184,027</u>	<u>1,184,027</u>
Unassigned	<u>5,256,575</u>	<u>—</u>	<u>(1,796,221)</u>	<u>(473,611)</u>	<u>2,986,743</u>
Total	<u>\$ 6,178,880</u>	<u>\$ 2,789,494</u>	<u>\$ 5,308,365</u>	<u>\$ 7,656,404</u>	<u>\$ 21,933,143</u>

C. 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,

CITY OF SHOREVIEW
Notes to Financial Statements
December 31, 2021

2021, 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.

D. DEFICIT FUND BALANCES

The City had deficit fund balances at December 31, 2021 as follows:

	<u>Amount</u>
Major Funds	
Capital Project	
Municipal State Aid	\$ 1,796,221
Nonmajor Funds	
Capital Project	
District #8 Lakeview Terrace	<u>473,611</u>
 Total	 <u><u>\$ 2,269,832</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.

NOTE 14 – SUBSEQUENT EVENTS

A. NEW ACCOUNTING STANDARDS

A new standard has been issued by GASB that will result in significant changes in the reporting of leases once it becomes effective for governmental entities. This standard will be adopted by the City beginning in 2022, and will require the restatement of certain balances reported as of December 31, 2021. The effects of this change have not yet been determined and are not reflected in these financial statements.

B. COVID-19 PANDEMIC

The COVID-19 pandemic has had significant financial and operational impacts on the City for the last two fiscal years. 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.

CITY OF SHOREVIEW

Notes to Financial Statements

December 31, 2021

Note 15 HOME ENERGY IMPROVEMENT LOAN RECEIVABLE

In 2010, the Economic Development Authority (EDA) started a home energy improvement loan program. As of December 31, 2021, the EDA had eight 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, 2021 are as follows:

<u>Year</u>	<u>Home Energy Improvement Loan Program</u>
2022	\$ 9,470
2023	9,470
2024	9,470
2025	8,612
2026	6,895
2027	6,895
2028	6,895
2029	6,715
2030	5,813
2031	5,813
2032	5,813
2033	5,813
2034	4,260
2035	3,742
2036	3,742
2037	3,742
2038	3,742
2039	3,742
2040	3,742
2041	2,632
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>92,129</u>
Total	217,787
Less amount representing interest	<u>(53,228)</u>
Total loan receivable	<u><u>\$ 164,559</u></u>

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

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SHOREVIEW, MINNESOTA
 Required Supplementary Information
 Budgetary Comparison Schedule – General Fund
 For The Year Ended December 31, 2021

Statement 11
Page 1 of 2

	Original and Final Budget	Actual Amounts	Variance With Final Budget
Revenues			
General property taxes			
Current	\$ 9,279,666	\$ 9,368,275	\$ 88,609
Other	–	6,363	6,363
Total general property taxes	<u>9,279,666</u>	<u>9,374,638</u>	<u>94,972</u>
Licenses and permits			
Business	44,900	47,570	2,670
Non-business	390,300	1,078,970	688,670
Total licenses and permits	<u>435,200</u>	<u>1,126,540</u>	<u>691,340</u>
Intergovernmental			
Federal			
State and local fiscal recovery funds	–	2,964,827	2,964,827
State			
Road maintenance	247,000	265,871	18,871
Market value homestead credit	–	196	196
State fire aid	280,000	328,031	48,031
Local			
Aggregate gravel tax	1,000	1,258	258
Other	35,000	38,245	3,245
Total intergovernmental	<u>563,000</u>	<u>3,598,428</u>	<u>3,035,428</u>
Charges for services			
General government	600	758	158
Public works	399,000	363,490	(35,510)
Parks and recreation	31,000	29,580	(1,420)
Community development	91,500	325,173	233,673
Administrative charges			
Special revenue funds	64,960	64,960	–
Capital project funds	110,000	77,417	(32,583)
Enterprise funds	804,340	804,340	–
Total charges for services	<u>1,501,400</u>	<u>1,665,718</u>	<u>164,318</u>
Fines and forfeits	53,500	36,685	(16,815)
Earnings on investments (charges)	60,000	(15,698)	(75,698)
Other	11,850	18,458	6,608
Total revenues	<u>11,904,616</u>	<u>15,804,769</u>	<u>3,900,153</u>
Expenditures			
General government			
Current			
Council and Commissions	177,534	167,797	9,737
Administration	552,491	555,031	(2,540)
Human resources	375,865	309,472	66,393
Elections	11,275	9,851	1,424
Communications	274,287	252,803	21,484
Finance and accounting	676,990	680,307	(3,317)
Information systems	477,344	456,392	20,952
Legal	125,750	92,777	32,973
Total general government	<u>2,671,536</u>	<u>2,524,430</u>	<u>147,106</u>

CITY OF SHOREVIEW, MINNESOTA
 Required Supplementary Information
 Budgetary Comparison Schedule – General Fund
 For The Year Ended December 31, 2021

Statement 11
Page 2 of 2

	Original and Final Budget	Actual Amounts	Variance With Final Budget
Expenditures (continued)			
Public safety			
Current			
Police	2,594,322	2,779,393	(185,071)
Fire	1,872,434	1,920,534	(48,100)
Total public safety	<u>4,466,756</u>	<u>4,699,927</u>	<u>(233,171)</u>
Public works			
Current			
Public works administration and engineering	467,050	455,708	11,342
Streets	1,012,662	934,144	78,518
Trail management	194,393	186,751	7,642
Forestry	205,672	159,601	46,071
Total public works	<u>1,879,777</u>	<u>1,736,204</u>	<u>143,573</u>
Parks and recreation			
Current			
Parks and recreation administration	623,878	575,939	47,939
Municipal buildings	136,181	122,680	13,501
Park and sports area maintenance	1,709,893	1,625,736	84,157
Total parks and recreation	<u>2,469,952</u>	<u>2,324,355</u>	<u>145,597</u>
Community development			
Current			
Planning and zoning administration	513,119	454,035	59,084
Building inspection	303,476	351,952	(48,476)
Total community development	<u>816,595</u>	<u>805,987</u>	<u>10,608</u>
Total expenditures	<u>12,304,616</u>	<u>12,090,903</u>	<u>213,713</u>
Revenues over (under) expenditures	<u>(400,000)</u>	<u>3,713,866</u>	<u>4,113,866</u>
Other financing sources (uses)			
Transfers in	945,000	945,000	–
Transfers out	(545,000)	(4,536,509)	(3,991,509)
Total other financing sources (uses)	<u>400,000</u>	<u>(3,591,509)</u>	<u>(3,991,509)</u>
Net change in fund balance	<u>\$ –</u>	<u>122,357</u>	<u>\$ 122,357</u>
Fund balance – January 1		6,056,523	
Fund balance – December 31		<u>\$ 6,178,880</u>	

CITY OF SHOREVIEW, MINNESOTA

Required Supplementary Information

Budgetary Comparison Schedule – Community Center Operations Fund

For The Year Ended December 31, 2021

Statement 12

	Original and Final Budget	Actual Amounts	Variance With Final Budget
Revenues			
Charges for services	\$ 2,933,070	\$ 1,913,591	\$ (1,019,479)
Earnings on investments (charges)	15,000	(1,456)	(16,456)
Other	12,500	3,500	(9,000)
Total revenues	<u>2,960,570</u>	<u>1,915,635</u>	<u>(1,044,935)</u>
Expenditures			
Parks and recreation			
Current			
Personal services	2,274,076	1,890,763	383,313
Materials and supplies	601,047	386,629	214,418
Contractual services	689,651	629,716	59,935
Total expenditures	<u>3,564,774</u>	<u>2,907,108</u>	<u>657,666</u>
Revenues over (under) expenditures	<u>(604,204)</u>	<u>(991,473)</u>	<u>(387,269)</u>
Other financing sources (uses)			
Transfers in	285,000	2,285,000	2,000,000
Net change in fund balance	<u>\$ (319,204)</u>	1,293,527	<u>\$ 1,612,731</u>
Fund balance – January 1		502,563	
Fund balance – December 31		<u>\$ 1,796,090</u>	

CITY OF SHOREVIEW, MINNESOTA

Required Supplementary Information

Budgetary Comparison Schedule – Recreation Programs Fund

For The Year Ended December 31, 2021

Statement 13

	Original and Final Budget	Actual Amounts	Variance With Final Budget
Revenues			
Charges for services	\$ 1,588,040	\$ 1,237,191	\$ (350,849)
Earnings on investments (charges)	3,000	(2,502)	(5,502)
Total revenues	<u>1,591,040</u>	<u>1,234,689</u>	<u>(356,351)</u>
Expenditures			
Parks and recreation			
Current			
Personal services	1,449,559	1,199,348	250,211
Materials and supplies	101,609	50,602	51,007
Contractual services	277,732	201,587	76,145
Total expenditures	<u>1,828,900</u>	<u>1,451,537</u>	<u>377,363</u>
Revenues over (under) expenditures	<u>(237,860)</u>	<u>(216,848)</u>	<u>21,012</u>
Other financing sources (uses)			
Transfers in	200,000	550,000	350,000
Net change in fund balance	<u>\$ (37,860)</u>	<u>333,152</u>	<u>\$ 371,012</u>
Fund balance – January 1		660,252	
Fund balance – December 31		<u>\$ 993,404</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, 2021

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 Net Pension Liability	City's Proportionate Share of the Net Pension Liability	City's Proportionate 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%
12/31/2021	06/30/2021	0.0988%	\$ 4,219,203	\$ 128,824	\$ 4,348,027	\$ 7,076,701		59.62%	87.00%

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%
12/31/2021	\$ 544,303	\$ 544,303	\$ –	\$ 7,257,373	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, 2021

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, 2021, 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	\$ 4,466,756	\$ 4,699,927	\$ 233,171

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

Note B PERA – GENERAL EMPLOYEES RETIREMENT FUND

2021 CHANGES IN ACTUARIAL ASSUMPTIONS

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

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.

CITY OF SHOREVIEW, MINNESOTA

Required Supplementary Information

Notes to RSI

December 31, 2021

- 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.

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, 2021

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**

**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, 2021

Statement 15

	Special Revenue	Debt Service	Capital Project	Totals Nonmajor Governmental Funds
Assets				
Cash and investments	\$ 1,782,265	\$ 2,670,503	\$ 2,818,488	\$ 7,271,256
Accrued interest receivable	3,545	6,265	4,492	14,302
Accounts receivable	110,281	-	-	110,281
Loan receivable	-	-	164,559	164,559
Taxes receivable	10,724	25,111	2,770	38,605
Special assessments receivable	-	1,433,351	-	1,433,351
Interfund receivable	-	-	667,982	667,982
Due from other governmental units	12,417	-	397,808	410,225
Prepaid items	15,453	-	-	15,453
Total assets	<u>\$ 1,934,685</u>	<u>\$ 4,135,230</u>	<u>\$ 4,056,099</u>	<u>\$ 10,126,014</u>
Liabilities				
Accounts payable	\$ 118,312	\$ -	\$ 29,939	\$ 148,251
Salaries payable	7,374	-	-	7,374
Contracts payable	-	-	44,272	44,272
Deposits payable	1,000	-	-	1,000
Interfund payable	-	-	667,982	667,982
Total liabilities	<u>126,686</u>	<u>-</u>	<u>742,193</u>	<u>868,879</u>
Deferred inflows of resources				
Unavailable revenue – loan receivable	-	-	164,559	164,559
Unavailable revenue – property taxes	2,945	7,150	1,862	11,957
Unavailable revenue – special assessments	-	1,424,215	-	1,424,215
Total deferred inflows of resources	<u>2,945</u>	<u>1,431,365</u>	<u>166,421</u>	<u>1,600,731</u>
Fund balances (deficits)				
Nonspendable	15,453	-	-	15,453
Restricted	1,502,066	1,720,774	3,420,160	6,643,000
Committed	287,535	-	-	287,535
Assigned	-	983,091	200,936	1,184,027
Unassigned	-	-	(473,611)	(473,611)
Total fund balances (deficits)	<u>1,805,054</u>	<u>2,703,865</u>	<u>3,147,485</u>	<u>7,656,404</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,934,685</u>	<u>\$ 4,135,230</u>	<u>\$ 4,056,099</u>	<u>\$ 10,126,014</u>

CITY OF SHOREVIEW, MINNESOTA

Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Governmental Funds
For The Year Ended December 31, 2021

Statement 16

	Special Revenue	Debt Service	Capital Project	Totals Nonmajor Governmental Funds
Revenues				
Taxes				
General property taxes	\$ 433,978	\$ 1,003,766	\$ 93,446	\$ 1,531,190
Tax increments	-	-	1,753,114	1,753,114
Franchise tax	392,917	-	-	392,917
Special assessments	-	317,332	-	317,332
Intergovernmental	68,450	-	226,246	294,696
Charges for services	924,564	-	8,409	932,973
Earnings on investments (charges)	(4,775)	(5,230)	16,789	6,784
Other	71,838	-	-	71,838
Total revenues	<u>1,886,972</u>	<u>1,315,868</u>	<u>2,098,004</u>	<u>5,300,844</u>
Expenditures				
Current				
General government	187,570	-	74,793	262,363
Public works	681,686	-	-	681,686
Parks and recreation	-	-	226,246	226,246
Community development	702,771	-	1,361,723	2,064,494
Capital outlay				
General government	-	-	272,520	272,520
Public works	-	-	2,033,690	2,033,690
Community development	55,878	-	-	55,878
Debt service				
Principal	-	1,665,000	-	1,665,000
Interest	-	677,096	-	677,096
Fiscal charges	-	6,726	-	6,726
Total expenditures	<u>1,627,905</u>	<u>2,348,822</u>	<u>3,968,972</u>	<u>7,945,699</u>
Revenues over (under) expenditures	<u>259,067</u>	<u>(1,032,954)</u>	<u>(1,870,968)</u>	<u>(2,644,855)</u>
Other financing sources (uses)				
Transfers in	70,000	996,135	2,374,899	3,441,034
Transfers out	(200,000)	(64,135)	-	(264,135)
Total other financing sources (uses)	<u>(130,000)</u>	<u>932,000</u>	<u>2,374,899</u>	<u>3,176,899</u>
Net change in fund balances	129,067	(100,954)	503,931	532,044
Fund balances – January 1	1,675,987	2,804,819	2,643,554	7,124,360
Fund balances – December 31	<u>\$ 1,805,054</u>	<u>\$ 2,703,865</u>	<u>\$ 3,147,485</u>	<u>\$ 7,656,404</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, 2021

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	\$ 1,129,562	\$ 191,300	\$ 83,197	\$ 99,849	\$ 278,357	\$ 1,782,265
Accrued interest receivable	2,011	474	247	175	638	3,545
Accounts receivable	12,660	97,621	-	-	-	110,281
Taxes receivable	-	-	-	4,160	6,564	10,724
Due from other governmental units	12,010	-	-	407	-	12,417
Prepaid items	77	15,010	-	155	211	15,453
Total assets	\$ 1,156,320	\$ 304,405	\$ 83,444	\$ 104,746	\$ 285,770	\$ 1,934,685
Liabilities						
Accounts payable	\$ 96,207	\$ 4,655	\$ -	\$ 7,037	\$ 10,413	\$ 118,312
Salaries payable	557	677	-	2,352	3,788	7,374
Deposits payable	-	-	-	-	1,000	1,000
Total liabilities	96,764	5,332	-	9,389	15,201	126,686
Deferred inflows of resources						
Unavailable revenue – property taxes	-	-	-	1,166	1,779	2,945
Fund balances						
Nonspendable	77	15,010	-	155	211	15,453
Restricted	1,059,479	79,972	-	94,036	268,579	1,502,066
Committed	-	204,091	83,444	-	-	287,535
Total fund balances	1,059,556	299,073	83,444	94,191	268,790	1,805,054
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,156,320	\$ 304,405	\$ 83,444	\$ 104,746	\$ 285,770	\$ 1,934,685

CITY OF SHOREVIEW, MINNESOTA

Subcombining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For The Year Ended December 31, 2021

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	\$ -	\$ -	\$ -	\$ 166,492	\$ 267,486	\$ 433,978
Franchise tax	-	392,917	-	-	-	392,917
Intergovernmental	63,888	-	-	4,562	-	68,450
Charges for services	901,026	-	23,538	-	-	924,564
Earnings on investments (charges)	(2,709)	(638)	(332)	(236)	(860)	(4,775)
Other	-	500	21,085	-	50,253	71,838
Total revenues	<u>962,205</u>	<u>392,779</u>	<u>44,291</u>	<u>170,818</u>	<u>316,879</u>	<u>1,886,972</u>
Expenditures						
Current						
General government	-	122,110	65,460	-	-	187,570
Public works	681,686	-	-	-	-	681,686
Community development	-	-	-	473,465	229,306	702,771
Capital outlay						
Community development	-	-	-	-	55,878	55,878
Total expenditures	<u>681,686</u>	<u>122,110</u>	<u>65,460</u>	<u>473,465</u>	<u>285,184</u>	<u>1,627,905</u>
Revenues over (under) expenditures	<u>280,519</u>	<u>270,669</u>	<u>(21,169)</u>	<u>(302,647)</u>	<u>31,695</u>	<u>259,067</u>
Other financing sources (uses)						
Transfers in	-	-	10,000	60,000	-	70,000
Transfers out	-	(200,000)	-	-	-	(200,000)
Total other financing sources (uses)	<u>-</u>	<u>(200,000)</u>	<u>10,000</u>	<u>60,000</u>	<u>-</u>	<u>(130,000)</u>
Net change in fund balances	<u>280,519</u>	<u>70,669</u>	<u>(11,169)</u>	<u>(242,647)</u>	<u>31,695</u>	<u>129,067</u>
Fund balances – January 1	<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>
Fund balances – December 31	<u>\$ 1,059,556</u>	<u>\$ 299,073</u>	<u>\$ 83,444</u>	<u>\$ 94,191</u>	<u>\$ 268,790</u>	<u>\$ 1,805,054</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. 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, 2021

Statement 19
Page 1 of 2

	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	\$ 436,615	\$ 197,962	\$ 168,577	\$ 242,498
Accrued interest receivable	2,113	175	148	300
Taxes receivable				
Delinquent	-	1,533	1,367	1,709
Due from county	-	3,827	3,433	4,560
Special assessments receivable				
Delinquent	-	-	-	-
Deferred	-	-	-	-
Due from county	-	-	-	-
Total assets	<u>\$ 438,728</u>	<u>\$ 203,497</u>	<u>\$ 173,525</u>	<u>\$ 249,067</u>
Deferred inflows of resources				
Unavailable revenue – property taxes	\$ -	\$ 1,533	\$ 1,367	\$ 1,709
Unavailable revenue – special assessments	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>1,533</u>	<u>1,367</u>	<u>1,709</u>
Fund balances				
Restricted	438,728	201,964	172,158	247,358
Assigned	-	-	-	-
Total fund balances	<u>438,728</u>	<u>201,964</u>	<u>172,158</u>	<u>247,358</u>
Total deferred inflows of resources, and fund balances	<u>\$ 438,728</u>	<u>\$ 203,497</u>	<u>\$ 173,525</u>	<u>\$ 249,067</u>

CITY OF SHOREVIEW, MINNESOTA

Subcombining Balance Sheet
 Nonmajor Debt Service Funds
 December 31, 2021

	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 2013
Assets				
Cash and investments	\$ 40,183	\$ 1,822	\$ 50,578	\$ 219,190
Accrued interest receivable	-	-	119	410
Taxes receivable				
Delinquent	2,328	58	-	-
Due from county	6,071	144	-	-
Special assessments receivable				
Delinquent	-	-	29	1,448
Deferred	-	-	33,729	1,089,188
Due from county	-	-	1,801	1,389
Total assets	<u>\$ 48,582</u>	<u>\$ 2,024</u>	<u>\$ 86,256</u>	<u>\$ 1,311,625</u>
Deferred inflows of resources				
Unavailable revenue – property taxes	\$ 2,328	\$ 58	\$ -	\$ -
Unavailable revenue – special assessments	-	-	33,758	1,090,636
Total deferred inflows of resources	<u>2,328</u>	<u>58</u>	<u>33,758</u>	<u>1,090,636</u>
Fund balances				
Restricted	46,254	1,966	52,498	220,989
Assigned	-	-	-	-
Total fund balances	<u>46,254</u>	<u>1,966</u>	<u>52,498</u>	<u>220,989</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 48,582</u>	<u>\$ 2,024</u>	<u>\$ 86,256</u>	<u>\$ 1,311,625</u>

Statement 19
Page 2 of 2

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
\$ 20,545 42	\$ 107,185 257	\$ 204,843 147	\$ 980,505 2,554	\$ 2,670,503 6,265
-	-	-	155	7,150
-	-	-	(74)	17,961
-	117	-	1,460	3,054
-	64,453	213,814	19,977	1,421,161
253	1,029	4,558	106	9,136
<u>\$ 20,840</u>	<u>\$ 173,041</u>	<u>\$ 423,362</u>	<u>\$ 1,004,683</u>	<u>\$ 4,135,230</u>
\$ -	\$ -	\$ -	\$ 155	\$ 7,150
-	64,570	213,814	21,437	1,424,215
-	64,570	213,814	21,592	1,431,365
20,840	108,471	209,548	-	1,720,774
-	-	-	983,091	983,091
<u>20,840</u>	<u>108,471</u>	<u>209,548</u>	<u>983,091</u>	<u>2,703,865</u>
<u>\$ 20,840</u>	<u>\$ 173,041</u>	<u>\$ 423,362</u>	<u>\$ 1,004,683</u>	<u>\$ 4,135,230</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, 2021

Statement 20
Page 1 of 2

	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
Revenues				
General property taxes	\$ -	\$ 214,121	\$ 191,868	\$ 252,021
Special assessments	-	-	-	-
Earnings on investments (charges)	357	(235)	(201)	(404)
Total revenues	<u>357</u>	<u>213,886</u>	<u>191,667</u>	<u>251,617</u>
Expenditures				
Debt service				
Principal	430,000	200,000	160,000	165,000
Interest	48,155	6,200	28,569	109,445
Fiscal charges	5,100	335	320	258
Total expenditures	<u>483,255</u>	<u>206,535</u>	<u>188,889</u>	<u>274,703</u>
Revenues over (under) expenditures	<u>(482,898)</u>	<u>7,351</u>	<u>2,778</u>	<u>(23,086)</u>
Other financing sources (uses)				
Transfers in	460,000	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>460,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(22,898)</u>	<u>7,351</u>	<u>2,778</u>	<u>(23,086)</u>
Fund balances – January 1	461,626	194,613	169,380	270,444
Fund balances – December 31	<u>\$ 438,728</u>	<u>\$ 201,964</u>	<u>\$ 172,158</u>	<u>\$ 247,358</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, 2021

	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
Revenues				
General property taxes	\$ 336,918	\$ 8,082	\$ –	\$ –
Special assessments	–	–	13,975	5,710
Earnings on investments (charges)	–	–	(160)	–
Total revenues	<u>336,918</u>	<u>8,082</u>	<u>13,815</u>	<u>5,710</u>
Expenditures				
Debt service				
Principal	515,000	10,000	25,000	25,000
Interest	413,225	300	5,875	500
Fiscal charges	450	16	50	67
Total expenditures	<u>928,675</u>	<u>10,316</u>	<u>30,925</u>	<u>25,567</u>
Revenues over (under) expenditures	<u>(591,757)</u>	<u>(2,234)</u>	<u>(17,110)</u>	<u>(19,857)</u>
Other financing sources (uses)				
Transfers in	522,000	–	–	14,135
Transfers out	–	–	–	–
Total other financing sources (uses)	<u>522,000</u>	<u>–</u>	<u>–</u>	<u>14,135</u>
Net change in fund balances	<u>(69,757)</u>	<u>(2,234)</u>	<u>(17,110)</u>	<u>(5,722)</u>
Fund balances – January 1	116,011	4,200	69,608	5,722
Fund balances – December 31	<u>\$ 46,254</u>	<u>\$ 1,966</u>	<u>\$ 52,498</u>	<u>\$ –</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
\$ -	\$ -	\$ -	\$ -	\$ 756	\$ 1,003,766
117,491	8,314	17,816	154,026	-	317,332
(552)	(56)	(346)	(193)	(3,440)	(5,230)
<u>116,939</u>	<u>8,258</u>	<u>17,470</u>	<u>153,833</u>	<u>(2,684)</u>	<u>1,315,868</u>
90,000	15,000	30,000	-	-	1,665,000
45,210	675	4,650	14,292	-	677,096
-	3	80	47	-	6,726
<u>135,210</u>	<u>15,678</u>	<u>34,730</u>	<u>14,339</u>	<u>-</u>	<u>2,348,822</u>
<u>(18,271)</u>	<u>(7,420)</u>	<u>(17,260)</u>	<u>139,494</u>	<u>(2,684)</u>	<u>(1,032,954)</u>
-	-	-	-	-	996,135
-	-	-	-	(64,135)	(64,135)
-	-	-	-	(64,135)	932,000
(18,271)	(7,420)	(17,260)	139,494	(66,819)	(100,954)
239,260	28,260	125,731	70,054	1,049,910	2,804,819
<u>\$ 220,989</u>	<u>\$ 20,840</u>	<u>\$ 108,471</u>	<u>\$ 209,548</u>	<u>\$ 983,091</u>	<u>\$ 2,703,865</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 #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.

Edison Tax Abatement – This fund is used to account for the receipt and use of tax abatement related to the Edison phase I & II housing project.

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
Owasso Blvd. North Reconstruction

CITY OF SHOREVIEW, MINNESOTA

Subcombining Balance Sheet
 Nonmajor Capital Project Funds
 December 31, 2021

	Tax Increment Financing			
	District #1 Deluxe	District #4 Scandia Shores	District #6 Gateway	District #8 Lakeview Terrace
Assets				
Cash and investments	\$ 1,401,646	\$ 240,222	\$ 14,641	\$ 193,872
Accrued interest receivable	2,702	20	70	499
Loan receivable	74,809	89,750	-	-
Taxes receivable				
Delinquent	-	-	1,510	-
Due from county	-	-	-	-
Interfund receivable	667,982	-	-	-
Due from other governmental units	-	-	-	-
Total assets	<u>\$ 2,147,139</u>	<u>\$ 329,992</u>	<u>\$ 16,221</u>	<u>\$ 194,371</u>
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Contracts payable	-	-	-	-
Interfund payable	-	-	-	667,982
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>667,982</u>
Deferred inflows of resources				
Unavailable revenue – loan receivable	74,809	89,750	-	-
Unavailable revenue – property taxes	-	-	1,510	-
Total deferred inflows of resources	<u>74,809</u>	<u>89,750</u>	<u>1,510</u>	<u>-</u>
Fund balances (deficits)				
Restricted	2,072,330	240,242	14,711	-
Assigned	-	-	-	-
Unassigned	-	-	-	(473,611)
Total fund balances (deficits)	<u>2,072,330</u>	<u>240,242</u>	<u>14,711</u>	<u>(473,611)</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 2,147,139</u>	<u>\$ 329,992</u>	<u>\$ 16,221</u>	<u>\$ 194,371</u>

Tax Increment Financing

District #9 TSI Inc.	District #10 Elevage	District #11 Loden	District #12 Mead Metals/ TSI	Edison Tax Abatement
\$ 59,694	\$ 292,629	\$ 281,905	\$ 1,913	\$ 42,926
154	608	228	6	31
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 59,848</u>	<u>\$ 293,237</u>	<u>\$ 282,133</u>	<u>\$ 1,919</u>	<u>\$ 42,957</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
59,848	293,237	282,133	1,919	42,957
-	-	-	-	-
-	-	-	-	-
<u>59,848</u>	<u>293,237</u>	<u>282,133</u>	<u>1,919</u>	<u>42,957</u>
<u>\$ 59,848</u>	<u>\$ 293,237</u>	<u>\$ 282,133</u>	<u>\$ 1,919</u>	<u>\$ 42,957</u>

CITY OF SHOREVIEW, MINNESOTA

Subcombining Balance Sheet
 Nonmajor Capital Project Funds
 December 31, 2021

Statement 21
Page 2 of 2

	Information Technology	Edgetown Acres Reconstruction	Owasso Blvd. North Reconstruction	Total Nonmajor Capital Project Funds
Assets				
Cash and investments	\$ 226,963	\$ 61,885	\$ 192	\$ 2,818,488
Accrued interest receivable	174	-	-	4,492
Loan receivable	-	-	-	164,559
Taxes receivable				
Delinquent	352	-	-	1,862
Due from county	908	-	-	908
Interfund receivable	-	-	-	667,982
Due from other governmental units	-	-	397,808	397,808
Total assets	<u>\$ 228,397</u>	<u>\$ 61,885</u>	<u>\$ 398,000</u>	<u>\$ 4,056,099</u>
Liabilities				
Accounts payable	\$ 27,109	\$ 1,124	\$ 1,706	\$ 29,939
Contracts payable	-	8,985	35,287	44,272
Interfund payable	-	-	-	667,982
Total liabilities	<u>27,109</u>	<u>10,109</u>	<u>36,993</u>	<u>742,193</u>
Deferred inflows of resources				
Unavailable revenue – loan receivable	-	-	-	164,559
Unavailable revenue – property taxes	352	-	-	1,862
Total deferred inflows of resources	<u>352</u>	<u>-</u>	<u>-</u>	<u>166,421</u>
Fund balances (deficits)				
Restricted	-	51,776	361,007	3,420,160
Assigned	200,936	-	-	200,936
Unassigned	-	-	-	(473,611)
Total fund balances (deficits)	<u>200,936</u>	<u>51,776</u>	<u>361,007</u>	<u>3,147,485</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 228,397</u>	<u>\$ 61,885</u>	<u>\$ 398,000</u>	<u>\$ 4,056,099</u>

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CITY OF SHOREVIEW, MINNESOTA

Subcombining Statement of Revenues, Expenditures, and
 Changes in Fund Balances
 Nonmajor Capital Project Funds
 For The Year Ended December 31, 2021

	Tax Increment Financing			
	District #1 Deluxe	District #4 Scandia Shores	District #6 Gateway	District #8 Lakeview Terrace
Revenues				
Taxes				
General property taxes	\$ -	\$ -	\$ -	\$ -
Tax increments	-	212,213	170,393	328,476
Intergovernmental	-	-	-	-
Charges for services	2,777	5,632	-	-
Earnings on investments (charges)	17,648	1,463	(93)	(673)
Total revenues	<u>20,425</u>	<u>219,308</u>	<u>170,300</u>	<u>327,803</u>
Expenditures				
Current				
General government	-	-	-	-
Parks and recreation	-	-	-	-
Community development	74,547	54,160	170,393	219,157
Capital outlay				
General government	-	-	-	-
Public works	-	-	-	-
Total expenditures	<u>74,547</u>	<u>54,160</u>	<u>170,393</u>	<u>219,157</u>
Revenues over (under) expenditures	<u>(54,122)</u>	<u>165,148</u>	<u>(93)</u>	<u>108,646</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Net change in fund balances	(54,122)	165,148	(93)	108,646
Fund balances (deficits) – January 1	2,126,452	75,094	14,804	(582,257)
Fund balances (deficits) – December 31	<u>\$ 2,072,330</u>	<u>\$ 240,242</u>	<u>\$ 14,711</u>	<u>\$ (473,611)</u>

Tax Increment Financing

District #9 TSI Inc.	District #10 Elevage	District #11 Loden	District #12 Mead Metals/ TSI	Edison Tax Abatement
\$ -	\$ -	\$ -	\$ -	\$ 43,000
100,664	475,809	465,559	-	-
-	-	-	-	-
-	-	-	-	-
(207)	(819)	(308)	(8)	(43)
<u>100,457</u>	<u>474,990</u>	<u>465,251</u>	<u>(8)</u>	<u>42,957</u>
-	-	-	-	-
-	-	-	-	-
91,162	358,144	393,594	566	-
-	-	-	-	-
-	-	-	-	-
<u>91,162</u>	<u>358,144</u>	<u>393,594</u>	<u>566</u>	<u>-</u>
<u>9,295</u>	<u>116,846</u>	<u>71,657</u>	<u>(574)</u>	<u>42,957</u>
-	-	-	-	-
<u>9,295</u>	<u>116,846</u>	<u>71,657</u>	<u>(574)</u>	<u>42,957</u>
<u>50,553</u>	<u>176,391</u>	<u>210,476</u>	<u>2,493</u>	<u>-</u>
<u>\$ 59,848</u>	<u>\$ 293,237</u>	<u>\$ 282,133</u>	<u>\$ 1,919</u>	<u>\$ 42,957</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, 2021

Statement 22
Page 2 of 2

	Information Technology	Edgetown Acres Reconstruction	Owasso Blvd. North Reconstruction	Total Nonmajor Capital Project Funds
Revenues				
Taxes				
General property taxes	\$ 50,446	\$ -	\$ -	\$ 93,446
Tax increments	-	-	-	1,753,114
Intergovernmental	-	-	226,246	226,246
Charges for services	-	-	-	8,409
Earnings on investments (charges)	(235)	56	8	16,789
Total revenues	<u>50,211</u>	<u>56</u>	<u>226,254</u>	<u>2,098,004</u>
Expenditures				
Current				
General government	74,793	-	-	74,793
Parks and recreation	-	66,310	159,936	226,246
Community development	-	-	-	1,361,723
Capital outlay				
General government	272,520	-	-	272,520
Public works	-	2,033,690	-	2,033,690
Total expenditures	<u>347,313</u>	<u>2,100,000</u>	<u>159,936</u>	<u>3,968,972</u>
Revenues over (under) expenditures	<u>(297,102)</u>	<u>(2,099,944)</u>	<u>66,318</u>	<u>(1,870,968)</u>
Other financing sources (uses)				
Transfers in	303,025	1,830,000	241,874	2,374,899
Net change in fund balances	5,923	(269,944)	308,192	503,931
Fund balances – January 1	195,013	321,720	52,815	2,643,554
Fund balances – December 31	<u>\$ 200,936</u>	<u>\$ 51,776</u>	<u>\$ 361,007</u>	<u>\$ 3,147,485</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, 2021

Statement 23

	Original and Final Budget	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 61,000	\$ 63,888	\$ 2,888
Charges for services			
Recycling fees	842,100	901,026	58,926
Earnings on investments (charges)	–	(2,709)	(2,709)
Other	200	–	(200)
Total revenues	<u>903,300</u>	<u>962,205</u>	<u>58,905</u>
Expenditures			
Public works			
Current			
Personal services	63,146	56,687	6,459
Materials and supplies	500	–	500
Contractual services	713,305	624,999	88,306
Total expenditures	<u>776,951</u>	<u>681,686</u>	<u>95,265</u>
Net change in fund balances	<u>\$ 126,349</u>	<u>280,519</u>	<u>\$ 154,170</u>
Fund balances – January 1		779,037	
Fund balances – December 31		<u>\$ 1,059,556</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, 2021

Statement 24

	Original and Final Budget	Actual Amounts	Variance With Final Budget
Revenues			
Franchise Taxes			
General Franchise tax	\$ 280,000	\$ 303,692	\$ 23,692
PEG Access tax	90,000	89,225	(775)
Total franchise tax	<u>370,000</u>	<u>392,917</u>	<u>22,917</u>
Earnings on investments (charges)	2,000	(638)	(2,638)
Other	2,400	500	(1,900)
Total revenues	<u>374,400</u>	<u>392,779</u>	<u>18,379</u>
Expenditures			
General government			
Current			
Personal services	43,527	37,203	6,324
Materials and supplies	500	176	324
Contractual services	66,318	84,731	(18,413)
Capital outlay	<u>50,000</u>	<u>–</u>	<u>50,000</u>
Total expenditures	<u>160,345</u>	<u>122,110</u>	<u>38,235</u>
Revenues over (under) expenditures	<u>214,055</u>	<u>270,669</u>	<u>56,614</u>
Other financing sources (uses)			
Transfers out	(200,000)	(200,000)	–
Net change in fund balances	<u>\$ 14,055</u>	<u>70,669</u>	<u>\$ 56,614</u>
Fund balances – January 1		<u>228,404</u>	
Fund balances – December 31		<u>\$ 299,073</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, 2021

Statement 25

	Original and Final Budget	Actual Amounts	Variance With Final Budget
Revenues			
Charges for services	\$ 29,000	\$ 23,538	\$ (5,462)
Earnings on investments (charges)	–	(332)	(332)
Contributions	24,000	21,085	(2,915)
Total revenues	<u>53,000</u>	<u>44,291</u>	<u>(8,709)</u>
Expenditures			
General government			
Current			
Materials and supplies	2,500	1,287	1,213
Contractual services	79,330	64,173	15,157
Total expenditures	<u>81,830</u>	<u>65,460</u>	<u>16,370</u>
Revenues over (under) expenditures	<u>(28,830)</u>	<u>(21,169)</u>	<u>7,661</u>
Other financing sources (uses)			
Transfer in	10,000	10,000	–
Net change in fund balances	<u>\$ (18,830)</u>	<u>(11,169)</u>	<u>\$ 7,661</u>
Fund balances – January 1		<u>94,613</u>	
Fund balances – December 31		<u>\$ 83,444</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, 2021

Statement 26

	Original and Final Budget	Actual Amounts	Variance With Final Budget
Revenues			
General property taxes			
Current	\$ 165,000	\$ 164,142	\$ (858)
Other	–	2,350	2,350
Total general property taxes	<u>165,000</u>	<u>166,492</u>	<u>1,492</u>
Intergovernmental	–	4,562	4,562
Earnings on investments (charges)	–	(236)	(236)
Total revenues	<u>165,000</u>	<u>170,818</u>	<u>5,818</u>
Expenditures			
Community development			
Current			
Personal services	75,122	93,650	(18,528)
Supplies	12,500	1,226	11,274
Contractual services	78,364	378,589	(300,225)
Total expenditures	<u>165,986</u>	<u>473,465</u>	<u>(307,479)</u>
Revenues over (under) expenditures	<u>(986)</u>	<u>(302,647)</u>	<u>(301,661)</u>
Other financing sources (uses)			
Transfer in	–	60,000	60,000
Net change in fund balance	<u>\$ (986)</u>	<u>(242,647)</u>	<u>\$ (241,661)</u>
Fund balances – January 1		<u>336,838</u>	
Fund balances – December 31		<u>\$ 94,191</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, 2021

Statement 27

	<u>Original and Final Budget</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
Revenues			
General property taxes			
Current	\$ 265,000	\$ 263,631	\$ (1,369)
Other	–	3,855	3,855
Total general property taxes	<u>265,000</u>	<u>267,486</u>	<u>2,486</u>
Earnings on investments (charges)	–	(860)	(860)
Other	–	50,253	50,253
Total revenues	<u>265,000</u>	<u>316,879</u>	<u>51,879</u>
Expenditures			
Community development			
Current			
Personal services	167,585	169,567	(1,982)
Contractual services	50,981	59,739	(8,758)
Capital outlay	20,000	55,878	(35,878)
Total expenditures	<u>238,566</u>	<u>285,184</u>	<u>(46,618)</u>
Net change in fund balance	<u>\$ 26,434</u>	<u>31,695</u>	<u>\$ 5,261</u>
Fund balances – January 1		<u>237,095</u>	
Fund balances – December 31		<u>\$ 268,790</u>	

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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, 2021

Statement 28

	Short-Term Disability Self-Insurance	Liability Claims	Central Garage	Total
Assets				
Current assets				
Cash and investments	\$ 49,056	\$ 180,702	\$ 3,097,769	\$ 3,327,527
Accrued interest receivable	118	502	6,916	7,536
Accounts receivable	-	-	43,805	43,805
Taxes receivable	-	-	4,649	4,649
Prepaid items	-	-	1,696	1,696
Total current assets	49,174	181,204	3,154,835	3,385,213
Noncurrent assets				
Capital assets				
Land	-	-	36,293	36,293
Buildings and structures	-	-	6,929,379	6,929,379
Machinery and equipment	-	-	7,087,338	7,087,338
Total capital assets	-	-	14,053,010	14,053,010
Less accumulated depreciation	-	-	(7,452,030)	(7,452,030)
Total capital assets (net of accumulated depreciation)	-	-	6,600,980	6,600,980
Total assets	49,174	181,204	9,755,815	9,986,193
Deferred outflows of resources				
Deferred pension resources	-	-	80,654	80,654
Liabilities				
Current liabilities				
Accounts payable	-	-	32,400	32,400
Salaries payable	-	-	5,398	5,398
Accrued bond interest payable	-	-	35,484	35,484
Compensated absences payable	-	-	891	891
Bonds payable	-	-	310,000	310,000
Total current liabilities	-	-	384,173	384,173
Noncurrent liabilities				
Compensated absences payable (net of current portion)	-	-	12,554	12,554
Bonds payable (net of current portion)	-	-	2,840,938	2,840,938
Net pension liability	-	-	106,746	106,746
Total noncurrent liabilities	-	-	2,960,238	2,960,238
Total liabilities	-	-	3,344,411	3,344,411
Deferred inflows of resources				
Deferred pension resources	-	-	97,926	97,926
Net position				
Net investment in capital assets	-	-	3,439,345	3,439,345
Unrestricted	49,174	181,204	2,954,787	3,185,165
Total net position	\$ 49,174	\$ 181,204	\$ 6,394,132	\$ 6,624,510

CITY OF SHOREVIEW, MINNESOTA

Combining Statement of Revenues, Expenses, and
Changes in Fund Net Position
Internal Service Funds
For The Year Ended December 31, 2021

Statement 29

	Short-Term Disability Self-Insurance	Liability Claims	Central Garage	Total
Operating revenues				
Customer billings	\$ 8,448	\$ –	\$ 1,415,460	\$ 1,423,908
Operating expenses				
Personal services	8,516	–	250,093	258,609
Materials and supplies	–	–	262,677	262,677
Contractual services	–	101,955	79,577	181,532
Utilities	–	–	26,742	26,742
Insurance	–	–	19,456	19,456
Depreciation	–	–	755,478	755,478
Total operating expenses	<u>8,516</u>	<u>101,955</u>	<u>1,394,023</u>	<u>1,504,494</u>
Operating income (loss)	<u>(68)</u>	<u>(101,955)</u>	<u>21,437</u>	<u>(80,586)</u>
Nonoperating revenues (expenses)				
General property taxes	–	–	186,090	186,090
Earnings on investments (charges)	(159)	(676)	(9,318)	(10,153)
Intergovernmental revenue	–	–	263	263
Gain on sale of capital assets	–	–	13,343	13,343
Other	–	58,409	–	58,409
Interest	–	–	(74,044)	(74,044)
Fiscal charges	–	–	(384)	(384)
Total nonoperating revenues (expenses)	<u>(159)</u>	<u>57,733</u>	<u>115,950</u>	<u>173,524</u>
Income (loss) before transfers	<u>(227)</u>	<u>(44,222)</u>	<u>137,387</u>	<u>92,938</u>
Transfers				
Transfer in	–	–	119,400	119,400
Change in net position	<u>(227)</u>	<u>(44,222)</u>	<u>256,787</u>	<u>212,338</u>
Net position – January 1,	49,401	225,426	6,137,345	6,412,172
Net position – December 31	<u>\$ 49,174</u>	<u>\$ 181,204</u>	<u>\$ 6,394,132</u>	<u>\$ 6,624,510</u>

CITY OF SHOREVIEW, MINNESOTA

Combining Statement of Cash Flows

Internal Service Funds

For The Year Ended December 31, 2021

Statement 30

	Short-Term Disability Self-Insurance	Liability Claims	Central Garage	Total
Cash flows from operating activities				
Receipts from interfund services provided	\$ 8,448	\$ -	\$ 1,415,460	\$ 1,423,908
Payments to suppliers	-	(101,955)	(383,460)	(485,415)
Payments to employees	(8,516)	-	(248,557)	(257,073)
Miscellaneous revenue	-	58,409	263	58,672
Net cash flows from operating activities	<u>(68)</u>	<u>(43,546)</u>	<u>783,706</u>	<u>740,092</u>
Cash flows from capital and related financing activities				
Acquisition and construction of capital assets	-	-	(144,115)	(144,115)
Receipts from taxpayers	-	-	185,679	185,679
Transfers from other funds	-	-	119,400	119,400
Principal paid on capital debt	-	-	(300,000)	(300,000)
Interest and paying agent fees on capital debt	-	-	(90,047)	(90,047)
Net cash flows from capital and related financing activities	<u>-</u>	<u>-</u>	<u>(229,083)</u>	<u>(229,083)</u>
Cash flows from investing activities				
Earnings on investments and changes in fair value on investments	<u>(149)</u>	<u>(551)</u>	<u>(10,657)</u>	<u>(11,357)</u>
Net change in cash and cash equivalents	(217)	(44,097)	543,966	499,652
Cash and cash equivalents – January 1	49,273	224,799	2,553,803	2,827,875
Cash and cash equivalents – December 31	<u>\$ 49,056</u>	<u>\$ 180,702</u>	<u>\$ 3,097,769</u>	<u>\$ 3,327,527</u>
Reconciliation of operating income (loss) to net cash flows from operating activities				
Operating income (loss)	<u>\$ (68)</u>	<u>\$ (101,955)</u>	<u>\$ 21,437</u>	<u>\$ (80,586)</u>
Adjustments to reconcile operating income (loss) to net cash flows from operating activities				
Miscellaneous revenue	-	58,409	263	58,672
Depreciation	-	-	755,478	755,478
Decrease (increase) in receivables	-	-	(1,343)	(1,343)
Decrease (increase) in prepaid items	-	-	(1,696)	(1,696)
Decrease (increase) in deferred outflows	-	-	(62,053)	(62,053)
Increase (decrease) in payables	-	-	(20,600)	(20,600)
Increase (decrease) in deferred inflows	-	-	92,220	92,220
Total adjustments	<u>-</u>	<u>58,409</u>	<u>762,269</u>	<u>820,678</u>
Net cash flows from operating activities	<u>\$ (68)</u>	<u>\$ (43,546)</u>	<u>\$ 783,706</u>	<u>\$ 740,092</u>
Noncash investing, capital, and financing activities				
Capital asset purchased on account –				
Accounts payable	\$ -	\$ -	\$ 10,697	\$ 10,697
Accounts receivable –				
Proceeds from sales of capital assets	-	-	42,462	42,462
Taxes receivable	-	-	411	411

**FINANCIAL SECTION –
OTHER CITY FINANCIAL INFORMATION**

OTHER CITY FINANCIAL INFORMATION

CITY OF SHOREVIEW, MINNESOTA
Combining Schedule of Indebtedness
December 31, 2021

	<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 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 12/31/2020	2021		Outstanding 12/31/2021	Principal Due in 2022	Interest Due in 2022
Authorized and Issued	Payments		Issued	Payments			
\$ 235,000	\$ 210,000	\$ 25,000	\$ –	\$ 25,000	\$ –	\$ –	\$ –
235,000	215,000	20,000	–	10,000	10,000	10,000	100
1,775,000	425,000	1,350,000	–	90,000	1,260,000	95,000	42,435
100,000	70,000	30,000	–	15,000	15,000	15,000	225
295,000	100,000	195,000	–	30,000	165,000	30,000	3,750
150,000	20,000	130,000	–	25,000	105,000	25,000	4,625
850,000	–	850,000	–	–	850,000	10,000	20,580
<u>3,640,000</u>	<u>1,040,000</u>	<u>2,600,000</u>	<u>–</u>	<u>195,000</u>	<u>2,405,000</u>	<u>185,000</u>	<u>71,715</u>
1,380,000	970,000	410,000	–	200,000	210,000	210,000	2,100
2,415,000	1,040,000	1,375,000	–	160,000	1,215,000	165,000	25,318
4,670,000	1,315,000	3,355,000	–	300,000	3,055,000	310,000	80,512
12,865,000	925,000	11,940,000	–	515,000	11,425,000	525,000	395,000
3,180,000	145,000	3,035,000	–	165,000	2,870,000	170,000	102,745
<u>24,510,000</u>	<u>4,395,000</u>	<u>20,115,000</u>	<u>–</u>	<u>1,340,000</u>	<u>18,775,000</u>	<u>1,380,000</u>	<u>605,675</u>
845,000	630,000	215,000	–	70,000	145,000	70,000	4,547
775,000	525,000	250,000	–	80,000	170,000	85,000	2,550
610,000	475,000	135,000	–	65,000	70,000	70,000	700
305,000	180,000	125,000	–	30,000	95,000	30,000	2,400
915,000	395,000	520,000	–	80,000	440,000	80,000	10,250
6,885,000	1,135,000	5,750,000	–	320,000	5,430,000	330,000	146,402
6,995,000	1,260,000	5,735,000	–	330,000	5,405,000	335,000	136,900
1,010,000	145,000	865,000	–	150,000	715,000	165,000	31,625
1,585,000	75,000	1,510,000	–	80,000	1,430,000	85,000	51,248
2,360,000	–	2,360,000	–	–	2,360,000	115,000	52,500
260,000	195,000	65,000	–	20,000	45,000	20,000	1,448
285,000	240,000	45,000	–	20,000	25,000	25,000	250
730,000	325,000	405,000	–	65,000	340,000	65,000	7,863
1,650,000	370,000	1,280,000	–	100,000	1,180,000	105,000	28,742
230,000	60,000	170,000	–	15,000	155,000	15,000	3,563
245,000	35,000	210,000	–	40,000	170,000	40,000	7,500
345,000	30,000	315,000	–	30,000	285,000	30,000	11,400
3,545,000	–	3,545,000	–	–	3,545,000	175,000	78,705
600,000	450,000	150,000	–	50,000	100,000	50,000	3,100
1,180,000	1,055,000	125,000	–	125,000	–	–	–
960,000	655,000	305,000	–	100,000	205,000	100,000	3,100
190,000	110,000	80,000	–	20,000	60,000	20,000	1,500
265,000	110,000	155,000	–	25,000	130,000	25,000	3,025
860,000	190,000	670,000	–	55,000	615,000	55,000	14,937
380,000	95,000	285,000	–	25,000	260,000	25,000	5,975
100,000	15,000	85,000	–	15,000	70,000	15,000	3,125
1,020,000	45,000	975,000	–	55,000	920,000	55,000	32,955
2,670,000	–	2,670,000	–	–	2,670,000	130,000	59,315
<u>37,800,000</u>	<u>8,800,000</u>	<u>29,000,000</u>	<u>–</u>	<u>1,965,000</u>	<u>27,035,000</u>	<u>2,315,000</u>	<u>705,625</u>
<u>65,950,000</u>	<u>14,235,000</u>	<u>51,715,000</u>	<u>–</u>	<u>3,500,000</u>	<u>48,215,000</u>	<u>3,880,000</u>	<u>1,383,015</u>
N/A	N/A	2,247,615	N/A	N/A	2,041,819	N/A	N/A
4,620,000	3,290,000	1,330,000	–	430,000	900,000	440,000	33,750
6,000,000	804,965	5,195,035	–	–	5,195,035	–	–
N/A	N/A	522,915	622,849	615,746	530,018	35,131	–
N/A	N/A	5,815,595	4,073,237	5,669,629	4,219,203	N/A	N/A
<u>\$ 76,570,000</u>	<u>\$ 18,329,965</u>	<u>\$ 66,826,160</u>	<u>\$ 4,696,086</u>	<u>\$ 10,215,375</u>	<u>\$ 61,101,075</u>	<u>\$ 4,355,131</u>	<u>\$ 1,416,765</u>

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

Exhibit 2

	<u>Tax Capacity Values</u> <u>2019/2020</u>		<u>Tax Capacity Values</u> <u>2020/2021</u>	
Taxable valuations				
Real estate	\$ 39,732,097		\$ 42,122,634	
Personal property	230,113		253,438	
Fiscal disparities net	655,666		796,314	
Less captured tax increment value	<u>(1,360,590)</u>		<u>(1,555,347)</u>	
Totals	<u>\$ 39,257,286</u>		<u>\$ 41,617,039</u>	
Tax levies				
Year of extension	2019		2020	
Year of collection	2020		2021	
	<u>Certified Levy</u>	<u>Tax Capacity Rate</u>	<u>Certified Levy</u>	<u>Tax Capacity Rate</u>
Taxes levied				
General Fund	\$ 8,822,826	22.454%	\$ 9,279,666	22.429%
Shoreview EDA	160,000	0.407%	165,000	0.399%
Capital project funds	2,657,000	6.762%	2,843,208	6.675%
Debt service funds	996,000	2.535%	994,000	2.386%
Central Garage Fund	<u>184,000</u>	<u>0.468%</u>	<u>184,000</u>	<u>0.442%</u>
Totals	<u>\$ 12,819,826</u>	<u>32.626%</u>	<u>\$ 13,465,874</u>	<u>32.331%</u>
Shoreview HRA	<u>\$ 260,000</u>	<u>0.669%</u>	<u>\$ 265,000</u>	<u>0.634%</u>

CITY OF SHOREVIEW, MINNESOTA

Schedule of Deferred Tax Levies

Other General Obligation Bonds

December 31, 2021

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 Bonds of 2013</u>	<u>G.O. Street Reconstruction Bonds of 2018</u>	<u>G.O. Tax Abatement Bonds of 2017</u>	<u>G.O. Street Reconstruction Bonds of 2022</u>	<u>Total</u>
2021/2022	\$ 184,000	\$ 190,000	\$ 250,000	\$ 334,000	\$ 106,000	\$ 1,064,000
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>\$ 3,036,390</u>	<u>\$ 1,184,960</u>	<u>\$ 3,445,838</u>	<u>\$ 3,225,607</u>	<u>\$ 106,000</u>	<u>\$ 10,998,795</u>

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CITY OF SHOREVIEW, MINNESOTASchedule of Deferred Tax Levies
General Obligation Improvement Bonds
December 31, 2021**Exhibit 4**

Year of Tax Levy/ Collection	Refunding		Refunding		Total
	2013B	2013C	2018B	2020A	
2021/2022	\$ 7,000	\$ -	\$ -	\$ -	\$ 7,000
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>\$ 7,000</u>	<u>\$ 108,399</u>	<u>\$ 35,999</u>	<u>\$ 5,661</u>	<u>\$ 157,059</u>

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CITY OF SHOREVIEW, MINNESOTA

Debt Service Payments to Maturity

Revenue Bonds

December 31, 2021

Exhibit 5

Page 1 of 3

	Water Revenue Bonds				
	2007	2013A	Refunding 2013B	2013C	Refunding 2014
Bonds payable	\$ 145,000	\$ 170,000	\$ 70,000	\$ 95,000	\$ 440,000
Future interest payable	6,103	3,400	700	4,425	29,988
Totals	<u>\$ 151,103</u>	<u>\$ 173,400</u>	<u>\$ 70,700</u>	<u>\$ 99,425</u>	<u>\$ 469,988</u>
Payments to maturity					
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>\$ 151,103</u>	<u>\$ 173,400</u>	<u>\$ 70,700</u>	<u>\$ 99,425</u>	<u>\$ 469,988</u>

CITY OF SHOREVIEW, MINNESOTA

Debt Service Payments to Maturity

Revenue Bonds

December 31, 2021

	Water Revenue Bonds				
	2015	2016	Refunding 2018	2018	2020
Bonds payable	\$ 5,430,000	\$ 5,405,000	\$ 715,000	\$ 1,430,000	\$ 2,360,000
Future interest payable	1,193,559	1,155,800	73,875	336,449	337,223
Totals	<u>\$ 6,623,559</u>	<u>\$ 6,560,800</u>	<u>\$ 788,875</u>	<u>\$ 1,766,449</u>	<u>\$ 2,697,223</u>
Payments to maturity					
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>\$ 6,623,559</u>	<u>\$ 6,560,800</u>	<u>\$ 788,875</u>	<u>\$ 1,766,449</u>	<u>\$ 2,697,223</u>

Sewer Revenue Bonds

2007	Refunding 2013B	Refunding 2014	2015	2016	Refunding 2018	2018
\$ 45,000	\$ 25,000	\$ 340,000	\$ 1,180,000	\$ 155,000	\$ 170,000	\$ 285,000
1,967	250	22,681	153,950	20,719	17,500	47,450
<u>\$ 46,967</u>	<u>\$ 25,250</u>	<u>\$ 362,681</u>	<u>\$ 1,333,950</u>	<u>\$ 175,719</u>	<u>\$ 187,500</u>	<u>\$ 332,450</u>
\$ 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>\$ 46,967</u>	<u>\$ 25,250</u>	<u>\$ 362,681</u>	<u>\$ 1,333,950</u>	<u>\$ 175,719</u>	<u>\$ 187,500</u>	<u>\$ 332,450</u>

CITY OF SHOREVIEW, MINNESOTA

Debt Service Payments to Maturity

Revenue Bonds

December 31, 2021

	Sewer Revenue Bonds	Surface Water Revenue Bonds			
	2020	2007	2013A	2013C	Refunding 2014
Bonds payable	\$ 3,545,000	\$ 100,000	\$ 205,000	\$ 60,000	\$ 130,000
Future interest payable	507,000	4,138	4,150	2,700	8,862
Totals	<u>\$ 4,052,000</u>	<u>\$ 104,138</u>	<u>\$ 209,150</u>	<u>\$ 62,700</u>	<u>\$ 138,862</u>
Payments to maturity					
2022	\$ 253,705	\$ 53,100	\$ 103,100	\$ 21,500	\$ 28,025
2023	269,330	51,038	106,050	20,900	27,369
2024	271,180	—	—	20,300	26,806
2025	269,805	—	—	—	26,212
2026	268,280	—	—	—	30,450
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>\$ 4,052,000</u>	<u>\$ 104,138</u>	<u>\$ 209,150</u>	<u>\$ 62,700</u>	<u>\$ 138,862</u>

Surface Water Revenue Bonds					
2015	2016	Refunding 2018	2018	2020	Total
\$ 615,000	\$ 260,000	\$ 70,000	\$ 920,000	\$ 2,670,000	\$27,035,000
80,274	34,750	7,500	216,960	382,157	4,654,530
<u>\$ 695,274</u>	<u>\$ 294,750</u>	<u>\$ 77,500</u>	<u>\$ 1,136,960</u>	<u>\$ 3,052,157</u>	<u>\$31,689,530</u>
\$ 69,937	\$ 30,975	\$ 18,125	\$ 87,955	\$ 189,315	\$ 3,020,625
68,013	30,475	17,375	85,480	202,315	2,962,275
71,312	29,975	21,500	87,605	206,165	2,632,966
70,113	29,475	20,500	89,480	206,290	2,581,593
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>\$ 695,274</u>	<u>\$ 294,750</u>	<u>\$ 77,500</u>	<u>\$ 1,136,960</u>	<u>\$ 3,052,157</u>	<u>\$31,689,530</u>

CITY OF SHOREVIEW, MINNESOTA

Debt Service Payments to Maturity

General Obligation Improvement Bonds

December 31, 2021

		<u>G.O. Improvement Bonds</u>	
		<u>Refunding</u>	
		<u>2013B</u>	<u>2013C</u>
Bonds payable		\$ 10,000	\$ 1,260,000
Future interest payable		100	326,330
Total		<u>\$ 10,100</u>	<u>\$ 1,586,330</u>
Payments to maturity			
	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>\$ 10,100</u>	<u>\$ 1,586,330</u>

Exhibit 6

G.O. Improvement Bonds				
Refunding 2014	2015	Refunding 2018	2020	Total
\$ 15,000	\$ 165,000	\$ 105,000	\$ 850,000	\$ 2,405,000
225	9,600	10,875	113,515	460,645
<u>\$ 15,225</u>	<u>\$ 174,600</u>	<u>\$ 115,875</u>	<u>\$ 963,515</u>	<u>\$ 2,865,645</u>
\$ 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>\$ 15,225</u>	<u>\$ 174,600</u>	<u>\$ 115,875</u>	<u>\$ 963,515</u>	<u>\$ 2,865,645</u>

CITY OF SHOREVIEW, MINNESOTA

Debt Service Payments to Maturity

Other General Obligation Bonds

December 31, 2021

Exhibit 7

	Street Refunding 2013	Street 2013	Capital Plan Refunding 2014	Tax Abatement 2017	Street 2018	Total
Bonds payable	\$ 210,000	\$ 1,215,000	\$ 3,055,000	\$ 11,425,000	\$ 2,870,000	\$ 18,775,000
Future interest payable	2,100	99,734	410,006	3,361,550	676,073	4,549,463
Total	<u>\$ 212,100</u>	<u>\$ 1,314,734</u>	<u>\$ 3,465,006</u>	<u>\$ 14,786,550</u>	<u>\$ 3,546,073</u>	<u>\$ 23,324,463</u>
Payments to maturity						
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>\$ 212,100</u>	<u>\$ 1,314,734</u>	<u>\$ 3,465,006</u>	<u>\$ 14,786,550</u>	<u>\$ 3,546,073</u>	<u>\$ 23,324,463</u>

CITY OF SHOREVIEW, MINNESOTA

Debt Service Payments to Maturity

Certificates of Participation

December 31, 2021

Exhibit 8

	Refunding Certificates of Participation 2011
Bonds payable	\$ 900,000
Future interest payable	51,000
Total	<u>\$ 951,000</u>
Payments to maturity	
2022	\$ 473,750
2023	477,250
	<u>\$ 951,000</u>

CITY OF SHOREVIEW, MINNESOTA
Combining Schedule of Property and Equipment
For The Year Ended December 31, 2021

	Capital Assets				Balance – December 31, 2021
	Balance – January 1, 2021	Increases	Decreases	Adjustments	
Governmental activities					
Governmental activities (excluding internal service funds)					
Land	\$ 7,048,117	\$ –	\$ –	\$ –	\$ 7,048,117
Buildings and structures	51,337,921	169,487	16,006	225,723	51,717,125
Machinery and equipment	4,475,053	147,619	15,336	–	4,607,336
Infrastructure	66,123,435	–	266,153	–	65,857,282
Construction in progress	6,407,493	5,441,077	–	(225,723)	11,622,847
Total	<u>135,392,019</u>	<u>5,758,183</u>	<u>297,495</u>	<u>–</u>	<u>140,852,707</u>
Internal service fund					
Central garage					
Land	36,293	–	–	–	36,293
Buildings and structures	6,929,379	–	–	–	6,929,379
Machinery and equipment	7,246,199	154,812	313,673	–	7,087,338
Total central garage	<u>14,211,871</u>	<u>154,812</u>	<u>313,673</u>	<u>–</u>	<u>14,053,010</u>
Total governmental activities	<u>149,603,890</u>	<u>5,912,995</u>	<u>611,168</u>	<u>–</u>	<u>154,905,717</u>
Business-type activities					
Water utility					
Land	27,577	–	–	–	27,577
Buildings and structures	19,181,579	–	–	–	19,181,579
Machinery and equipment	2,579,239	–	–	–	2,579,239
Distribution system	21,972,045	–	–	–	21,972,045
Construction in progress	1,265,400	189,750	–	–	1,455,150
Total water utility	<u>45,025,840</u>	<u>189,750</u>	<u>–</u>	<u>–</u>	<u>45,215,590</u>
Sewer utility					
Land	11,459	–	–	–	11,459
Buildings and structures	1,992,588	88,154	–	–	2,080,742
Machinery and equipment	87,475	–	–	–	87,475
Collection system	15,279,472	–	–	–	15,279,472
Construction in progress	1,671,233	1,142,341	–	–	2,813,574
Total sewer utility	<u>19,042,227</u>	<u>1,230,495</u>	<u>–</u>	<u>–</u>	<u>20,272,722</u>
Surface water management utility					
Land	286,166	–	–	–	286,166
Machinery and equipment	8,538	–	–	–	8,538
Collection system	16,928,184	–	–	–	16,928,184
Construction in progress	1,809,818	659,000	–	–	2,468,818
Total surface water management utility	<u>19,032,706</u>	<u>659,000</u>	<u>–</u>	<u>–</u>	<u>19,691,706</u>
Street light utility					
Machinery and equipment	723	–	–	–	723
Distribution system	3,528,992	–	–	–	3,528,992
Construction in progress	347,000	132,914	–	–	479,914
Total street light utility	<u>3,876,715</u>	<u>132,914</u>	<u>–</u>	<u>–</u>	<u>4,009,629</u>
Total business-type activities	<u>86,977,488</u>	<u>2,212,159</u>	<u>–</u>	<u>–</u>	<u>89,189,647</u>
Total government	<u>\$ 236,581,378</u>	<u>\$ 8,125,154</u>	<u>\$ 611,168</u>	<u>\$ –</u>	<u>\$ 244,095,364</u>

Exhibit 9

Accumulated Depreciation				Net Capital Assets		
Balance – January 1, 2021	Increases	Decreases	Adjustments	Balance – December 31, 2021	Balance – January 1, 2021	Balance – December 31, 2021
\$ –	\$ –	\$ –	\$ –	\$ –	\$ 7,048,117	\$ 7,048,117
13,387,570	986,137	10,325	–	14,363,382	37,950,351	37,353,743
2,893,605	230,944	15,336	–	3,109,213	1,581,448	1,498,123
38,320,557	1,705,938	54,164	–	39,972,331	27,802,878	25,884,951
–	–	–	–	–	6,407,493	11,622,847
<u>54,601,732</u>	<u>2,923,019</u>	<u>79,825</u>	<u>–</u>	<u>57,444,926</u>	<u>80,790,287</u>	<u>83,407,781</u>
–	–	–	–	–	36,293	36,293
3,249,716	250,664	–	–	3,500,380	3,679,663	3,428,999
3,731,390	504,814	284,554	–	3,951,650	3,514,809	3,135,688
<u>6,981,106</u>	<u>755,478</u>	<u>284,554</u>	<u>–</u>	<u>7,452,030</u>	<u>7,230,765</u>	<u>6,600,980</u>
<u>61,582,838</u>	<u>3,678,497</u>	<u>364,379</u>	<u>–</u>	<u>64,896,956</u>	<u>88,021,052</u>	<u>90,008,761</u>
–	–	–	–	–	27,577	27,577
4,948,150	429,012	–	–	5,377,162	14,233,429	13,804,417
1,120,270	103,966	–	–	1,224,236	1,458,969	1,355,003
11,195,941	438,938	–	–	11,634,879	10,776,104	10,337,166
–	–	–	–	–	1,265,400	1,455,150
<u>17,264,361</u>	<u>971,916</u>	<u>–</u>	<u>–</u>	<u>18,236,277</u>	<u>27,761,479</u>	<u>26,979,313</u>
–	–	–	–	–	11,459	11,459
1,089,927	77,975	–	–	1,167,902	902,661	912,840
51,318	3,140	–	–	54,458	36,157	33,017
8,407,800	265,825	–	–	8,673,625	6,871,672	6,605,847
–	–	–	–	–	1,671,233	2,813,574
<u>9,549,045</u>	<u>346,940</u>	<u>–</u>	<u>–</u>	<u>9,895,985</u>	<u>9,493,182</u>	<u>10,376,737</u>
–	–	–	–	–	286,166	286,166
8,538	–	–	–	8,538	–	–
4,347,653	349,492	–	–	4,697,145	12,580,531	12,231,039
–	–	–	–	–	1,809,818	2,468,818
<u>4,356,191</u>	<u>349,492</u>	<u>–</u>	<u>–</u>	<u>4,705,683</u>	<u>14,676,515</u>	<u>14,986,023</u>
723	–	–	–	723	–	–
1,366,772	111,806	–	–	1,478,578	2,162,220	2,050,414
–	–	–	–	–	347,000	479,914
<u>1,367,495</u>	<u>111,806</u>	<u>–</u>	<u>–</u>	<u>1,479,301</u>	<u>2,509,220</u>	<u>2,530,328</u>
<u>32,537,092</u>	<u>1,780,154</u>	<u>–</u>	<u>–</u>	<u>34,317,246</u>	<u>54,440,396</u>	<u>54,872,401</u>
<u>\$ 94,119,930</u>	<u>\$ 5,458,651</u>	<u>\$ 364,379</u>	<u>\$ –</u>	<u>\$ 99,214,202</u>	<u>\$ 142,461,448</u>	<u>\$ 144,881,162</u>

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STATISTICAL SECTION

III. STATISTICAL SECTION (UNAUDITED)

This part of the City of Shoreview, Minnesota's (the City) annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

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 annual comprehensive financial report for the relevant year.

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

	Fiscal Year			
	2012	2013	2014	2015
Governmental activities				
Net investment in capital assets	\$ 40,154,929	\$ 41,391,324	\$ 40,908,853	\$ 41,037,296
Restricted	5,364,477	4,646,335	7,253,717	7,856,109
Unrestricted	12,597,300	10,639,322	13,905,130	12,962,834
Total governmental activities net position	<u>\$ 58,116,706</u>	<u>\$ 56,676,981</u>	<u>\$ 62,067,700</u>	<u>\$ 61,856,239</u>
Business-type activities				
Net investment in capital assets	\$ 21,585,799	\$ 21,332,825	\$ 22,829,472	\$ 24,444,045
Restricted	183,496	217,442	224,368	23,338
Unrestricted	7,185,024	8,556,468	8,141,056	7,264,111
Total business-type activities net position	<u>\$ 28,954,319</u>	<u>\$ 30,106,735</u>	<u>\$ 31,194,896</u>	<u>\$ 31,731,494</u>
Primary government				
Net investment in capital assets	\$ 61,740,728	\$ 62,724,149	\$ 63,738,325	\$ 65,481,341
Restricted	5,547,973	4,863,777	7,478,085	7,879,447
Unrestricted	19,782,324	19,195,790	22,046,186	20,226,945
Total primary government net position	<u>\$ 87,071,025</u>	<u>\$ 86,783,716</u>	<u>\$ 93,262,596</u>	<u>\$ 93,587,733</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					
2016	2017	2018	2019	2020	2021
\$ 42,222,816	\$ 42,933,016	\$ 46,904,126	\$ 50,530,530	\$ 57,978,651	\$ 61,634,118
6,620,922	6,692,255	6,640,221	6,681,314	7,067,639	7,873,448
14,277,070	16,713,271	16,300,744	17,755,350	12,306,883	14,657,765
<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>	<u>\$ 84,165,331</u>
\$ 22,950,528	\$ 23,889,946	\$ 23,247,084	\$ 26,376,882	\$ 25,874,728	\$ 27,017,007
13,267	80,825	47,983	36,105	95,090	87,258
9,716,503	9,843,259	12,157,890	10,156,560	12,901,072	13,634,279
<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>	<u>\$ 40,738,544</u>
\$ 65,173,344	\$ 66,822,962	\$ 70,151,210	\$ 76,907,412	\$ 83,853,379	\$ 88,651,125
6,634,189	6,773,080	6,688,204	6,717,419	7,162,729	7,960,706
23,993,573	26,556,530	28,458,634	27,911,910	25,207,955	28,292,044
<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>	<u>\$ 124,903,875</u>

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

	Fiscal Year		
	2012	2013	2014
Expenses			
Governmental activities			
General government	\$ 2,349,276	\$ 2,582,399	\$ 2,529,960
Public safety	3,113,032	3,543,388	3,568,459
Public works	3,998,390	6,798,886	5,178,104
Parks and recreation	6,128,769	6,123,840	6,726,335
Community development	2,904,944	2,210,253	1,580,709
Interest on long-term debt	595,009	730,200	680,281
Total governmental activities expenses	<u>19,089,420</u>	<u>21,988,966</u>	<u>20,263,848</u>
Business-type activities			
Water	2,206,516	2,238,481	2,251,547
Sewer	3,283,498	3,498,374	3,569,836
Surface water	1,019,008	954,828	1,032,375
Street lights	275,412	295,949	305,615
Total business-type activities expenses	<u>6,784,434</u>	<u>6,987,632</u>	<u>7,159,373</u>
Total primary government expenses	<u>\$ 25,873,854</u>	<u>\$ 28,976,598</u>	<u>\$ 27,423,221</u>
Program revenues			
Government activities			
Charges for services			
General government	\$ 1,248,377	\$ 1,405,214	\$ 1,286,854
Public safety	70,304	55,362	52,034
Public works	828,857	918,543	833,176
Parks and recreation	3,651,544	3,744,316	3,837,325
Community development	611,623	758,157	746,075
Operating grants and contributions	320,347	1,345,155	1,401,114
Capital grants and contributions	852,396	911,375	3,360,726
Total governmental activities program revenues	<u>7,583,448</u>	<u>9,138,122</u>	<u>11,517,304</u>
Business-type activities			
Charges for services			
Water	2,918,022	2,694,959	2,481,331
Sewer	3,568,777	3,777,352	3,859,639
Surface water	1,147,539	1,221,047	1,371,166
Street lights	456,284	474,872	495,367
Operating grants and contributions	—	—	—
Capital grants and contributions	109,985	76,008	173,961
Total business-type activities program revenues	<u>8,200,607</u>	<u>8,244,238</u>	<u>8,381,464</u>
Total primary government program revenues	<u>\$ 15,784,055</u>	<u>\$ 17,382,360</u>	<u>\$ 19,898,768</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						
2015	2016	2017	2018	2019	2020	2021
\$ 2,561,018	\$ 2,779,242	\$ 2,889,824	\$ 2,738,134	\$ 2,818,666	\$ 3,026,853	\$ 2,934,432
3,676,952	3,836,127	4,469,412	4,145,531	4,369,668	5,309,626	5,055,046
4,201,869	4,591,903	4,191,821	4,619,159	4,272,497	4,872,473	4,347,558
6,800,000	7,247,189	7,265,886	7,180,495	8,436,181	7,112,278	8,069,134
1,459,408	3,047,976	1,658,775	1,566,796	2,006,036	2,329,567	2,793,289
409,442	342,529	479,563	759,972	768,658	716,615	664,312
<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>	<u>23,863,771</u>
2,376,328	2,736,575	2,867,238	3,090,385	3,123,860	3,330,641	3,354,801
3,599,737	3,721,041	3,813,241	3,777,594	4,118,957	4,361,002	4,240,960
1,095,693	1,275,433	1,273,020	1,306,195	1,366,392	1,607,915	1,639,956
305,572	295,184	305,275	317,788	325,531	384,425	388,835
<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>9,624,552</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>	<u>\$ 33,488,323</u>
\$ 1,493,962	\$ 1,513,923	\$ 1,428,626	\$ 1,506,804	\$ 1,572,258	\$ 1,726,043	\$ 1,537,641
56,076	55,164	50,779	62,596	59,193	39,299	36,945
840,649	922,381	912,497	961,129	983,472	1,178,316	1,259,366
3,866,453	3,832,222	4,066,937	3,824,104	5,144,790	1,558,277	3,180,362
541,413	797,376	1,232,151	697,794	1,265,253	1,203,753	1,454,135
670,100	985,665	797,103	1,012,976	912,161	910,572	976,484
1,342,886	1,112,367	1,300,509	1,243,109	1,468,899	1,371,401	1,266,920
<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>	<u>9,711,853</u>
2,589,260	2,871,346	3,244,714	3,313,619	3,102,813	3,798,620	4,592,272
3,945,284	4,054,563	4,280,337	4,346,724	4,509,362	4,604,235	4,791,667
1,474,485	1,618,068	1,782,349	1,855,874	1,947,975	2,017,272	2,114,438
521,184	555,704	640,876	681,628	724,438	749,902	795,591
129,750	22,715	406	7,379	9,635	7,864	6,086
656,855	417,907	40,561	501,000	207,943	8,091	—
<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>12,300,054</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>	<u>\$ 22,011,907</u>

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

	Fiscal Year		
	2012	2013	2014
Net (expense) revenue			
Governmental activities	\$ (11,505,972)	\$ (12,850,844)	\$ (8,746,544)
Business-type activities	1,416,173	1,256,606	1,222,091
Total primary government net expense	<u>\$ (10,089,799)</u>	<u>\$ (11,594,238)</u>	<u>\$ (7,524,453)</u>
General revenues and other changes in net position			
Governmental activities			
Taxes			
Property taxes	\$ 9,243,083	\$ 9,666,218	\$ 9,776,446
Tax increment collections	1,980,051	1,882,775	1,816,702
Franchise tax	301,530	456,242	1,120,948
Grants and contributions not restricted to specific programs	33,369	33,500	33,218
Unrestricted investment earnings (charges)	231,716	(553,422)	849,339
Gain on disposal of capital assets	26,561	56,763	78,143
Transfers	459,493	(130,957)	462,467
Total governmental activities	<u>12,275,803</u>	<u>11,411,119</u>	<u>14,137,263</u>
Business-type activities			
Unrestricted investment earnings (charges)	71,631	(235,147)	328,537
Transfers	(459,493)	130,957	(462,467)
Total business-type activities	<u>(387,862)</u>	<u>(104,190)</u>	<u>(133,930)</u>
Total primary government	<u>\$ 11,887,941</u>	<u>\$ 11,306,929</u>	<u>\$ 14,003,333</u>
Change in net position			
Governmental activities	\$ 769,831	\$ (1,439,725)	\$ 5,390,719
Business-type activities	1,028,311	1,152,416	1,088,161
Total primary government	<u>\$ 1,798,142</u>	<u>\$ (287,309)</u>	<u>\$ 6,478,880</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						
2015	2016	2017	2018	2019	2020	2021
\$ (10,297,150)	\$ (12,625,868)	\$ (11,166,679)	\$ (11,701,575)	\$ (11,265,680)	\$ (15,379,751)	\$ (14,151,918)
1,939,488	1,512,070	1,730,469	2,214,262	1,567,426	1,502,001	2,675,502
<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>	<u>\$ (11,476,416)</u>
\$ 10,347,760	\$ 10,903,874	\$ 11,088,974	\$ 11,616,082	\$ 12,365,629	\$ 12,945,692	\$ 13,890,264
1,148,397	753,738	861,608	1,027,508	959,072	1,631,801	1,754,624
1,395,125	1,278,643	1,275,995	1,259,315	1,254,280	1,248,483	1,603,203
35,331	58,743	34,541	65,663	41,864	2,035,827	2,982,350
294,151	208,622	328,996	473,304	926,217	502,407	(57,592)
44,577	43,147	91,798	71,356	90,307	70,694	14,143
588,446	643,670	702,501	694,896	750,414	(669,174)	777,084
<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>	<u>20,964,076</u>
98,325	80,404	105,764	119,561	299,578	130,168	(30,764)
(588,446)	(643,670)	(702,501)	(694,896)	(750,414)	669,174	(777,084)
<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>(807,848)</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>	<u>\$ 20,156,228</u>
\$ 3,556,637	\$ 1,264,569	\$ 3,217,734	\$ 3,506,549	\$ 5,122,103	\$ 2,385,979	\$ 6,812,158
1,449,367	948,804	1,133,732	1,638,927	1,116,590	2,301,343	1,867,654
<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>	<u>\$ 8,679,812</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>
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
2021	13,890,264	1,754,624	1,603,203	17,248,091

CITY OF SHOREVIEW

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2012	2013	2014	2015
General Fund				
Nonspendable				
Prepaid items	\$ 69,213	\$ 82,971	\$ 63,953	\$ 11,164
Assigned	–	–	–	–
Unassigned	4,066,796	4,220,635	4,383,445	4,615,960
Total General Fund	<u>\$ 4,136,009</u>	<u>\$ 4,303,606</u>	<u>\$ 4,447,398</u>	<u>\$ 4,627,124</u>
All other governmental funds				
Nonspendable				
Prepaid items	\$ 8,680	\$ 14,642	\$ 2,350	\$ 3,925
Restricted	5,105,880	6,832,418	7,097,111	6,220,156
Committed	5,562,550	5,517,902	7,046,321	8,957,012
Assigned	1,858,594	967,183	2,090,550	2,804,058
Unassigned	(222,622)	(1,294,351)	(907,931)	(1,104,502)
Total all other governmental funds	<u>\$ 12,313,082</u>	<u>\$ 12,037,794</u>	<u>\$ 15,328,401</u>	<u>\$ 16,880,649</u>

Table 4

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 135,985	\$ 80,440	\$ 863,722	\$ 28,641	\$ 846,669	\$ 922,305
-	30,000	-	-	211,228	-
<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>5,256,575</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>	<u>\$ 6,178,880</u>
\$ 22,169	\$ 4,058	\$ 20,541	\$ 26,585	\$ 15,349	\$ 32,139
4,954,524	16,266,250	7,301,624	5,490,701	6,147,842	6,643,000
10,065,588	12,466,505	11,101,004	11,339,921	9,510,921	10,164,929
2,936,626	2,619,061	3,022,851	3,449,549	1,244,923	1,184,027
<u>(989,146)</u>	<u>(904,624)</u>	<u>(803,321)</u>	<u>(794,115)</u>	<u>(2,928,465)</u>	<u>(2,269,832)</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>	<u>\$ 15,754,263</u>

CITY OF SHOREVIEW

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2012	2013	2014	2015
Revenues				
Taxes				
General property taxes	\$ 9,011,334	\$ 9,463,973	\$ 9,617,824	\$ 10,124,526
Tax increments	1,980,051	1,882,775	1,811,837	1,193,506
Franchise tax	301,530	456,242	1,120,948	1,395,125
Special assessments	181,035	149,647	262,313	294,239
Licenses and permits	540,755	648,306	628,033	500,102
Intergovernmental	913,123	1,973,301	2,474,156	1,341,381
Charges for services	5,380,786	5,857,355	5,698,863	5,886,182
Fines and forfeits	67,000	52,440	49,430	52,581
Earnings on investments (charges)	216,714	(508,781)	787,765	274,698
Billboard fees	43,557	51,667	50,300	51,809
Antenna fees	246,611	243,606	300,670	359,711
Miscellaneous	154,427	147,399	365,766	155,786
Total revenues	<u>19,146,923</u>	<u>20,417,930</u>	<u>23,167,905</u>	<u>21,629,646</u>
Expenditures				
Current				
General government	2,205,967	2,385,455	2,352,792	2,355,197
Public safety	3,027,782	3,458,358	3,483,427	3,592,309
Public works	2,335,935	5,172,372	2,614,448	2,551,991
Parks and recreation	5,620,067	5,634,141	6,218,662	6,260,728
Community development	2,903,360	2,206,684	1,581,136	1,444,053
Capital outlay	1,362,235	6,938,968	1,600,173	1,498,097
Debt service				
Principal	1,335,000	1,395,000	1,265,000	1,265,000
Interest	397,416	329,902	408,211	326,013
Fiscal charges	10,407	126,892	5,254	9,526
Total expenditures	<u>19,198,169</u>	<u>27,647,772</u>	<u>19,529,103</u>	<u>19,302,914</u>
Revenues over (under) expenditures	<u>(51,246)</u>	<u>(7,229,842)</u>	<u>3,638,802</u>	<u>2,326,732</u>
Other financing sources (uses)				
Issuance of refunding debt	–	2,365,000	100,000	–
Debt issuance	–	4,190,000	–	295,000
Premium on debt issuance	–	285,435	5,822	14,637
Payments to refunded bond escrow agent	–	(135,000)	(860,000)	(1,490,000)
Sale of capital assets	250	3,290	7,914	4,107
Transfers in	373,729	413,426	541,861	581,498
Transfers out	–	–	–	–
Total other financing sources (uses)	<u>373,979</u>	<u>7,122,151</u>	<u>(204,403)</u>	<u>(594,758)</u>
Net change in fund balances	<u>\$ 322,733</u>	<u>\$ (107,691)</u>	<u>\$ 3,434,399</u>	<u>\$ 1,731,974</u>
Debt service as a percentage of noncapital expenditures	<u>9.7%</u>	<u>8.3%</u>	<u>9.3%</u>	<u>8.9%</u>

Table 5

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 10,726,142	\$ 10,907,023	\$ 11,433,913	\$ 12,189,888	\$ 12,756,667	\$ 13,681,486
753,761	861,608	1,027,508	956,923	1,633,950	1,753,114
1,278,643	1,275,995	1,259,315	1,254,280	1,248,483	1,603,203
323,464	311,968	351,436	310,318	292,214	357,681
695,250	1,000,637	634,797	1,097,166	1,034,606	1,126,540
1,674,144	1,484,186	1,778,150	1,681,388	3,897,006	4,690,738
5,896,213	6,126,896	5,832,229	7,464,997	4,151,776	5,759,473
51,264	47,899	59,366	55,843	36,689	36,685
196,028	307,559	445,005	851,395	462,585	(47,439)
53,363	58,716	52,862	58,312	54,091	61,863
399,928	430,740	464,364	427,865	444,904	454,047
223,692	426,631	118,077	398,013	193,060	229,128
<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>	<u>29,706,519</u>
2,516,388	2,633,535	2,518,533	2,597,979	2,829,339	2,786,793
3,751,349	4,384,589	4,059,505	4,282,209	5,222,852	4,969,987
2,886,255	2,116,201	2,586,700	2,277,693	2,457,973	2,466,832
6,551,569	6,622,590	6,593,145	7,695,620	6,363,005	7,277,855
3,016,431	1,626,053	1,643,991	2,012,138	2,435,190	2,870,481
2,574,263	5,166,469	18,232,967	6,957,100	11,124,686	5,845,499
1,030,000	1,010,000	1,849,965	1,475,000	1,730,000	1,665,000
267,231	245,175	538,698	708,939	712,756	677,096
3,082	126,460	51,392	12,131	15,211	6,726
<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>28,566,269</u>
<u>(324,676)</u>	<u>(691,214)</u>	<u>(14,617,874)</u>	<u>(1,272,421)</u>	<u>(6,684,981)</u>	<u>1,140,250</u>
–	–	150,000	–	–	–
–	12,865,000	3,180,000	–	850,000	–
–	831,537	164,640	–	68,727	–
–	–	–	(160,000)	–	–
4,369	13,849	807,190	–	–	800
611,573	658,554	667,292	700,000	720,190	745,000
–	–	–	–	(2,435)	–
<u>615,942</u>	<u>14,368,940</u>	<u>4,969,122</u>	<u>540,000</u>	<u>1,636,482</u>	<u>745,800</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>\$ 1,886,050</u>
<u>6.5%</u>	<u>6.7%</u>	<u>12.0%</u>	<u>10.4%</u>	<u>11.2%</u>	<u>10.3%</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							
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%
2021	35,366,348	7,547,387	253,438	5,213	1,555,347	41,617,039	32.331%	3,744,727,900	1.1%
Percentage of Total Net Tax Capacity Value									
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%			
2021	85.0%	18.1%	0.6%	0.0%	3.7%	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		
	2012	2013	2014
Tax Capacity Rates:			
City of Shoreview			
General Fund	23.148%	25.557%	25.842%
Special revenue	0.197%	0.231%	0.302%
Capital project	7.552%	8.545%	8.580%
Debt service	1.582%	1.929%	2.071%
Internal service	0.773%	0.708%	0.695%
Total city tax rate	33.252%	36.970%	37.490%
Shoreview HRA	0.254%	0.289%	0.345%
Overlapping rates			
Ramsey County	56.945%	60.638%	59.105%
Ramsey County Library	4.372%	4.602%	4.630%
Total county tax rate	61.317%	65.240%	63.735%
Rice Creek Watershed	2.348%	2.322%	2.346%
Metro Watershed	3.043%	3.643%	4.499%
School Districts			
District No. 621	29.044%	29.444%	29.734%
District No. 623	17.065%	15.464%	16.251%
Other			
Regional rail	4.330%	4.528%	4.196%
Metropolitan Council	2.706%	2.776%	2.729%
Mosquito Control	0.571%	0.573%	0.554%
Total Direct and Overlapping Tax Capacity Rates:			
Grass Lake, No. 621	131.474%	139.820%	138.783%
Rice Creek, No. 621	133.822%	142.142%	141.129%
Metro Watershed, No. 621	134.517%	143.463%	143.282%
Grass Lake, No. 623	119.495%	125.840%	125.300%
Rice Creek, No. 623	121.843%	128.162%	127.646%
Metro Watershed, No. 623	122.538%	129.483%	129.799%
State-Wide Tax Capacity Rates:			
Commercial, industrial, and non-electric public utilities	51.100%	52.523%	52.160%
Cabins	20.750%	22.327%	22.836%
Market Value Tax Rates:			
Overlapping rates			
School Districts			
District No. 621	0.21242%	0.22834%	0.21069%
District No. 623	0.19591%	0.24553%	0.25826%

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						
2015	2016	2017	2018	2019	2020	2021
23.853%	24.267%	23.588%	22.822%	22.191%	22.454%	22.429%
0.306%	0.365%	0.356%	0.347%	0.407%	0.407%	0.399%
8.160%	8.302%	8.096%	7.771%	6.808%	6.762%	6.675%
1.848%	1.813%	1.693%	2.145%	3.055%	2.535%	2.386%
0.706%	0.610%	0.569%	0.532%	0.499%	0.468%	0.442%
34.873%	35.357%	34.302%	33.617%	32.960%	32.626%	32.331%
0.323%	0.332%	0.325%	0.318%	0.595%	0.669%	0.634%
54.462%	54.012%	51.173%	49.473%	48.565%	48.081%	43.859%
4.460%	4.873%	4.677%	4.489%	4.315%	4.221%	3.901%
58.922%	58.885%	55.850%	53.962%	52.880%	52.302%	47.760%
2.205%	2.108%	1.985%	1.826%	1.858%	1.925%	1.822%
4.259%	4.214%	3.813%	3.746%	3.387%	3.248%	2.938%
27.378%	26.245%	25.305%	28.464%	26.330%	24.964%	23.863%
17.180%	20.958%	18.894%	34.396%	31.686%	30.668%	31.250%
3.938%	4.091%	3.875%	3.830%	3.886%	3.918%	3.825%
2.525%	2.379%	2.243%	2.153%	2.098%	2.003%	1.809%
0.511%	0.475%	0.455%	0.440%	0.423%	0.403%	0.366%
128.470%	127.764%	122.355%	122.784%	119.172%	116.885%	110.588%
130.675%	129.872%	124.340%	124.610%	121.030%	118.810%	112.410%
132.729%	131.978%	126.168%	126.530%	122.559%	120.133%	113.526%
118.272%	122.477%	115.944%	128.716%	124.528%	122.589%	117.975%
120.477%	124.585%	117.929%	130.542%	126.386%	124.514%	119.797%
122.531%	126.691%	119.757%	132.462%	127.915%	125.837%	120.913%
50.840%	48.641%	45.802%	43.865%	42.416%	38.846%	35.978%
21.703%	21.167%	20.845%	20.779%	19.962%	17.997%	17.306%
0.21901%	0.22261%	0.20712%	0.19725%	0.18765%	0.29347%	0.25290%
0.25930%	0.21044%	0.19350%	0.21951%	0.22529%	0.19816%	0.16876%

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

Table 8

Taxpayer	2021				2012			
	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	1.66%	\$ 41,515,000	\$ 829,550	2	2.95%
Terrace Apartments Company	42,000,000	525,002	2	1.26%	21,645,800	270,572	6	0.96%
Shoreview Housing Phase 1 LLC	35,000,000	437,500	3	1.05%	-	-	-	-
McMillan Group LLC	29,655,000	388,487	4	0.93%	-	-	-	-
Shoreview Senior Living LLC	30,572,300	382,154	5	0.92%	-	-	-	-
Lakeshore Oaks Apts LLP	29,924,500	374,055	6	0.90%	-	-	-	-
Scannell Properties 452 LLC	18,000,000	359,250	7	0.86%	-	-	-	-
Carroll Ventures Company	27,476,700	343,459	8	0.83%	-	-	-	-
Medtronic Inc	15,722,800	313,706	9	0.75%	11,370,000	226,650	8	0.81%
TSI Inc.	15,467,400	307,848	10	0.74%	8,497,800	169,206	10	0.60%
Ari - Shoreview Corp. Center, LLC	-	-	-	-	45,573,300	910,716	1	3.24%
Deluxe Corporation	-	-	-	-	26,900,000	537,250	3	1.91%
Dayton Hudson Corporation	-	-	-	-	15,000,000	299,250	4	1.06%
Canis Rice Creek, LLC	-	-	-	-	14,200,000	282,500	5	1.00%
Xcel Energy/NSP	-	-	-	-	13,221,900	264,438	7	0.94%
Fox UTV Holdings & Deaware Corp	-	-	-	-	9,703,600	191,664	9	0.68%
Total	\$ 278,433,700	\$ 4,123,011		9.90%	\$ 207,627,400	\$ 3,981,796		14.15%

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						
		2012	2013	2014	2015	2016	2017	2018
Property Taxes:								
2011 and prior	\$ 9,051,713	\$ (80,719)	\$ (14,774)	\$ (60,236)	\$ 4,506	\$ 7,987	\$ (1,804)	\$ -
2012	9,360,028	9,262,995	28,098	(40,783)	(36,120)	3,508	668	2,777
2013	9,679,510	-	9,607,386	14,812	(26,344)	5,740	157	1,249
2014	10,009,093	-	-	9,922,551	11,781	1,371	458	1,696
2015	10,362,788	-	-	-	10,283,315	32,320	(21,193)	2,436
2016	10,767,725	-	-	-	-	10,708,778	17,544	(8,941)
2017	11,190,497	-	-	-	-	-	11,105,813	30,948
2018	11,741,840	-	-	-	-	-	-	11,690,537
2019	12,367,045	-	-	-	-	-	-	-
2020	13,079,686	-	-	-	-	-	-	-
2021	13,730,874	-	-	-	-	-	-	-
Non-levy collections (2)		43,440	26,253	(38,859)	94,302	150,889	(12,367)	(105,163)
Total collections within fiscal year		<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>	<u>\$11,615,539</u>

Tax Increments:								
2011 and prior	\$ 2,094,246	\$ 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	-	-	-	-	-	-	1,027,508
2019	1,013,478	-	-	-	-	-	-	-
2020	1,616,200	-	-	-	-	-	-	-
2021	1,754,624	-	-	-	-	-	-	-
Non-levy collections (2)		30,658	-	-	-	-	-	-
Total collections within fiscal year		<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>	<u>\$ 1,027,508</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	
2019	2020	2021		Amount	Percentage of Levy		Amount	Percentage of Levy
\$ -	\$ -	\$ -	99.2%	\$8,835,431	97.6%	\$ (216,282)	\$ -	0.00%
-	-	-	99.0%	9,221,143	98.5%	(138,885)	-	0.00%
150	-	-	99.3%	9,603,150	99.2%	(76,360)	-	0.00%
350	15	-	99.1%	9,938,222	99.3%	(70,871)	-	0.00%
1,064	-	1,015	99.2%	10,298,957	99.4%	(62,340)	1,491	0.01%
2,990	986	1,642	99.5%	10,722,999	99.6%	(42,833)	1,893	0.02%
(25,606)	2,688	1,941	99.2%	11,115,784	99.3%	(72,540)	2,173	0.02%
(7,701)	(7,787)	1,989	99.6%	11,677,038	99.4%	(61,209)	3,593	0.03%
12,224,575	19,129	(20,493)	98.8%	12,223,211	98.8%	(134,717)	9,117	0.07%
-	13,020,882	14,352	99.6%	13,035,234	99.7%	(23,753)	20,699	0.16%
-	-	13,658,454	99.5%	13,658,454	99.5%	(14,357)	58,063	0.42%
177,146	(97,461)	208,401					-	
<u>\$12,372,968</u>	<u>\$12,938,452</u>	<u>\$13,867,301</u>					<u>\$ 97,029</u>	
\$ -	\$ -	\$ -	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%
-	-	-	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%
-	-	1,753,114	99.9%	1,753,114	99.9%	-	1,510	0.09%
-	-	-					-	
<u>\$ 956,923</u>	<u>\$ 1,633,950</u>	<u>\$ 1,753,114</u>					<u>\$ 1,510</u>	

CITY OF SHOREVIEW

Water Sold by Type of Customer

Last Ten Fiscal Years

(in millions of gallons)

	Residential				Total Residential
	Tier 1 – First 5,000 Gallons	Tier 2 – Second 5,000 Gallons	Tier 3 – Third 20,000 Gallons	Tier 4 – Remaining Gallons	
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
2021	214.4	155.8	200.5	105.2	675.9

	Percentage of Total Water Sold				
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%
2021	24.6%	17.8%	22.9%	12.0%	77.3%

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

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
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
27.7	121.6	23.5	172.8	25.8	874.5
Percentage of Total Water Sold					
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%
3.2%	13.8%	2.7%	19.7%	3.0%	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 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
2021	29.00	1.77	2.84	3.93	6.48	33.27	35.24	278.12	278.12

Source: City of Shoreview utility billing department

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
\$ 35.76	\$ 15.11	\$ 26.02	\$ 39.90	\$ 54.26	\$ 70.50	\$ 9.11	\$ 6.83
37.91	16.02	27.58	42.29	57.52	74.73	9.47	7.10
39.05	16.50	28.41	43.56	59.25	76.97	9.85	7.38
40.22	17.00	29.26	44.87	61.03	79.28	10.24	7.68
41.43	17.51	30.14	46.22	62.86	81.66	10.85	8.14
42.67	18.04	31.04	47.61	64.75	84.11	12.48	9.36
43.95	18.58	31.97	49.04	66.69	86.63	13.23	9.92
45.27	19.14	32.93	50.51	68.69	89.23	13.89	10.42
46.18	19.52	33.59	51.52	70.06	91.01	14.31	10.73
47.10	19.91	34.26	52.55	71.46	92.83	15.03	11.27

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
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
2021	29.00	2.84	3.93	6.48

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	\$ 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
47.10	5.04	278.12	45.11

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
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
2021	2,405,000	18,775,000	–	900,000	5,195,035	16,260,000

Note: Details regarding the City’s outstanding debt can be found in the notes to basic 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>	
\$ 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	4.21%	1.95%	2,264
2,775,000	3,275,000	1,848,428	54,583,463	3.72%	1.67%	2,061
6,035,000	5,500,000	2,247,615	60,487,650	3.87%	1.71%	2,266
5,745,000	5,030,000	2,041,819	56,351,854	3.20%	1.50%	2,093

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
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
2021	2,405,000	18,775,000	–	16,260,000	5,745,000	5,030,000

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>
\$ -	\$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
2,041,819	50,256,819	1,282,046	48,974,773	1.31%	1,819

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CITY OF SHOREVIEW

Direct and Overlapping Governmental Activities Debt
as of December 31, 2021

Table 15

Governmental Unit	Gross Debt Outstanding (1)	Estimated Percentage Applicable (2)	Estimated Share of Overlapping Debt
Overlapping debt			
Ramsey County	\$ 207,687,000	6.440%	\$ 13,375,783
Independent School District No. 621 (Mounds View)	195,570,000	30.402%	59,456,560
Independent School District No. 623 (Roseville)	144,105,000	3.591%	5,174,871
Special Independent School District No. 916 (Vo-Tech)	73,470,000	4.185%	3,074,408
Metropolitan Council	1,796,428,968	0.852%	15,305,962
Metro Watershed District	3,472,000	7.853%	272,663
Total overlapping debt			96,660,247
City of Shoreview direct debt (1)			28,307,648
Total direct and overlapping debt			<u>\$ 124,967,895</u>

Debt Ratios

Ratio of debt per capita (26,921 population, Table 18)	\$ 4,642.02
Ratio of debt to net tax capacity valuations (after fiscal disparities) (\$41,617,039, Table 6)	300.28%
Ratio of debt to estimated actual market value of property (\$3,744,727,900, Table 6)	3.34%

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			
	2012	2013	2014	2015
Debt limit	\$ 77,057,004	\$ 72,148,140	\$ 72,386,496	\$ 79,220,802
Total net debt applicable to limit	11,798,714	13,168,149	16,872,663	11,095,214
Legal debt margin	<u>\$ 65,258,290</u>	<u>\$ 58,979,991</u>	<u>\$ 55,513,833</u>	<u>\$ 68,125,588</u>
Total net debt applicable to the limit as a percentage of debt limit	15.31%	18.25%	23.31%	14.01%

Table 16

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 80,951,568	\$ 85,839,363	\$ 92,044,536	\$ 98,141,004	\$ 106,283,451	\$ 112,341,837
10,064,636	8,985,056	10,947,380	9,620,097	8,422,988	7,204,348
<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>	<u>\$ 105,137,489</u>
12.43%	10.47%	11.89%	9.80%	7.93%	6.41%

Legal Debt Margin Calculation for Fiscal Year 2021

Market value (payable 2021 value, Table 6)	\$3,744,727,900
Debt limit (3% of market value)	112,341,837
Debt applicable to limit	
Other general obligation bonds	7,350,000
Certificates of participation	900,000
Less cash set aside for repayment of general obligation debt	<u>(1,045,652)</u>
Total net debt applicable to limit	<u>7,204,348</u>
Legal debt margin	<u>\$ 105,137,489</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						
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
2021	4,589,799	1,969,936	2,619,863	1,205,000	402,072	1.63
Sewer Revenue Bonds						
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
2021	4,778,867	3,767,841	1,011,026	290,000	121,193	2.46
Surface Water Management Revenue Bonds						
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
2021	2,108,781	1,177,555	931,226	470,000	112,843	1.60

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

(1) Operating expenses do not include depreciation.

CITY OF SHOREVIEW

Demographic and Economic Statistics
Last Ten Fiscal Years

Table 18

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Estimated Personal Income (Amounts Expressed in Whole Dollars) (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>School Enrollment District No. 621 (4)</u>	<u>School Enrollment District No. 623 (4)</u>	<u>Unemployment Rate (5)</u>
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	1,420,944,416	53,728	11,389	7,652	2.3 %
2019	26,480	1,468,104,160	55,442	11,656	7,580	2.6 %
2020	26,695	1,563,179,115	58,557	11,726	7,580	4.8 %
2021	26,921	1,762,948,606	65,486	11,499	7,299	2.7 %

Notes/Sources:

- (1) Population figures other than census year are estimates provided by the Metropolitan Council. The last census figures available are for 2020. 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 2012–2020 data is for Ramsey County, in which the City resides, the smallest region applicable to the City that this information is available for. The 2021 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. 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	2021*			2012		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Wells Fargo	1,200	1	10.66%	711	2	6.46%
Deluxe Corporation	1,150	2	10.21%	975	1	8.85%
Cummins Power Generation	600	3	5.33%	600	3	5.45%
Target Corporation	500	4	4.44%	200	6	1.82%
TSI Inc.	485	5	4.31%	440	4	4.00%
Westinghouse (PaR Nuclear)	300	6	2.66%	–	–	–
PaR Systems	275	7	2.44%	160	7	1.45%
Hill-Rom Corporation	250	8	2.22%	–	–	–
Ally Financial Services	247	9	2.19%	–	–	–
Kowalski's	219	10	1.94%	–	–	–
Empi, Inc.	–	–	–	390	5	3.54%
City of Shoreview	–	–	–	133	8	1.21%
Rainbow Foods	–	–	–	62	9	0.56%
Kozlak's Royal Oak Restaurant	–	–	–	52	10	0.47%
Total	5,226		46.40%	3,723		33.81%

Source: City of Shoreview Community Development Department

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

*2021 City Employment data was not available, 2020 data was repeated for 2021

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,				
	2012	2013	2014	2015	2016
General government	14.69	13.46	14.22	13.80	14.59
Public safety					
Emergency services	0.07	0.08	0.08	–	–
Public works					
Engineering	4.03	4.03	4.03	3.83	4.01
Maintenance	6.84	7.12	7.68	7.68	7.63
Parks and recreation					
Administration	4.00	4.00	4.44	4.50	4.10
Maintenance	9.95	9.95	10.00	10.00	10.02
Community center	36.44	36.61	38.44	38.52	37.55
Recreation programs	29.13	29.74	32.73	31.52	34.47
Community development	5.84	6.56	6.95	7.00	7.25
Water	8.40	8.39	8.41	8.28	8.18
Sewer	7.41	7.41	7.44	7.30	7.20
Surface water	3.55	3.55	3.67	3.74	3.96
Street lights	0.20	0.20	0.28	0.20	0.25
Central garage	2.40	2.40	2.40	2.40	2.40
Total	132.95	133.50	140.77	138.77	141.61
Full-time	79.00	79.00	83.36	82.00	84.32
Part-time	1.55	1.55	0.42	1.10	1.60
Associate	52.40	52.95	56.99	55.67	55.69
Total	132.95	133.50	140.77	138.77	141.61

Source: City Finance Department

Table 20

Budgeted Full-Time Equivalent Employees as of December 31,				
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
14.08	13.60	13.40	13.42	14.39
-	-	-	-	-
3.43	3.05	3.05	3.13	3.13
7.64	8.07	8.33	8.78	8.14
4.60	5.02	5.44	6.10	6.44
9.83	11.25	11.55	11.58	12.20
37.04	42.25	43.52	46.13	44.87
32.94	33.90	37.93	40.25	34.67
7.25	7.39	8.14	8.92	8.39
8.29	8.02	8.69	8.41	8.52
7.31	7.03	7.15	7.42	7.54
4.04	4.03	4.03	4.45	4.46
0.15	0.10	0.20	0.35	0.50
<u>2.40</u>	<u>2.40</u>	<u>2.40</u>	<u>2.35</u>	<u>2.35</u>
<u>139.00</u>	<u>146.11</u>	<u>153.83</u>	<u>161.29</u>	<u>155.60</u>
84.86	84.56	87.47	91.08	91.67
0.50	0.60	1.13	1.63	2.00
<u>53.64</u>	<u>60.95</u>	<u>65.23</u>	<u>68.58</u>	<u>61.93</u>
<u>139.00</u>	<u>146.11</u>	<u>153.83</u>	<u>161.29</u>	<u>155.60</u>

CITY OF SHOREVIEW

Operating Indicators by Function

Last Ten Fiscal Years

Function	Fiscal Year		
	2012	2013	2014
Police (contracted with Ramsey County Sheriff's Department)			
Calls for service	6,661	7,057	8,128
Fire (contractual service with Lake Johanna Fire Department)			
Calls for service	1,060	1,275	1,449
Public works			
Salt (tons)	373	500	460
Crack sealant (pounds)	9,000	12,000	7,500
Asphalt repairs (tons of asphalt)	505	380	278
Recyclables collected (tons)	3,165	3,242	2,762
Trails resurfaced (miles)	9.90	5.00	–
Parks and recreation			
Recreation program users (registered participants)	28,601	25,726	29,270
Community program attendance (non-fee programs)	49,542	47,964	39,261
Community center users	692,616	698,892	593,172
Community development			
Permits issued	867	1,312	1,053
Permit valuation (millions)	\$ 29.9	\$ 42.4	\$ 40.3
Water			
Water main breaks	3	10	15
Meters replaced	16	23	45
Curb box repairs (water valves)	225	75	105
Hydrants repaired	18	25	35
Average annual residential water use per household	91,605	82,554	73,557
Average daily consumption (millions of gallons)	3.01	2.69	2.43
Maximum daily gallons pumped (millions)	6.97	7.68	5.88
Sewer			
Sewage flow (millions of gallons)	791	871	813
Miles jetted	82	62	81
Miles rodded	35	32	30
Miles inspected	40	40	44
Surface water management			
Material dredged from ponds (yards)	–	–	–
Sweepings collected (tons of material)	250	350	350
Miles of street swept	405	794	794
Street sweeping rounds per year	5	9	9
Lake augmentation, gallons pumped (millions)	110.7	8.7	–
Central garage			
Gallons of gas	14,980	17,333	14,469
Gallons of diesel	23,183	24,727	20,914
Oil changes	114	78	89
Tires replaced	54	53	39

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.

Table 21

Fiscal Year						
2015	2016	2017	2018	2019	2020	2021
8,574	8,533	8,839	8,895	9,150	8,110	8,268
1,597	1,784	1,858	1,948	2,037	2,020	2,211
250	300	400	678	552	484	588
12,600	15,000	10,000	8,000	9,500	1,000	14,000
265	232	453	770	436	245	254
2,735	2,683	2,421	2,508	2,488	2,583	2,688
6.20	7.72	7.30	6.50	–	5.30	7.00
28,404	27,478	27,814	25,089	53,288	7,910	11,607
43,218	33,150	36,524	17,245	32,666	28,305	41,570
620,509	564,444	544,713	528,918	511,220	194,896	299,856
1,141	1,332	1,602	1,307	2,222	2,715	2,616
\$ 21.7	\$ 41.9	\$ 100.3	\$ 27.9	\$ 77.0	\$ 69.3	\$ 88.7
5	7	10	16	12	7	3
34	52	32	20	32	33	29
97	85	128	105	138	131	162
11	32	10	22	35	12	36
72,575	73,879	70,850	69,882	64,069	73,724	79,411
2.14	2.26	2.24	2.27	2.04	2.25	2.53
5.24	5.54	4.86	4.84	4.33	4.92	5.88
764	840	763	840	865	772	680
52	62	72	68	80	63	60
22	–	–	–	–	–	–
62	45	45	50	85	68	60
–	–	–	–	–	1,000	–
250	83	180	188	719	257	286
904	792	1,017	904	678	618	678
8	7	9	8	6	6	6
–	–	–	–	–	–	–
19,780	20,053	18,608	24,054	24,962	24,890	25,360
17,677	17,497	16,572	17,030	22,440	17,592	15,918
90	84	81	64	87	85	76
29	35	53	53	40	58	84

CITY OF SHOREVIEW

Capital Asset Statistics by Function

Last Ten Fiscal Years

Function	Fiscal Year			
	2012	2013	2014	2015
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)	92.69	92.69	93.21	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	7	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	1,327	1,328	1,330	1,328
Wells	6	6	6	6
Maximum storage capacity (millions of gallons)	4	4	4	4
Sewer				
Sanitary sewers (miles)	108.2	108.2	108.5	108.5
Lift stations	17	17	17	18
Surface water management				
Storm water lift stations	4	4	4	4
Storm ponds	200	201	202	198
Street lights	701	717	731	764

Sources: Various city departments

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

Table 22

Fiscal Year					
2016	2017	2018	2019	2020	2021
2	2	2	2	2	2
4	3	3	3	3	3
79	78	82	79	83	83
93.32	93.32	93.32	93.32	93.32	93.32
268	268	268	273	273	273
10	10	10	11	11	11
8	8	8	8	8	8
7	7	7	7	7	8
111,000	111,000	134,992	134,992	134,992	134,992
103.4	103.4	104.0	104.0	104.2	104.2
1,332	1,336	1,340	1,340	1,340	1,340
6	6	6	6	6	6
4	4	4	4	4	4
108.6	108.6	108.6	108.6	108.6	108.6
19	19	19	19	19	19
4	4	4	4	4	4
198	198	198	198	198	198
787	809	809	807	821	821

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