
City of
WEST ST. PAUL
MINNESOTA



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Fiscal Year Ended December 31, 2015

THIS PAGE IS LEFT BLANK
INTENTIONALLY

COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
CITY OF WEST ST. PAUL, MINNESOTA

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015

**Prepared by the Finance Department
of the City of West St. Paul, Minnesota**

**Joan Carlson
Director of Finance**

THIS PAGE IS LEFT BLANK
INTENTIONALLY

CITY OF WEST ST. PAUL, MINNESOTA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 TABLE OF CONTENTS
 FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Page No.</u>
INTRODUCTORY SECTION	
Letter of Transmittal from City Administrator and Finance Director	7
Organizational Chart	13
Elected and Appointed Officials	14
Certificate of Achievement for Excellence in Financial Reporting	15
FINANCIAL SECTION	
Independent Auditor's Report	19
Management's Discussion and Analysis	23
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	37
Statement of Activities	38
Fund Financial Statements	
Governmental Funds	
Balance Sheet	42
Reconciliation of the Balance Sheet to the Statement of Net Position	45
Statement of Revenues, Expenditures and Changes in Fund Balances	46
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	48
General Fund	
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	49
Economic Development Authority Fund	
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	51
Proprietary Funds	
Statement of Net Position	52
Statement of Revenues, Expenses and Changes in Net Position	55
Statement of Cash Flows	56
Notes to the Financial Statements	59
Required Supplementary Information	
Schedule of Employer's Share of Public Employees Retirement Association Net Pension Liability - General Employees Retirement Fund	94
Schedule of Employer's Public Employees Retirement Association Contributions - General Employees Retirement Fund	94
Schedule of Employer's Share of Public Employees Retirement Association Net Pension Liability - Public Employees Police and Fire Fund	94
Schedule of Employer's Public Employees Retirement Association Contributions - Public Employees Police and Fire Fund	95
Schedule of Funding Progress for the Other Postemployment Benefit Plan	95
Combining and Individual Fund Financial Statements and Schedules	
Nonmajor Governmental Funds	
Combining Balance Sheet	98
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	99
Nonmajor Special Revenue Funds	
Insurance Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	102
Nonmajor Capital Projects Funds	
Combining Balance Sheet	104
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	106

THIS PAGE IS LEFT BLANK
INTENTIONALLY

CITY OF WEST ST. PAUL, MINNESOTA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 TABLE OF CONTENTS - CONTINUED
 FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Page No.</u>
Combining and Individual Fund Financial Statements and Schedules - Continued	
General Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	109
Debt Service Funds	
Combining Balance Sheet	114
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	118
TIF Districts	
Combining Balance Sheet	122
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	123
Recreation Fund	
Combining Schedule of Net Position	124
Combining Schedule of Revenues, Expenses and Changes in Net Position	127
Combining Schedule of Cash Flows	128
Agency Funds	
Statement of Changes in Assets and Liabilities	130
Summary Financial Report	
Revenues and Expenditures for General Operations - Governmental Funds	131
	<u>Table</u>
	<u>Page No.</u>
STATISTICAL SECTION (UNAUDITED)	
Net Position by Component	1 136
Changes in Net Position	2 138
Fund Balances of Governmental Funds	3 142
Changes in Fund Balances of Governmental Funds	4 144
Assessed Value and Estimated Actual Value of Taxable Property	5 146
Property Tax Capacity Rates - Direct and Overlapping Governments	6 148
Principal Property Taxpayers	7 149
Property Tax Levies and Collections	8 151
Ratio of Outstanding Debt by Type	9 152
Ratios of General Bonded Debt Outstanding	10 154
Computation of Direct and Overlapping Debt	11 155
Legal Debt Margin Information	12 156
Pledged-Revenue Coverage	13 158
Demographic Statistics	14 160
Principal Employers	15 161
Full-Time Equivalent City Government Employees by Function	16 162
Operating Indicators by Function	17 164
Capital Asset Statistics by Function	18 166

THIS PAGE IS LEFT BLANK
INTENTIONALLY

INTRODUCTORY SECTION

CITY OF WEST ST. PAUL
WEST ST. PAUL, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2015

THIS PAGE IS LEFT BLANK
INTENTIONALLY



CITY OF WEST ST. PAUL

1616 HUMBOLDT AVENUE, WEST ST. PAUL, MN 55118-3972

www.ci.west-saint-paul.mn.us

MUNICIPAL CENTER
PARKS/RECREATION
FAX

651-552-4100
651-552-4150
651-552-4190

POLICE 651-552-4200
FIRE 651-552-4176
TDD 651-322-2323

June 9, 2016

To the Honorable Mayor, City Council, City Manager and
To The Citizens of West St. Paul, Minnesota:

The Comprehensive Annual Financial Report (CAFR) of the City of West St. Paul (the City) for the year ended December 31, 2015, is submitted herewith.

INTRODUCTION

As in past years, this comprehensive annual financial report is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section includes this letter of transmittal, a copy of our most recent Certificate of Achievement, an organizational chart and a list of the City's principal elected and appointed officials.

Pursuant to the City Financial Reporting Act of 1978, the City's Finance Officer is required to prepare the CAFR, which is then to be attested to by an external auditor. Accordingly, this report has been prepared by the City's Finance Director. This report consists of management's representations concerning the finances of the City of West St Paul. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established an internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformance with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City's framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, it is asserted that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

These financial statements have been audited by the certified public accounting firm of Abdo, Eick & Meyers, LLP. Their opinion is the first item in the Financial Section. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon that audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended December 31, 2015 are fairly presented in conformity with GAAP.

City of West St. Paul
Letter of Transmittal

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

PROFILE OF THE CITY OF WEST ST. PAUL

The City of West St. Paul was incorporated in 1889 and is located in the Twin Cities metropolitan area of Minnesota, immediately adjacent to the State Capitol of St. Paul. With a population of 19,504 (based upon the 2010 Census), it is situated in the northern-most area of Dakota County, one of the fastest growing counties in the State of Minnesota. Although the City has a geographic area of only five square miles and is, for the most part, fully developed, it represents a major regional retail center. The majority of retail sales take place along a 2.5 mile, four-lane major state trunk highway known as South Robert Street that bisects the City. Nearly the entire length of this street is devoted to retail stores, shopping centers and restaurants.

The City operates under the council-manager form of government. Policy-making and legislative authority are vested in the City Council, consisting of a Mayor and six elected Councilmembers. The City Council is responsible for passing ordinances, adopting budgets, appointing committees and hiring both the City Manager and the City Attorney, among other things. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City and for appointing the heads of the various operating departments. The City Council is elected on a non-partisan basis. Councilmembers are elected for four-year, staggered terms, with three Councilmembers being elected every two years. The Mayor is elected for a two-year term. The City is divided into three wards and two Councilmembers are elected from each ward. The Mayor is elected at-large.

The City provides a full range of governmental services, including police protection, construction and maintenance of local streets and other infrastructure, recreational and community development activities. Certain community development services are provided through a legally separate Economic Development Authority (EDA), which functions, in essence, as a City operation since the EDA Board is composed of the Mayor and City Council. Therefore, the activities of the EDA have been included as part of these financial statements as a special revenue fund. Fire protection services are provided through a contract with South Metro Fire Department, a joint venture with the City of South St. Paul.

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit their requests for appropriations (spending authority) to the City Manager each June. The City Manager, in cooperation with the Finance Director, uses these requests as a starting point for developing the proposed budget during July of each year. The City Manager then presents this proposed budget to the City Council in August. The City Council reviews the proposed budget, holds public hearings to receive public input and then adopts a final budget in December. The adopted budget document is prepared by fund and function. The City Manager may transfer appropriations within any given department, but any transfers between departments or funds must be presented to and approved by the City Council. This CAFR provides budget-to-actual comparisons for the General Fund and for the EDA special revenue fund on pages 49 and 51.

ECONOMIC CONDITION AND OUTLOOK

As a mature, first-ring suburb of St. Paul, the City of West St. Paul recognizes the importance of redevelopment to its long-term vitality and has, therefore, made extraordinary efforts in this area. Residential and commercial activities include:

LA Fitness – LA Fitness was completed and opened its doors for business in the fall of 2015, along with four adjoining retail spaces.

Tapemark – Tapemark has invested significantly in equipment and facility renovations and added 82 new employees. They were awarded a \$500,000 Minnesota Investment Fund Grant/Loan from the Minnesota Department of Employment and Economic Development.

Prime Design – Prime Design reorganized its operations in 2015. They currently have 82 employees and plan to create 30 more jobs in the next two years. They were awarded a \$150,000 Minnesota Investment Fund Grant/Loan from the Minnesota Department of Employment and Economic Development.

Aspen Dental/Retail Building – Aspen Dental Clinic construction was completed and the clinic began seeing patients during 2015. The two retail businesses are unknown at this time.

Chick-Fil-A – Chick-Fil-A submitted plans for a 4,971 square foot restaurant which were approved in late 2015. Construction will begin the spring of 2016.

The Sanctuary – The Sanctuary is a 164 unit assisted living complex that began construction in 2015 with an expected completion of fall 2016. It will create 68 new jobs in the City.

Goven Doyle Addition – in 2014 construction began on a new housing development which is planned to include 11 new homes in the \$400,000 to \$700,000 price range. As of late 2015, ten new homes have been built and sold with an average purchase price of \$600,000.

Ronel Townhomes – during 2015 construction began on another seven townhomes with projected sales prices of \$300,000.

MAJOR INITIATIVES

During 2015, the City of West St. Paul continued its efforts at capital planning and replacement, infrastructure maintenance and other long-term concerns. Included among these efforts were the following:

Robert Street Reconstruction – Construction on this important project began in 2015. The \$7.0 million federal grant that was awarded to the City in early 2010 was increased to \$8.0 million in 2014. The City partnered with the State of Minnesota and Dakota County for \$8.6 million of funding and continues to lobby the state for additional funding. Work also began on the Streetscape Phase to enhance the appearance of Robert Street and encourage further redevelopment.

Robert Street Pedestrian Crossing – The City is working with the Dakota County and the Metropolitan Council to study the possibility of a separated grade pedestrian crossing for Robert Street. This would make the trail connection complete from the east to the west side of the City and provide enhanced safety for pedestrian and bicycle traffic.

Ice Arena Renovation Project – During 2014 the City had discussions with the City of Mendota Heights and Independent School District 197 to develop a plan to renovate the City’s ice arena with the goal to make it viable for another twenty years. The City was awarded a \$200,000 “Mighty Ducks” grant from the state of Minnesota and the project was started, and completed, in 2015.

Harmon Park – City Council approved a 4.8 million improvement plan for Harmon Park. The plan included four little league ball fields, a softball field, baseball field, and soccer field. The now park focuses on children and families, and include a splash pad, play structures, picnic shelters, concession, restrooms, and a community building. The project began in 2014 and was completed late summer of 2015.

Street Reconstruction Program – Continuing a program begun in 1986, the City started work on a local street improvement project in 2015. The improvements are funded through bond issuance with assessments covering approximately 25% of the total construction costs. The City also allocated a portion of Local Government Aid (LGA) to improve local streets and alleys to reach the goals set at the beginning of the program.

Greater Minneapolis and St. Paul (MSP) Regional Economic Development Partnership – The City, through its Economic Development Authority, joined this partnership designed to stimulate business and economic growth in the metro region. The purpose is to spark interest from business leads who might be interested in available light industrial or commercial space in the City.

Smith Avenue Revitalization – A new revitalization plan for the Smith Avenue Transit Corridor was completed in 2013. The plan lays out action steps to achieve an economically, environmentally and physically vital commercial and residential area. The new plan updated the 1984 Smith Avenue Task Force Report.

Proposed Redevelopment Areas – The Economic Development Authority (EDA) has identified several areas to concentrate their redevelopment efforts. Staff continues to identify proposed projects for these areas, analyzing the costs associated with the projects and the timelines for redevelopment.

LONG TERM FINANCIAL PLANNING AND POLICIES

The City of West St Paul recognizes the need to plan for the future. Because the City, for the most part, is fully developed, consideration is given to redevelopment. As with other aging suburbs, the City is challenged by deteriorating infrastructure and lack of growth in overall market value to provide resources for repairs and replacements. In 2015, the City presented its seventh annual Capital Improvement Plan (CIP) to aid in identifying infrastructure needs at least ten years in advance. The 2015-2024 CIP includes planned projects for streets, parks, sewer system and City facilities.

The City also prepares an annual Capital Equipment Plan (CEP). Department heads take part in this process to estimate capital equipment needs for the next ten years. Together the CIP and CEP provide information needed to develop a plan that will sustain or expand City services while keeping property taxes stable.

The City continually reviews its existing debt structure – seeking ways to reduce the overall obligation. It is a goal of the City to plan debt issues to coincide with the retirement of existing debt. The City currently has debt issues and retirements planned through the year 2035.

Another tool utilized by the City for long-term financial planning is its Fund Balance Policy. The policy dictates that the General Fund shall maintain an unassigned fund balance of at least 52.5% of the subsequent year’s expenditures. This policy essentially provides for cash flow while awaiting tax payments in July and December of the year. By utilizing the fund balance, the City avoids the extra cost of borrowing to meet its short term obligations.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of West St Paul for its CAFR for the fiscal year ended December 31, 2014. This was the twenty-eighth consecutive year the City's CAFR has received this prestigious award beginning with the first award in 1987. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. The 2014 report satisfied both GAAP and all applicable legal requirements.

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

BOND RATING

In December of 2015, the City issued General Obligation bonds. Standard and Poor's (S&P) was asked to rate the creditworthiness of the bonds. S&P rated the bonds AA. The rating maintains the higher step that was awarded in 2009. This bond rating signals the financial markets that the City's current financial condition is strong and that the framework to continue to improve is in place.

ACKNOWLEDGEMENTS

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the City of West St. Paul and the City's Finance Department. Special thanks also go to the staff of Abdo, Eick & Meyers, LLP, Ltd. for their advice and counsel in the preparation of this CAFR.

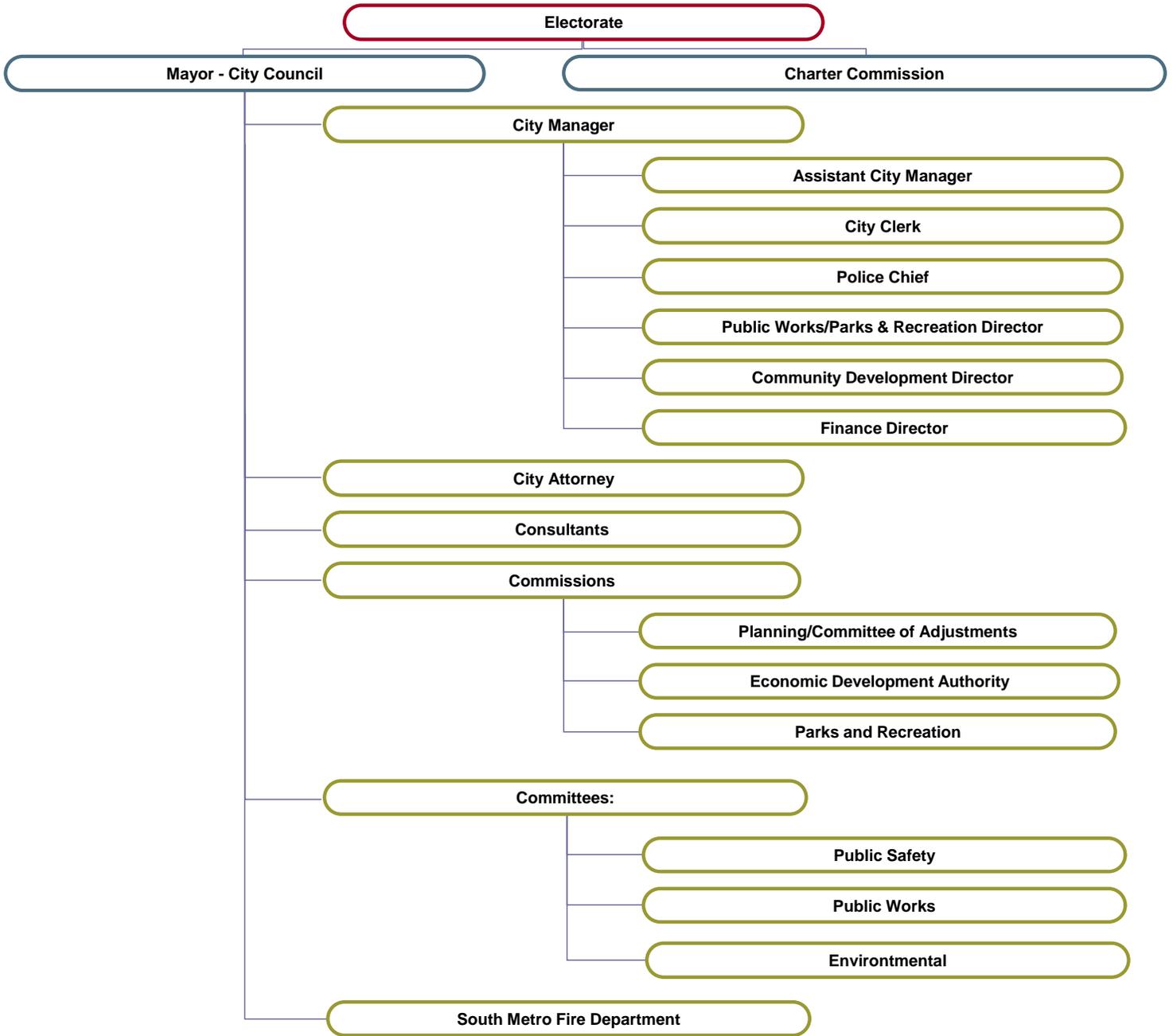
Respectfully submitted,



Joan Carlson
Finance Director

THIS PAGE IS LEFT BLANK
INTENTIONALLY

City of West Saint Paul



CITY OF WEST ST. PAUL, MINNESOTA
 ELECTED AND APPOINTED OFFICIALS
 FOR THE YEAR ENDED DECEMBER 31, 2015

ELECTED

Name	Title	Term Expires
David Meisinger	Mayor	12/31/16
Pat Armon	Council Member	12/31/16
John Bellows	Council Member	12/31/18
Jenny Halverson	Council Member	12/31/16
Ed Iago	Council Member	12/31/18
Dave Napier	Council Member	12/31/16
Dick Vitelli	Council Member	12/31/18

APPOINTED

Name	Title
Matt Fulton	City Manager
Sherrie Le	Assistant City Manager/Human Resources
Joan Carlson	Director of Finance/City Treasurer
Manila Shaver	Police Chief
Matt Saam	Director Parks and Recreations & Public Works
Jim Hartshorn	Director of Community Development



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of West St. Paul
Minnesota**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

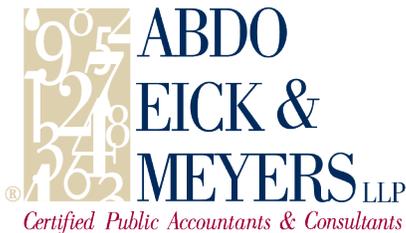
Executive Director/CEO

THIS PAGE IS LEFT BLANK
INTENTIONALLY

FINANCIAL SECTION
CITY OF WEST ST. PAUL
WEST ST. PAUL, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2015

THIS PAGE IS LEFT BLANK
INTENTIONALLY



INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of West Saint Paul, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of West Saint Paul, Minnesota (the City), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

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

Opinions

In our opinion, 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, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General fund and the EDA fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

THIS PAGE IS LEFT BLANK
INTENTIONALLY

Change in Accounting Standards

As described in Note 9 to the financial statements, the City adopted the provisions of Governmental Accounting Standard Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68*, for the year ended December 31, 2015. Adoption of the provisions of these statements results in significant change to the classifications of the components of the financial statements.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Schedules of Employer's Share of the Net Pension Liability, the Schedules of Employers Contributions and the Schedule of Funding Progress starting on page 23 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

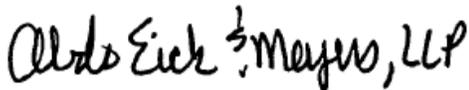
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, statistical section, and combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 9, 2016, 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, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



ABDO, EICK & MEYERS, LLP
Minneapolis, Minnesota
June 9, 2016

THIS PAGE IS LEFT BLANK
INTENTIONALLY

Management's Discussion and Analysis

As management of the City of West St. Paul, 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, 2015.

Financial Highlights

- The beginning unrestricted net position was decreased by \$6,191,686 to recognize the effects of GASB Statement No. 68 implementation.
- 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 \$53,440,481 (net position). Of this amount, \$4,979,405 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position decreased \$2,149,061. Of the total, governmental activities decreased \$3,515,221 and business-type activities increased \$1,366,160.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$16,290,844. Approximately 17 percent of this total amount, \$2,720,832 is available for spending at the City's discretion.
- At the end of the current fiscal year, unassigned fund balance for the General fund was \$9,144,534, or 77 percent of total 2015 General fund expenditures.

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 the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of combining and individual fund financial statements and schedules that further explains and supports the information in the financial statements. Figure 1 shows how the required parts of this annual report are arranged and relate to one another. In addition to these required elements, we have included a section with combining and individual fund financial statements and schedules that provide details about nonmajor governmental funds, which are added together and presented in single columns in the basic financial statements. Internal service funds statements are also included, reflecting balances prior to their elimination from the government-wide financial statements, to avoid "doubling-up" effect within the governmental and business-type activities columns of said statements.

Figure 1
Required Components of the
City's Annual Financial Report

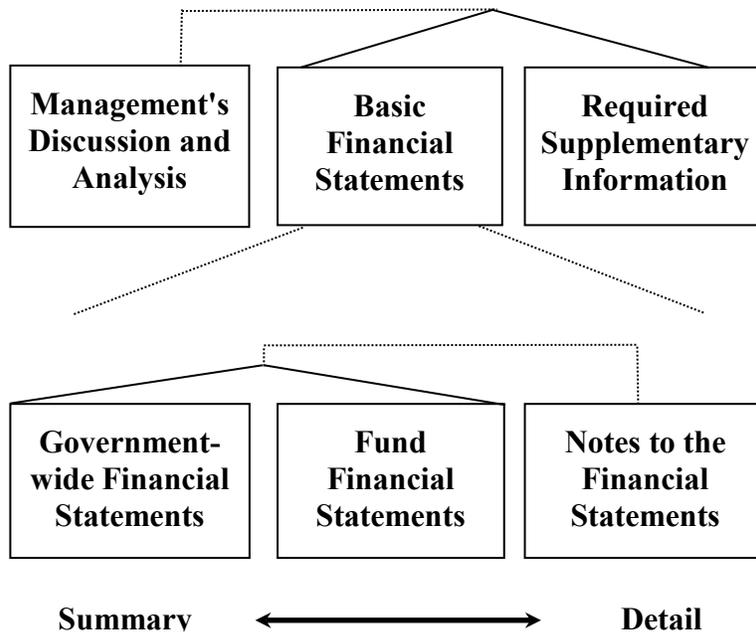


Figure 2 summarizes the major features of the City’s financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis explains the structure and contents of each of the statements.

Figure 2
Major features of the Government-wide and Fund Financial Statements

	Fund Financial Statements		
	Government-wide Statements	Governmental Funds	Proprietary Funds
Scope	Entire City government (except fiduciary funds) and the City’s component units	The activities of the City that are not proprietary or fiduciary, such as police, fire and parks	Activities the City operates similar to private businesses, such as the water and sewer system
Required financial statements	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures, and Changes in Fund Balances 	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Revenues, Expenses and Changes in Fund Net Position • Statement of Cash Flows
Accounting Basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of deferred outflows/inflows of resources information	All deferred outflows/inflows of resources, regardless of when cash is received or paid	Only deferred outflows of resources expected to be used up and deferred inflows of resources that come due during the year or soon thereafter; no capital assets included	All deferred outflows/inflows of resources, regardless of when cash is received or paid
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

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

The *statement of net position* presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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 revenue (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works (streets and highways), culture and recreation, economic development and interest on long-term debt. The business-type activities of the City include storm sewer, sewer, and recreation.

The government-wide financial statements start on page 37 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 government, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact by the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains twenty-seven individual governmental funds, thirteen of which are Debt Service funds and four of which are TIF 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, Economic Development Authority fund, Debt Service funds, Permanent Improvement Revolving fund and the TIF Districts fund, which are considered to be major funds. Data from the other seven governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements or schedules* elsewhere in this report.

The City adopts an annual appropriated budget for its General and Economic Development Authority funds. A budgetary comparison statement has been provided for the General fund and the Economic Development Authority fund to demonstrate compliance with this budget.

The basic governmental fund financial statements start on page 42 of this report.

Proprietary funds. *Proprietary 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 storm sewer, sewer, and recreation activities.

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 each of the enterprise funds which are considered to be major funds of the City.

The basic proprietary fund financial statements start on page 52 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the City. 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.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 59 of this report.

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds is presented following the notes to the financial statements. Combining and individual fund statements and schedules start on page 98 of this report.

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 \$53,440,481 at the close of the most recent fiscal year.

The largest portion of the City’s net position (82 percent) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment); less any related debt used to acquire those assets that are 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.

City of West Saint Paul’s Summary of Net Position

	Governmental Activities			Business-type Activities		
	2015	2014	Increase (Decrease)	2015	2014	Increase (Decrease)
Assets						
Current and other assets	\$ 21,041,704	\$ 27,324,872	\$ (6,283,168)	\$ 3,367,440	\$ 4,457,581	\$ (1,090,141)
Capital assets	55,266,524	51,639,341	3,627,183	20,161,213	18,019,243	2,141,970
Total assets	76,308,228	78,964,213	(2,655,985)	23,528,653	22,476,824	1,051,829
Deferred outflows of resources						
Deferred pension resources	1,200,237	-	1,200,237	35,241	-	35,241
Liabilities						
Noncurrent liabilities outstanding	34,732,732	29,885,246	4,847,486	7,044,201	7,240,827	(196,626)
Other liabilities	3,885,619	2,200,294	1,685,325	485,408	333,442	151,966
Total liabilities	38,618,351	32,085,540	6,532,811	7,529,609	7,574,269	(44,660)
Deferred inflows of resources						
Deferred pension resources	1,435,373	-	1,435,373	48,545	-	48,545
Net position						
Net investment in capital assets	30,272,393	25,948,421	4,323,972	13,490,986	10,719,869	2,771,117
Restricted	4,697,697	7,208,765	(2,511,068)	-	-	-
Unrestricted	2,484,651	13,721,487	(11,236,836)	2,494,754	4,182,686	(1,687,932)
Total net position	\$ 37,454,741	\$ 46,878,673	\$ (9,423,932)	\$ 15,985,740	\$ 14,902,555	\$ 1,083,185

An additional portion of the City’s net position (\$4,697,697) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$4,979,405) 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, for the City as a whole.

Governmental activities. Governmental activities decreased the City's net position by \$3,515,221. The main reason for the decrease was due to costs associated with current infrastructure projects. Other key elements of the changes are as follows:

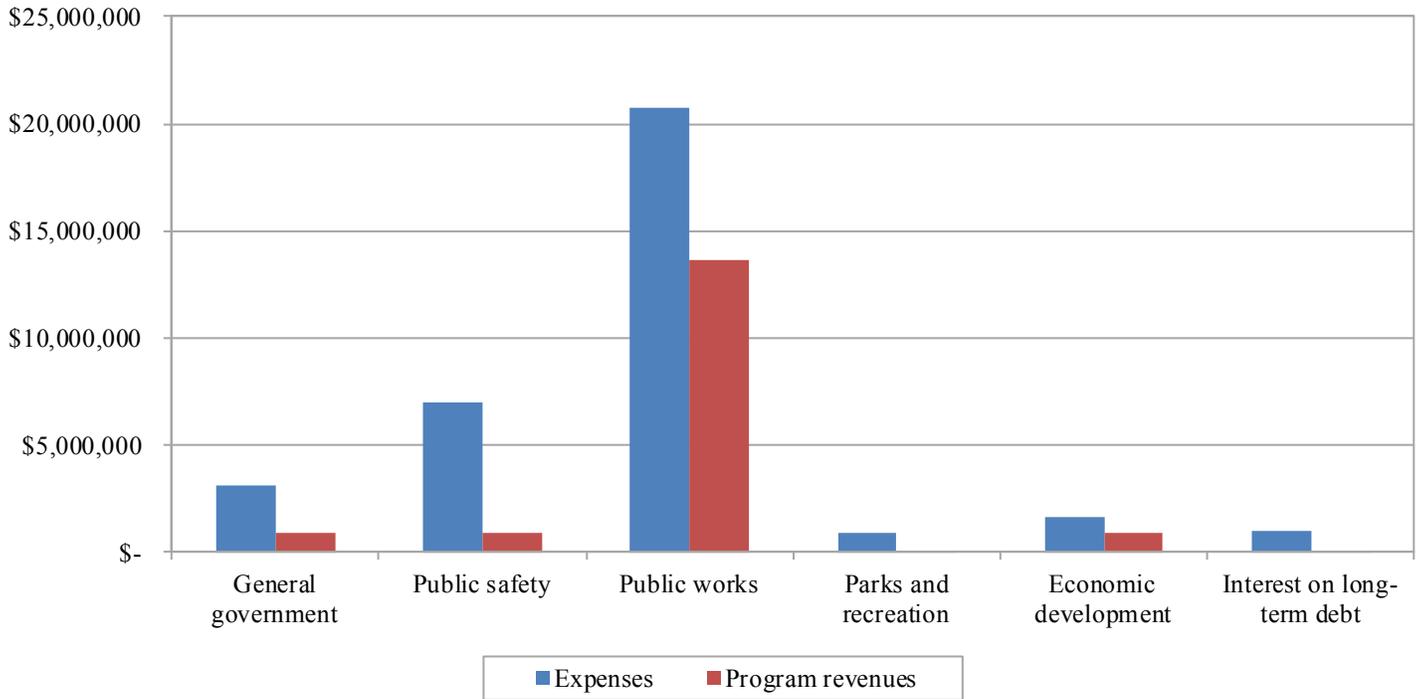
City of West Saint Paul's Changes in Net Position

	Governmental Activities			Business-type Activities		
	2015	2014	Increase (Decrease)	2015	2014	Increase (Decrease)
Revenues						
Program revenues						
Charges for services	\$ 1,531,032	\$ 1,318,098	\$ 212,934	\$ 4,496,202	\$ 4,387,382	\$ 108,820
Operating grants and contributions	936,983	918,514	18,469	781,119	10,224	770,895
Capital grants and contributions	14,091,333	1,091,846	12,999,487	1,111,430	50,431	1,060,999
General revenues						
Taxes						
Property taxes	11,233,695	10,571,093	662,602	386,730	387,054	(324)
Tax increment	255,830	853,759	(597,929)	-	-	-
Franchise and other	893,817	930,176	(36,359)	-	-	-
Grants and contributions not restricted to specific programs	472,840	1,168,041	(695,201)	-	-	-
Unrestricted investment earnings	417,937	574,401	(156,464)	56,989	98,375	(41,386)
Gain on sale of capital assets	12,203	-	12,203	-	-	-
Miscellaneous	156,211	109,389	46,822	-	-	-
Total revenues	30,001,881	17,535,317	12,466,564	6,832,470	4,933,466	1,899,004
Expenses						
General government	3,098,841	4,161,997	(1,063,156)	-	-	-
Public safety	7,002,514	6,638,595	363,919	-	-	-
Public works	20,866,152	7,591,595	13,274,557	-	-	-
Parks and recreation	917,884	862,074	55,810	-	-	-
Miscellaneous	1,671,352	816,561	854,791	-	-	-
Interest on long-term debt	984,888	-	984,888	-	-	-
Storm sewer	-	-	-	290,394	211,786	78,608
Sanitary sewer	-	-	-	2,780,700	2,331,379	449,321
Golf course	-	-	-	196,564	177,254	19,310
Civic center arena	-	-	-	258,078	253,677	4,401
Swimming pool	-	-	-	79,924	82,121	(2,197)
Regional athletic center	-	-	-	836,121	737,496	98,625
Total expenses	34,541,631	20,070,822	14,470,809	4,441,781	3,793,713	648,068
Increase (decrease) in net position before transfers	(4,539,750)	(2,535,505)	(2,004,245)	2,390,689	1,139,753	1,250,936
Transfers - capital assets	(311,065)	-	(311,065)	311,065	-	311,065
Transfers (net)	1,335,594	224,280	1,111,314	(1,335,594)	(224,280)	(1,111,314)
Change in net position	(3,515,221)	(2,311,225)	(1,203,996)	1,366,160	915,473	450,687
Net position, January 1	40,969,962	49,189,898	(8,219,936)	14,619,580	13,987,082	632,498
Net position, December 31	<u>\$ 37,454,741</u>	<u>\$ 46,878,673</u>	<u>\$ (9,423,932)</u>	<u>\$ 15,985,740</u>	<u>\$ 14,902,555</u>	<u>\$ 1,083,185</u>

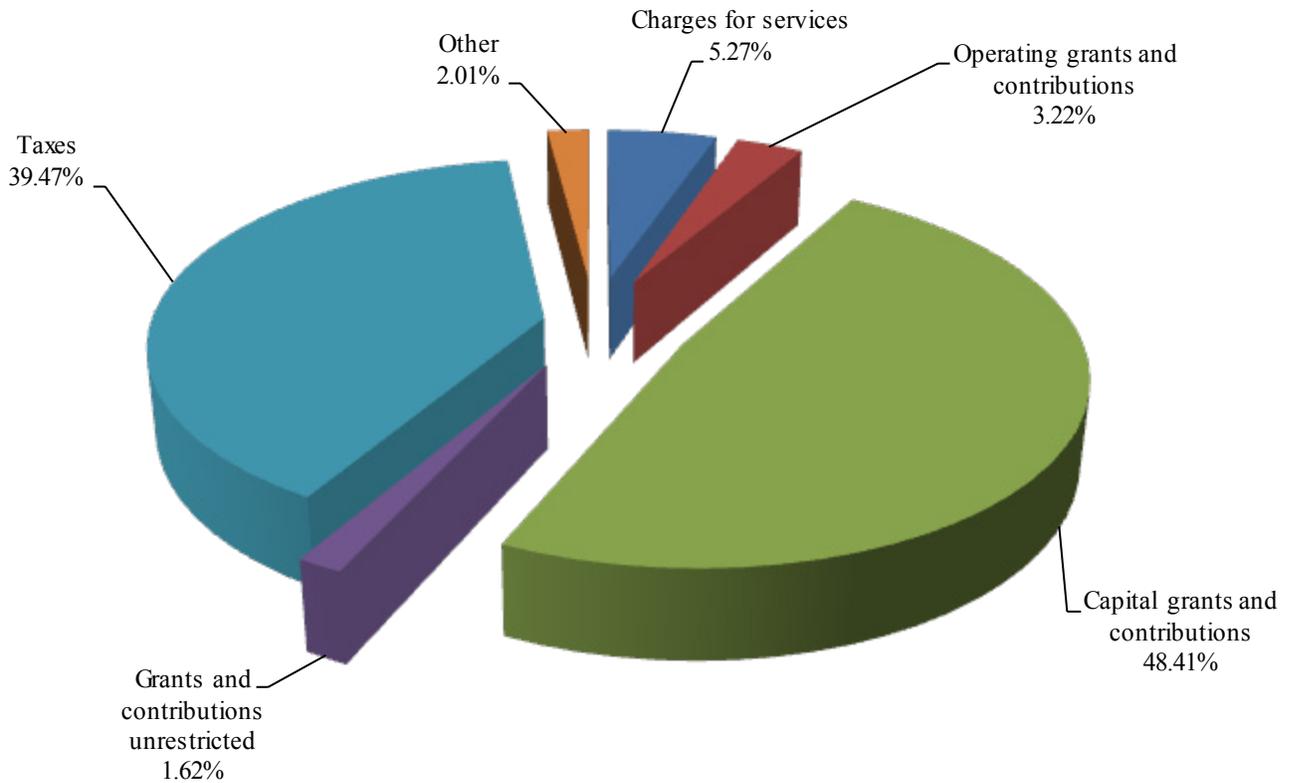
* GASB Statement No. 68 was implemented for the year ended December 31, 2015 and a required \$1,968,432 restatement of beginning net position was recorded. Prior year amounts were not restated causing a variance in ending net position at December 31, 2014 and beginning net position on January 1, 2015. See Note 9.

The following graph depicts various governmental activities and shows the revenue and expenses directly related to those activities.

Expenses and Program Revenue - Governmental Activities

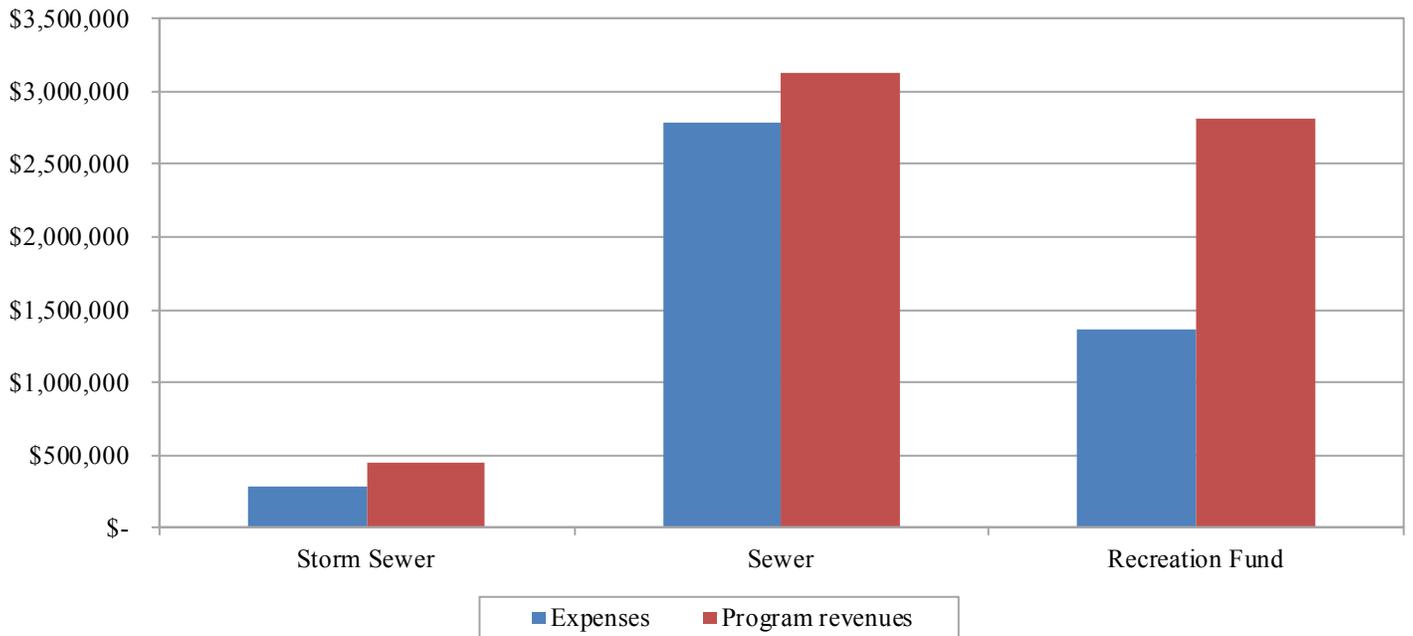


Revenue by Source - Governmental Activities

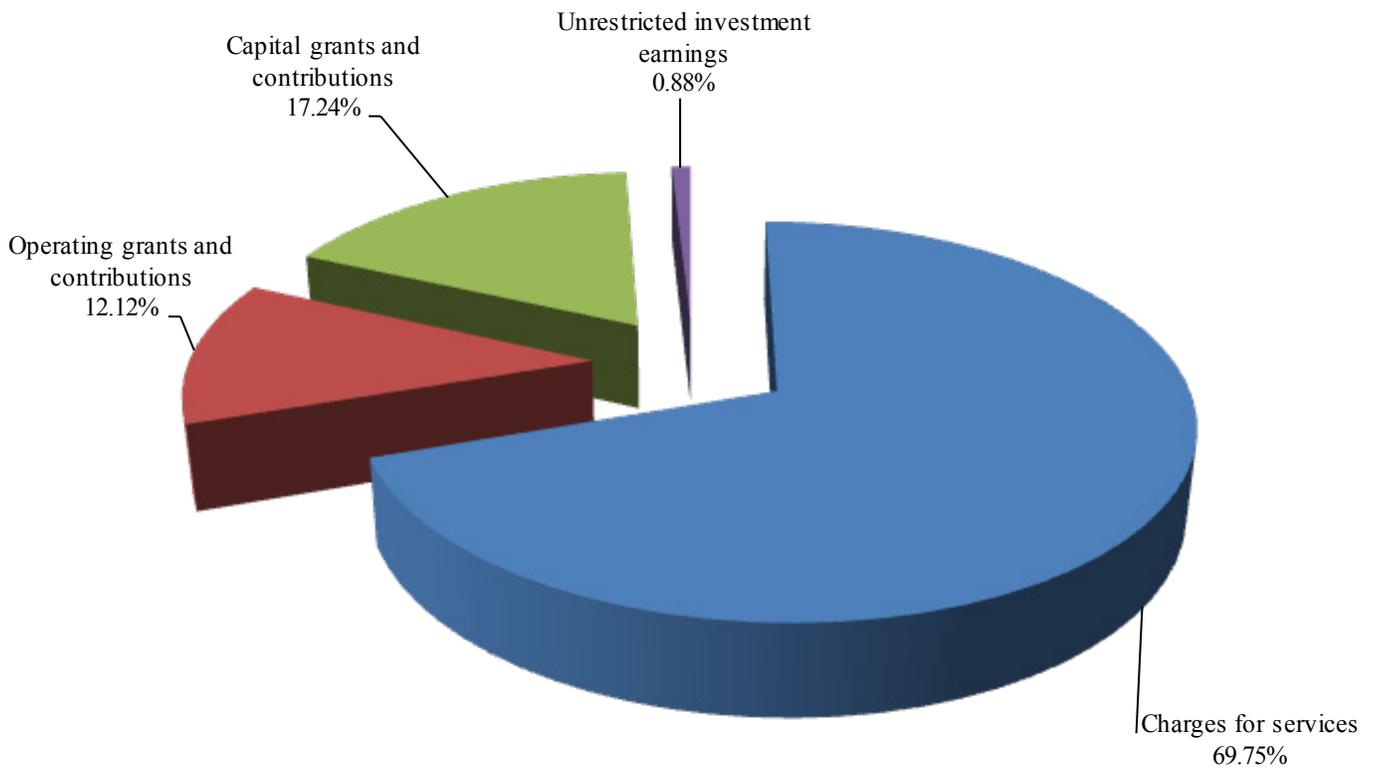


Business-type activities. Business-type activities increased the City’s net position by \$1,366,160. The main reason of this increase was due to an excess of program revenues over expenses. Other key elements of the changes are as follows:

Expenses and Program Revenues - Business-type Activities



Revenue by Source - Business-type Activities



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, *unassigned 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 \$16,290,844. Approximately 17 percent of this total amount, \$2,720,832 constitutes *unassigned fund balance*, which is available for spending at the City's discretion. The City also has nonspendable balance of \$107,632, restricted balance of \$6,952,623, committed balance of \$3,484,820 and assigned balance of \$3,024,937.

Major funds	Fund Balance		Increase (Decrease)
	2015	December 31, 2014	
General	\$ 9,253,781	\$ 9,014,509	\$ 239,272
The General fund is the chief operating fund of the City. The General fund had an increase in fund balance of \$239,272. The fund received transfers in of \$678,000 during the year.			
Economic Development Authority	\$ 2,821,997	\$ 2,564,799	\$ 257,198
The Economic Development Authority fund had an increase in fund balance of \$257,198 from 2014. The increase in fund balance is mainly due to intergovernmental grants and reimbursements.			
Debt Service	\$ 5,418,424	\$ 3,961,687	\$ 1,456,737
The Debt Service fund has a total fund balance of \$5,418,426 and increased \$1,456,739 from 2014. The increase in fund balance is mainly due to the issuance of the 2015A and 2015B bonds. In 2015, \$6,880,000 of the 2015A bonds and \$995,000 of the 2015B bonds were used to refinance the 2009B, 2006A and 2008A bonds. In 2016, \$1,320,000 of proceeds from the 2015C bonds will be used to refinance the 2005A bonds.			
Permanent Improvement Revolving Fund	\$ (4,846,761)	313,003	\$ (5,159,764)
The Permanent Improvement Revolving fund had a decrease in fund balance of \$5,159,764 from 2014. The decrease in fund balance is mainly due to the costs associated with current infrastructure projects.			
TIF Districts	\$ (15,963)	462,020	\$ (477,983)
The TIF Districts fund had a decrease in fund balance of \$477,983 from 2014. The decrease in fund balance is mainly due to returning excess increment to the County.			

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 of the enterprise funds at the end of the year amounted to \$2,494,754. The change in net position for the funds was an increase of \$1,366,160. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The City's General fund budget was not amended during the year. The budget called for a balanced budget. Actual net change to the General fund balance was an increase of \$239,272. Actual revenues were over budget due to a positive budget variance in licenses and permits and special assessments of \$151,216 and \$55,408. Expenditures in total were under budget by \$246,133. The largest positive expenditure variances were in general government and public works of \$127,108 and \$62,708, respectively.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business type activities as of December 31, 2015, amounts to \$75,427,737 (net of accumulated depreciation). This investment in capital assets includes land, structures, improvements, machinery and equipment, software, park facilities and roads.

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

- Expenses for the Bellows Trail project
- Expenses for the 2014, 2015 and 2016 street reconstruction projects
- Expenses for the Harmon Park project
- Expenses for the Sports Complex project
- Expenses for the Arena Rehab project
- Purchase of three trucks, one other vehicle and a loader

Additional information on the City's capital assets can be found in Note 3B starting on page 72 of this report.

City of West Saint Paul's Capital Assets (net of depreciation)

	Governmental Activities			Business-type Activities		
	2015	2014	Increase (Decrease)	2015	2014	Increase (Decrease)
Land	\$ 5,834,879	\$ 5,834,879	\$ -	\$ 1,144,168	\$ 1,144,168	\$ -
Construction in progress	9,249,081	6,142,065	3,107,016	372,109	377,396	(5,287)
Buildings	7,609,544	7,973,927	(364,383)	10,826,760	9,547,656	1,279,104
Improvements other than buildings	1,017,321	228,008	789,313	-	-	-
Vehicles, machinery and equipment	1,272,529	1,211,216	61,313	469,872	354,578	115,294
Software	132,402	198,894	(66,492)	-	-	-
Infrastructure	30,150,768	30,050,352	100,416	7,348,304	6,595,445	752,859
Total	\$ 55,266,524	\$ 51,639,341	\$ 3,627,183	\$ 20,161,213	\$ 18,019,243	\$ 2,141,970

Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$34,319,358. While all of the City's bonds have revenue streams, they are all backed by the full faith and credit of the City.

City of West Saint Paul's Outstanding Debt

	Governmental Activities			Business-type Activities		
	2015	2014	Increase (Decrease)	2015	2014	Increase (Decrease)
G.O. bonds	\$ 9,775,000	\$ 15,680,000	\$ (5,905,000)	\$ -	\$ -	\$ -
G.O. improvement bonds	14,685,000	10,985,000	3,700,000	-	-	-
G.O. tax increment bonds	2,655,000	1,380,000	1,275,000	-	-	-
G.O. revenue bonds	-	-	-	6,640,000	7,140,000	(500,000)
Bond premium	534,131	352,648	181,483	40,502	46,918	(6,416)
Bond discount	-	(39,853)	39,853	(10,275)	(12,331)	2,056
Pension liability	5,583,018	-	5,583,018	307,292	-	307,292
Compensated absences	732,007	799,854	(67,847)	22,871	24,505	(1,634)
Other postemployment benefits payable	768,576	727,597	40,979	43,811	41,735	2,076
Total	\$ 34,732,732	\$ 29,885,246	\$ 4,847,486	\$ 7,044,201	\$ 7,240,827	\$ (196,626)

The City's total debt increased \$4,650,860 during the current fiscal year. The increase in outstanding debt can be attributed to the issuance of the 2015A, 2015B and 2015C bonds.

Minnesota statutes limit the amount of net general obligation debt a City may issue to three percent of the market value of taxable property within the City. Net debt is debt payable solely from ad valorem taxes. The City currently has no outstanding general obligation debt in excess of this limit.

Additional information on the City's long-term debt can be found in Note 3E starting on page 75 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for 2015 was 3.70 percent which matched the statewide rate for the period.
- Property values increased 4.66 percent from 2014 and are projected to increase another 5.40 percent in 2016.
- The tax base continues to grow; 2015 resulted in a 1.8 million dollar increase in the tax base from new construction.
- Property tax rates are expected to increase as debt is issued for the completion of the Robert Street reconstruction.
- Storm and sanitary sewer rates are also expected to increase to cover planned capital improvements.

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 Finance Director, City of West St. Paul, 1616 Humboldt Avenue, West St. Paul, Minnesota 55118-3972.

THIS PAGE IS LEFT BLANK
INTENTIONALLY

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF WEST ST. PAUL
WEST ST. PAUL, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2015

THIS PAGE IS LEFT BLANK
INTENTIONALLY

CITY OF WEST ST. PAUL, MINNESOTA
STATEMENT OF NET POSITION
DECEMBER 31, 2015

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and temporary investments	\$ 13,836,481	\$ 2,147,071	\$ 15,983,552
Receivables			
Accrued interest	48,475	8,069	56,544
Property taxes	163,390	-	163,390
Notes	202,300	-	202,300
Accounts	566,218	783,173	1,349,391
Special assessments	904,631	426,587	1,331,218
Due from other governments	4,141,577	1,425	4,143,002
Prepaid items	107,632	-	107,632
Inventories	-	1,115	1,115
Assets held for resale	1,071,000	-	1,071,000
Capital assets			
Land and construction in progress	15,083,960	1,516,277	16,600,237
Depreciable assets (net of accumulated depreciation)	<u>40,182,564</u>	<u>18,644,936</u>	<u>58,827,500</u>
TOTAL ASSETS	<u>76,308,228</u>	<u>23,528,653</u>	<u>99,836,881</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension resources	<u>1,200,237</u>	<u>35,241</u>	<u>1,235,478</u>
LIABILITIES			
Accounts payable	2,573,728	278,968	2,852,696
Accrued salaries payable	279,965	12,551	292,516
Due to other governments	593,063	75,880	668,943
Accrued interest payable	265,109	59,831	324,940
Deposits payable	173,754	-	173,754
Unearned revenue	-	58,178	58,178
Noncurrent liabilities			
Due within one year	3,532,604	532,579	4,065,183
Due in more than one year	<u>31,200,128</u>	<u>6,511,622</u>	<u>37,711,750</u>
TOTAL LIABILITIES	<u>38,618,351</u>	<u>7,529,609</u>	<u>46,147,960</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred pension resources	<u>1,435,373</u>	<u>48,545</u>	<u>1,483,918</u>
NET POSITION			
Net investment in capital assets	30,272,393	13,490,986	43,763,379
Restricted for			
Debt service	3,159,501	-	3,159,501
Economic development	1,305,697	-	1,305,697
Police purposes	38,556	-	38,556
Fire purposes	193,943	-	193,943
Unrestricted	<u>2,484,651</u>	<u>2,494,754</u>	<u>4,979,405</u>
TOTAL NET POSITION	<u>\$ 37,454,741</u>	<u>\$ 15,985,740</u>	<u>\$ 53,440,481</u>

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

CITY OF WEST ST. PAUL, MINNESOTA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015

Functions/Programs	Expenses	Program Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government	\$ 3,098,841	\$ 852,522	\$ 25,000	\$ -
Public safety	7,002,514	598,370	327,064	-
Public works	20,866,152	16,787	228,821	13,407,213
Parks and recreation	917,884	61,604	-	34,120
Economic development	1,671,352	1,749	250,000	650,000
Interest on long-term debt	984,888	-	106,098	-
Total governmental activities	<u>34,541,631</u>	<u>1,531,032</u>	<u>936,983</u>	<u>14,091,333</u>
Business-type activities				
Storm sewer	290,394	445,611	-	-
Sanitary Sewer	2,780,700	3,046,818	6,727	78,430
Golf course	196,564	147,242	-	-
Civic center arena	258,078	150,391	765,672	1,033,000
Swimming pool	79,924	786	-	-
Regional athletic center	836,121	705,354	8,720	-
Total business-type activities	<u>4,441,781</u>	<u>4,496,202</u>	<u>781,119</u>	<u>1,111,430</u>
Total	<u>\$ 38,983,412</u>	<u>\$ 6,027,234</u>	<u>\$ 1,718,102</u>	<u>\$ 15,202,763</u>

General revenues

Taxes

 Property taxes, levied for general purposes

 Property taxes, levied for debt service

 Tax increments

Franchise and other taxes

Grants and contributions not restricted to specific programs

Gain on sale of capital assets

Unrestricted investment earnings

Miscellaneous revenues

Transfers - capital assets

Transfers

Total general revenues and transfers

Change in net position

Net position, January 1 as restated (note 9)

Net position, December 31

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

Net (Expenses) Revenues and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (2,221,319)	\$ -	\$ (2,221,319)
(6,077,080)	-	(6,077,080)
(7,213,331)	-	(7,213,331)
(822,160)	-	(822,160)
(769,603)	-	(769,603)
(878,790)	-	(878,790)
<u>(17,982,283)</u>	<u>-</u>	<u>(17,982,283)</u>
-	155,217	155,217
-	351,275	351,275
-	(49,322)	(49,322)
-	1,690,985	1,690,985
-	(79,138)	(79,138)
-	(122,047)	(122,047)
<u>-</u>	<u>1,946,970</u>	<u>1,946,970</u>
<u>(17,982,283)</u>	<u>1,946,970</u>	<u>(16,035,313)</u>
8,537,585	386,730	8,924,315
2,696,110	-	2,696,110
255,830	-	255,830
893,817	-	893,817
472,840	-	472,840
12,203	-	12,203
417,937	56,989	474,926
156,211	-	156,211
(311,065)	311,065	-
1,335,594	(1,335,594)	-
<u>14,467,062</u>	<u>(580,810)</u>	<u>13,886,252</u>
(3,515,221)	1,366,160	(2,149,061)
<u>40,969,962</u>	<u>14,619,580</u>	<u>55,589,542</u>
<u>\$ 37,454,741</u>	<u>\$ 15,985,740</u>	<u>\$ 53,440,481</u>

THIS PAGE IS LEFT BLANK
INTENTIONALLY

FUND FINANCIAL STATEMENTS

CITY OF WEST ST. PAUL
WEST ST. PAUL, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2015

CITY OF WEST ST. PAUL, MINNESOTA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2015

	General	Economic Development Authority	Debt Service
ASSETS			
Cash and temporary investments	\$ 2,326,865	\$ 401,333	\$ 5,346,409
Receivables			
Accounts	566,218	-	-
Property taxes	159,393	-	-
Accrued interest	20,554	983	12,065
Notes	157,300	45,000	-
Special assessments	117,815	-	661,186
Due from other governments	1,104,345	-	59,950
Advances to other funds	5,671,792	1,315,436	-
Prepaid items	107,632	-	-
Assets held for resale	-	1,071,000	-
	<u>\$ 10,231,914</u>	<u>\$ 2,833,752</u>	<u>\$ 6,079,610</u>
LIABILITIES			
Accounts payable	\$ 182,081	\$ 4,233	\$ -
Accrued salaries payable	267,011	7,522	-
Due to other governments	19,969	-	-
Deposits payable	169,535	-	-
Advances from other funds	-	-	-
	<u>638,596</u>	<u>11,755</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues - property and franchise taxes	221,722	-	-
Unavailable revenues - special assessments	117,815	-	661,186
	<u>339,537</u>	<u>-</u>	<u>661,186</u>
FUND BALANCES			
Nonspendable	107,632	-	-
Restricted	1,615	-	5,418,424
Committed	-	2,821,997	-
Assigned	-	-	-
Unassigned	9,144,534	-	-
	<u>9,253,781</u>	<u>2,821,997</u>	<u>5,418,424</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 10,231,914</u>	<u>\$ 2,833,752</u>	<u>\$ 6,079,610</u>

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

<u>Permanent Improvement Revolving Fund</u>	<u>TIF Districts</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 12,376	\$ 1,573,155	\$ 4,176,343	\$ 13,836,481
-	-	-	566,218
-	3,997	-	163,390
1,942	522	12,409	48,475
-	-	-	202,300
125,630	-	-	904,631
2,972,073	5,209	-	4,141,577
-	-	-	6,987,228
-	-	-	107,632
-	-	-	1,071,000
<u>\$ 3,112,021</u>	<u>\$ 1,582,883</u>	<u>\$ 4,188,752</u>	<u>\$ 28,028,932</u>
\$ 1,883,852	\$ 5,607	\$ 497,955	\$ 2,573,728
5,432	-	-	279,965
272,076	269,587	31,431	593,063
-	4,219	-	173,754
<u>5,671,792</u>	<u>1,315,436</u>	<u>-</u>	<u>6,987,228</u>
<u>7,833,152</u>	<u>1,594,849</u>	<u>529,386</u>	<u>10,607,738</u>
-	3,997	-	225,719
<u>125,630</u>	<u>-</u>	<u>-</u>	<u>904,631</u>
<u>125,630</u>	<u>3,997</u>	<u>-</u>	<u>1,130,350</u>
-	-	-	107,632
-	1,301,700	230,884	6,952,623
-	-	662,823	3,484,820
-	-	3,024,937	3,024,937
<u>(4,846,761)</u>	<u>(1,317,663)</u>	<u>(259,278)</u>	<u>2,720,832</u>
<u>(4,846,761)</u>	<u>(15,963)</u>	<u>3,659,366</u>	<u>16,290,844</u>
<u>\$ 3,112,021</u>	<u>\$ 1,582,883</u>	<u>\$ 4,188,752</u>	<u>\$ 28,028,932</u>

THIS PAGE IS LEFT BLANK
INTENTIONALLY

CITY OF WEST ST. PAUL, MINNESOTA
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
DECEMBER 31, 2015

Amounts reported for the governmental activities in the statement of net position are different because

Total fund balances - governmental	\$ 16,290,844
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	
Cost of capital assets	90,854,416
Less: accumulated depreciation	(35,587,892)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	
Long-term liabilities at year-end consist of	
Bond principal payable	(27,115,000)
Plus: premiums on bonds issued	(534,131)
Other postemployment benefits payable	(768,576)
Compensated absences payable	(732,007)
Pension liability	(5,583,018)
Some receivables are not available soon enough to pay for the current period's expenditures, and therefore are unavailable in the funds.	
Delinquent property taxes and franchise taxes receivable	225,719
Special assessments receivable	904,631
Governmental funds do not report long-term amounts related to pensions	
Deferred outflows of pension resources	1,200,237
Deferred inflows of pension resources	(1,435,373)
Governmental funds do not report a liability for accrued interest until due and payable.	(265,109)
Total net position - governmental activities	\$ 37,454,741

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

CITY OF WEST ST. PAUL, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	General	Economic Development Authority	Debt Service
REVENUES			
Taxes	\$ 9,185,580	\$ 250,000	\$ 2,701,185
Tax increment	-	-	-
Licenses and permits	637,216	-	-
Intergovernmental	484,108	900,000	106,098
Charges for services	715,012	1,749	-
Fines and forfeitures	136,400	-	-
Special assessments	87,408	-	260,425
Interest on investments	140,228	58,221	72,406
Miscellaneous	46,528	37,779	-
TOTAL REVENUES	11,432,480	1,247,749	3,140,114
EXPENDITURES			
Current			
General government	2,764,828	-	-
Public safety	6,711,443	-	-
Public works	1,600,967	-	-
Parks and recreation	753,096	-	-
Economic development	-	1,041,551	-
Capital outlay			
General government	2,671	-	-
Public safety	-	-	-
Public works	-	-	-
Parks and recreation	-	-	-
Debt service			
Principal	-	-	10,125,000
Bond issuance costs	-	-	146,521
Interest and other charges	-	-	943,923
TOTAL EXPENDITURES	11,833,005	1,041,551	11,215,444
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(400,525)	206,198	(8,075,330)
OTHER FINANCING SOURCES (USES)			
Transfers in	678,000	-	104,400
Sale of capital assets	12,203	-	-
Premium on bonds	-	-	232,667
Bonds issued	-	-	9,195,000
Transfers out	(50,406)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	639,797	-	9,532,067
NET CHANGE IN FUND BALANCES	239,272	206,198	1,456,737
FUND BALANCES, JANUARY 1	9,014,509	2,564,799	3,961,687
PRIOR PERIOD ADJUSTMENT (NOTE 10)	-	51,000	-
FUND BALANCES, DECEMBER 31	\$ 9,253,781	\$ 2,821,997	\$ 5,418,424

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

Permanent Improvement Revolving Fund	TIF Districts	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 12,136,765
-	255,830	-	255,830
-	-	-	637,216
12,868,183	-	248,244	14,606,633
-	-	36,885	753,646
-	-	-	136,400
155,824	-	-	503,657
31,393	68	115,621	417,937
483,868	-	90,107	658,282
<u>13,539,268</u>	<u>255,898</u>	<u>490,857</u>	<u>30,106,366</u>
-	-	109,472	2,874,300
-	-	160,518	6,871,961
271,730	-	81,921	1,954,618
-	-	40,262	793,358
-	629,481	-	1,671,032
-	-	197,468	200,139
-	-	182,811	182,811
19,213,302	-	278,457	19,491,759
-	-	3,572,438	3,572,438
-	-	-	10,125,000
-	-	-	146,521
-	-	-	943,923
<u>19,485,032</u>	<u>629,481</u>	<u>4,623,347</u>	<u>48,827,860</u>
<u>(5,945,764)</u>	<u>(373,583)</u>	<u>(4,132,490)</u>	<u>(18,721,494)</u>
786,000	-	24,293	1,592,693
-	-	-	12,203
-	-	-	232,667
-	-	-	9,195,000
-	(104,400)	(102,293)	(257,099)
<u>786,000</u>	<u>(104,400)</u>	<u>(78,000)</u>	<u>10,775,464</u>
(5,159,764)	(477,983)	(4,210,490)	(7,946,030)
313,003	462,020	7,869,856	24,185,874
-	-	-	51,000
<u>\$ (4,846,761)</u>	<u>\$ (15,963)</u>	<u>\$ 3,659,366</u>	<u>\$ 16,290,844</u>

CITY OF WEST ST. PAUL, MINNESOTA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

Amounts reported for governmental activities in the statement of activities are different because

Total net change in fund balances - governmental funds	\$ (7,946,030)
<p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.</p>	
Capital outlays	6,099,237
Depreciation expense	(2,136,308)
<p>A gain or loss on the disposal of capital assets, including the difference between carrying value and any related sales proceeds, is included in net position. However, only the sales proceeds are included in the change in the change in fund balance.</p>	
	(24,681)
<p>Governmental fund report projects in capital project funds. Some of the capital assets constructed in the project will be maintained from business-type activity funds. The assets are reported as a transfer from the government-activities to the business-type activities.</p>	
	(311,065)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of 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 these amounts are deferred and amortized in the statement of activities.</p>	
Principal repayments	10,125,000
Bonds issued	(9,195,000)
Premium on bonds issued	(232,667)
Current year amortization of bond premium	51,184
Current year amortization of bond discount	(39,853)
<p>Interest on long-term debt in the statement of activities differs from the amount reported in the governmental fund because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however interest expense is recognized as the interest accrues, regardless of when it is due.</p>	
	94,225
<p>Certain revenues are recognized as soon as it is earned. Under the modified accrual basis of accounting certain revenues cannot be recognized until they are available to liquidate liabilities of the current period.</p>	
Special assessments	(110,361)
Property taxes	(6,327)
<p>Long-term pension activity is not reported in governmental funds.</p>	
Pension expense	90,557
<p>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.</p>	
Other post employment benefits	(40,979)
Compensated absences	67,847
	67,847
Change in net position - governmental activities	\$ (3,515,221)

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

CITY OF WEST ST. PAUL, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 9,375,935	\$ 9,375,935	\$ 9,185,580	\$ (190,355)
Licenses and permits	486,000	486,000	637,216	151,216
Intergovernmental	501,500	501,500	484,108	(17,392)
Charges for services	762,250	762,250	715,012	(47,238)
Fines and forfeitures	108,000	108,000	136,400	28,400
Special assessments	32,000	32,000	87,408	55,408
Interest on investments	100,000	100,000	140,228	40,228
Miscellaneous	25,453	25,453	46,528	21,075
TOTAL REVENUES	11,391,138	11,391,138	11,432,480	41,342
EXPENDITURES				
Current				
General government	2,891,936	2,891,936	2,764,828	127,108
Public safety	6,727,227	6,727,227	6,711,443	15,784
Public works	1,663,675	1,663,675	1,600,967	62,708
Parks and recreation	794,500	794,500	753,096	41,404
Capital outlay				
General government	1,800	1,800	2,671	(871)
TOTAL EXPENDITURES	12,079,138	12,079,138	11,833,005	246,133
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(688,000)	(688,000)	(400,525)	287,475
OTHER FINANCING SOURCES (USES)				
Transfers in	678,000	678,000	678,000	-
Transfers out	-	-	(50,406)	(50,406)
Sale of capital assets	10,000	10,000	12,203	2,203
TOTAL OTHER FINANCING SOURCES (USES)	688,000	688,000	639,797	(48,203)
NET CHANGE IN FUND BALANCES	-	-	239,272	239,272
FUND BALANCES, JANUARY 1	9,014,509	9,014,509	9,014,509	-
FUND BALANCES, DECEMBER 31	\$ 9,014,509	\$ 9,014,509	\$ 9,253,781	\$ 239,272

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

THIS PAGE IS LEFT BLANK
INTENTIONALLY

CITY OF WEST ST. PAUL, MINNESOTA
ECONOMIC DEVELOPMENT AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 250,000	\$ 250,000	\$ 250,000	\$ -
Intergovernmental	-	-	900,000	900,000
Charges for services	-	-	1,749	1,749
Interest on investments	63,000	63,000	58,221	(4,779)
Miscellaneous revenue	6,000	6,000	37,779	31,779
	<u>319,000</u>	<u>319,000</u>	<u>1,247,749</u>	<u>928,749</u>
TOTAL REVENUES	319,000	319,000	1,247,749	928,749
EXPENDITURES				
Current				
Economic development	398,930	398,930	1,041,551	(642,621)
	<u>398,930</u>	<u>398,930</u>	<u>1,041,551</u>	<u>(642,621)</u>
NET CHANGE IN FUND BALANCES	(79,930)	(79,930)	206,198	286,128
FUND BALANCES, JANUARY 1	2,564,799	2,564,799	2,564,799	-
PRIOR PERIOD ADJUSTMENT (NOTE 10)	-	-	51,000	51,000
	<u>-</u>	<u>-</u>	<u>51,000</u>	<u>51,000</u>
FUND BALANCES, DECEMBER 31	<u>\$ 2,484,869</u>	<u>\$ 2,484,869</u>	<u>\$ 2,821,997</u>	<u>\$ 337,128</u>

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

CITY OF WEST ST. PAUL, MINNESOTA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2015

	Business-type Activities - Enterprise Funds			Totals
	600 Storm Sewer	602 Sanitary Sewer	Recreation Fund	
ASSETS				
CURRENT ASSETS				
Cash and temporary investments	\$ 720,034	\$ 281,418	\$ 1,145,619	\$ 2,147,071
Receivables				
Accrued interest	3,463	1,900	2,706	8,069
Accounts	98,898	589,138	95,137	783,173
Special assessments	-	78,987	-	78,987
Due from other governments	-	1,425	-	1,425
Inventory	-	-	1,115	1,115
	<u>822,395</u>	<u>952,868</u>	<u>1,244,577</u>	<u>3,019,840</u>
TOTAL CURRENT ASSETS				
NONCURRENT ASSETS				
Special assessments	-	347,600	-	347,600
Capital assets				
Land	-	10,945	1,133,223	1,144,168
Construction in progress	-	9,449	362,660	372,109
Buildings	-	18,107	12,578,023	12,596,130
Machinery and equipment	183,179	457,836	467,133	1,108,148
Infrastructure	8,378,005	8,940,376	-	17,318,381
Less accumulated depreciation	(4,525,472)	(4,612,567)	(3,239,684)	(12,377,723)
	<u>4,035,712</u>	<u>4,824,146</u>	<u>11,301,355</u>	<u>20,161,213</u>
NET CAPITAL ASSETS				
TOTAL NONCURRENT ASSETS				
	<u>4,035,712</u>	<u>5,171,746</u>	<u>11,301,355</u>	<u>20,508,813</u>
TOTAL ASSETS				
	<u>4,858,107</u>	<u>6,124,614</u>	<u>12,545,932</u>	<u>23,528,653</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred pension resources	4,124	20,985	10,132	35,241

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

CITY OF WEST ST. PAUL, MINNESOTA
STATEMENT OF NET POSITION - CONTINUED
PROPRIETARY FUNDS
DECEMBER 31, 2015

	Business-type Activities - Enterprise Funds			Totals
	600 Storm Sewer	602 Sanitary Sewer	Recreation Fund	
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	\$ -	\$ 112,381	\$ 166,587	\$ 278,968
Accrued salaries payable	30	8,935	3,586	12,551
Due to other governments	9,867	65,026	987	75,880
Accrued interest payable	-	12,312	47,519	59,831
Unearned revenue	-	-	58,178	58,178
Compensated absences payable - current	-	9,074	3,505	12,579
Bonds payable - current	-	270,000	250,000	520,000
TOTAL CURRENT LIABILITIES	9,897	477,728	530,362	1,017,987
NONCURRENT LIABILITIES				
Other postemployment benefits	-	31,105	12,706	43,811
Compensated absences payable	-	7,424	2,868	10,292
Pension liability	35,964	182,984	88,344	307,292
Bonds payable	-	1,169,788	4,980,439	6,150,227
TOTAL NONCURRENT LIABILITIES	35,964	1,391,301	5,084,357	6,511,622
TOTAL LIABILITIES	45,861	1,869,029	5,614,719	7,529,609
DEFERRED INFLOWS OF RESOURCES				
Deferred pension resources	5,681	28,907	13,957	48,545
NET POSITION				
Net investment in capital assets	4,035,712	3,384,358	6,070,916	13,490,986
Unrestricted	774,977	863,305	856,472	2,494,754
TOTAL NET POSITION	\$ 4,810,689	\$ 4,247,663	\$ 6,927,388	\$ 15,985,740

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

THIS PAGE IS LEFT BLANK
INTENTIONALLY

CITY OF WEST ST. PAUL, MINNESOTA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Business-type Activities - Enterprise Funds			
	600 Storm Sewer	602 Sanitary Sewer	Recreation Fund	Totals
OPERATING REVENUES				
Charges for services	\$ 445,611	\$ 3,046,818	\$ 1,003,773	\$ 4,496,202
OPERATING EXPENSES				
Personal services	83,443	272,518	177,866	533,827
Supplies	2,702	30,580	59,634	92,916
Professional services	23,493	2,207,906	284,036	2,515,435
Insurance	626	38,881	17,095	56,602
Utilities	-	-	189,329	189,329
Repairs and maintenance	-	8,146	161,407	169,553
Depreciation	180,130	176,778	356,650	713,558
Other	-	450	-	450
TOTAL OPERATING EXPENSES	<u>290,394</u>	<u>2,735,259</u>	<u>1,246,017</u>	<u>4,271,670</u>
OPERATING INCOME (LOSS)	<u>155,217</u>	<u>311,559</u>	<u>(242,244)</u>	<u>224,532</u>
NONOPERATING REVENUES (EXPENSES)				
Property taxes	-	-	386,730	386,730
Intergovernmental	-	78,430	1,794,667	1,873,097
Interest income	23,400	20,806	12,783	56,989
Miscellaneous	-	6,727	12,725	19,452
Interest expense	-	(45,441)	(124,670)	(170,111)
Capital asset transfer	128,109	182,956	-	311,065
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>151,509</u>	<u>243,478</u>	<u>2,082,235</u>	<u>2,477,222</u>
INCOME BEFORE TRANSFERS	306,726	555,037	1,839,991	2,701,754
TRANSFERS IN	-	-	50,406	50,406
TRANSFERS OUT	<u>(650,000)</u>	<u>(686,000)</u>	<u>(50,000)</u>	<u>(1,386,000)</u>
CHANGE IN NET POSITION	(343,274)	(130,963)	1,840,397	1,366,160
NET POSITION, JANUARY 1 AS RESTATED (NOTE 9)	<u>5,153,963</u>	<u>4,378,626</u>	<u>5,086,991</u>	<u>14,619,580</u>
NET POSITION, DECEMBER 31	<u>\$ 4,810,689</u>	<u>\$ 4,247,663</u>	<u>\$ 6,927,388</u>	<u>\$ 15,985,740</u>

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

CITY OF WEST ST. PAUL, MINNESOTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Business-type Activities - Enterprise Funds			Totals
	600 Storm Sewer	602 Sanitary Sewer	Recreation Fund	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 441,019	\$ 3,122,754	\$ 1,838,430	\$ 5,402,203
Payments to suppliers	(18,436)	(2,161,497)	(718,215)	(2,898,148)
Payments to employees	(47,640)	(280,599)	(165,734)	(493,973)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>374,943</u>	<u>680,658</u>	<u>954,481</u>	<u>2,010,082</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Property taxes	-	-	386,730	386,730
Transfers from other funds	-	-	50,406	50,406
Transfers to other funds	(650,000)	(686,000)	(50,000)	(1,386,000)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>(650,000)</u>	<u>(686,000)</u>	<u>387,136</u>	<u>(948,864)</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES				
Acquisition of capital assets	(157,214)	(726,737)	(1,662,310)	(2,546,261)
Intergovernmental	-	-	1,033,000	1,033,000
Interest paid on bonds	-	(50,537)	(127,843)	(178,380)
Principal paid on bonds	-	(260,000)	(240,000)	(500,000)
NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES	<u>(157,214)</u>	<u>(1,037,274)</u>	<u>(997,153)</u>	<u>(2,191,641)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received on investments	23,233	22,288	12,435	57,956
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(409,038)	(1,020,328)	356,899	(1,072,467)
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>1,129,072</u>	<u>1,301,746</u>	<u>788,720</u>	<u>3,219,538</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 720,034</u>	<u>\$ 281,418</u>	<u>\$ 1,145,619</u>	<u>\$ 2,147,071</u>

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

CITY OF WEST ST. PAUL, MINNESOTA
STATEMENT OF CASH FLOWS - CONTINUED
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Business-type Activities - Enterprise Funds			Totals
	Storm Sewer	Sanitary Sewer	Recreation Fund	
RECONCILIATION OF OPERATING INCOME (LOSS)				
TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 155,217	\$ 311,559	\$ (242,244)	224,532
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation	180,130	176,778	356,650	713,558
Other income related to operations	-	85,157	774,392	859,549
(Increase) decrease in assets				
Receivables				
Accounts	(4,592)	(17,908)	30,221	7,721
Special assessments	-	3,512	-	3,512
Due from other governments	-	5,175	-	5,175
Inventories	-	-	299	299
(Increase) decrease in deferred outflows of resources				
Deferred pension resource	(4,124)	(20,985)	(10,132)	(35,241)
Increase (decrease) in liabilities				
Accounts payable	(1,482)	103,231	(3,057)	98,692
Accrued salaries payable	30	1,473	288	1,791
Due to other governments	9,867	21,235	(3,956)	27,146
Unearned revenue	-	-	30,044	30,044
Other postemployment benefits	-	1,557	519	2,076
Compensated absences payable	-	(5,258)	3,624	(1,634)
Pension liability	34,216	(13,775)	3,876	24,317
Increase (decrease) in deferred inflows of resources				
Deferred pension resource	5,681	28,907	13,957	48,545
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 374,943</u>	<u>\$ 680,658</u>	<u>\$ 954,481</u>	<u>\$ 2,010,082</u>
NONCASH CAPITAL FINANCING AND INVESTING ACTIVITIES				
Amortization of deferred charges	<u>\$ -</u>	<u>\$ 2,957</u>	<u>\$ 1,403</u>	<u>\$ 4,360</u>
Capital assets acquired on account	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,938</u>	<u>\$ 12,938</u>
Capital assets transferred from other funds	<u>\$ 128,109</u>	<u>\$ 182,956</u>	<u>\$ -</u>	<u>\$ 311,065</u>

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

THIS PAGE IS LEFT BLANK
INTENTIONALLY

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting entity

The City of West Saint Paul, Minnesota (the City) operates under its own “Home Rule Charter.” Under this Charter, the government of the City is governed by the City Council composed of an elected Mayor and six elected City Council Members. The City Council exercises legislative authority and determines all matters of policy. The City Council appoints personnel responsible for the proper administration of all affairs relating to the City. The City has considered all potential units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City’s financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization’s governing body, and (1) the ability of the primary government to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government. Blended component units, although legally separate entities are, in substance, part of the City’s operations and so data from these units are combined with data of the City. The City has the following component unit:

Blended component unit

The Economic Development Authority (EDA) is an entity legally separate from the City. Although legally separate, the EDA is reported as if it were part of the primary government because the Board of Commissioners is made up of the Mayor and the six City Council members and the City has operational responsibility over the EDA. It is this criterion that results in the EDA being reported as a blended component unit and reported as a special revenue fund. Separate financial statements are not prepared for the EDA.

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 City. *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. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the City is financially accountable.

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

Separate financial statements are provided for governmental funds, proprietary funds, and the fiduciary fund. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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 funds 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.

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 City considers revenues to be available if they are collected within 60 days 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 and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses 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 City.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlement and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the tax is levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are also recorded as unearned revenue.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

The City reports the following major governmental funds:

The *General fund* is the City'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 *Economic Development Authority Fund* accounts for the facilitation of redevelopment of property within the City. The City established the EDA according to Minnesota Statute §469.109. Significant revenue sources for the EDA are general property taxes and intergovernmental revenues.

The *Debt Service fund* accounts for the accumulation of resources and payment of bond principal and interest from governmental resources when the City is obligated in some manner for the payment.

The *Permanent Improvement Revolving Fund* accounts for the costs of constructing various street, sanitary sewer, storm sewer, and water projects. These costs are accumulated until it becomes prudent to issue bonds. The bond proceeds are then placed here to finance future construction. Thus, the fund acts as a large, revolving pool of working capital. It is also used to account for construction done on designated state-aid streets. Financing is provided by State grants for specific state-aid street projects. State law requires that these grants be used for the projects specified in the grant application, or on similar state-aid street projects.

The *TIF Districts Fund* accounts for the activities within the City's four tax increment districts.

The City reports the following major proprietary funds:

The *Storm Sewer fund* accounts for the costs associated with the City's storm sewer system and insure that user charges are sufficient to pay for those costs.

The *Sewer fund* accounts for the costs associated with the City's sewer system and insure that user charges are sufficient to pay for those costs.

The *Recreation Fund* accounts for City-owned recreation operations consisting of a golf course, civic center arena, athletic center and swimming pool.

Additionally, the City reports the following fund types:

Fiduciary fund accounts for assets held by the City in a trustee capacity or as an agent on behalf of others.

The *agency fund* is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting.

The *South Metro Fire Fund* accounts for funds obtained from the State of Minnesota which are passed through to the South Metro Fire Department.

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

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 City enterprise funds are charges to customers for sales and services. Operating expenses for enterprise 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.

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

D. Assets, liabilities and net position/fund balance

Deposits and investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. The proprietary funds' portion in the government-wide cash and temporary investments pool is considered to be cash and cash equivalents for purposes of the statement of cash flows.

Cash balances from all funds are pooled and invested, to the extent available, in certificates of deposit and other authorized investments. Earnings from such investments are allocated on the basis of applicable participation by each of the funds.

The City may also invest idle funds as authorized by Minnesota statutes, as follows:

1. Direct obligations or obligations guaranteed by the United States or its agencies.
2. Shares of investment companies registered under the Federal Investment Company Act of 1940 and received the highest credit rating, rated in one of the two highest rating categories by a statistical rating agency, and have a final maturity of thirteen months or less.
3. General obligations of a state or local government with taxing powers rated "A" or better; revenue obligations rated "AA" or better.
4. General obligations of the Minnesota Housing Finance Agency rated "A" or better.
5. Obligation of a school district with an original maturity not exceeding 13 months and (i) rated in the highest category by a national bond rating service or (ii) enrolled in the credit enhancement program pursuant to statute section 126C.55.
6. Bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System.
7. Commercial paper issued by United States banks corporations or their Canadian subsidiaries, of highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less.
8. Repurchase or reverse repurchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.
9. Guaranteed Investment Contracts (GIC's) issued or guaranteed by a United States commercial bank, a domestic branch of a foreign bank, a United States insurance company, or its Canadian subsidiary, whose similar debt obligations were rated in one of the top two rating categories by a nationally recognized rating agency.

Investments for the City are reported at fair value. Earnings on investments are allocated to the individual funds based upon the average cash and investment balances.

The Minnesota Municipal Money Market (4M) Fund investment pool is regulated by Minnesota Statutes and the Board of Directors of the League of Minnesota Cities and operates in accordance with appropriate State laws and regulations. The reported value of the pool is the same as the fair value of the pool shares. The 4M Fund is an external investment pool not registered with the Securities and Exchange Commission (SEC); however, it follows the same regulatory rules of the SEC under rule 2a7. Financial statements of the 4M Fund can be obtained by contacting RBC Global Asset Management at 100 South Fifth Street Suite 2300, Minneapolis, MN 55402-1240.

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Property taxes

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 7 and December 2 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.

In the government-wide financial statements, the City recognizes property tax revenue in the period for which the taxes were levied. Uncollectible property taxes are not material and have not been reported

In the 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 and State credits received by the City in July, December and January are recognized as revenue for the current year. Taxes and credits not collected by the County by December 31 (remitted to the City the following January) are classified as delinquent taxes receivable. Delinquent taxes receivable are fully offset by deferred inflows of resources because they are not available to finance current expenditures.

Accounts receivable

Accounts receivable include amounts billed for services provided before year end. Property taxes and special assessments have been reported net of estimated uncollectible accounts. 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.

Special assessments

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 a tax forfeit sale. Proceeds of sales from tax forfeit properties are allocated first to the County's costs of administering all tax forfeit properties. Pursuant to State Statutes, a property shall be subject to a tax forfeit sale after three years unless it is homesteaded, agricultural or seasonal recreational land in which event the property is subject to such sale after five years.

In the 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

In the 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) and 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 deferred inflows of resources.

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Interfund receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Inventories

Inventories of the Proprietary Funds are recorded at the lower of cost or market, using the first-in, first-out (FIFO) method. Inventories are recorded as expenditures when consumed.

Prepaid Items

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

Assets held for resale

Assets held for resale is valued at the lower of cost or realizable value. Due to the nature of redevelopment activities, cost is frequently higher than realizable value. Realizable values are determined using appraised values or estimated actual sales price.

Capital assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, sidewalks, and similar items), and intangible assets such as easements and computer software are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (except for easements which is \$50,000 and software which is \$10,000) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or contributed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Pursuant to GASB Statement 34, 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 costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. For the year ended December 31, 2015, no interest was capitalized in connection with construction in progress.

The City implemented GASB 51, Accounting and Financial Reporting for Intangible Assets effective January 1, 2010, which required the City to capitalize and amortize intangible assets. Pursuant to GASB Statement 51, in the case of initial capitalization of intangible assets, the City chose to capitalize intangible assets retroactively to 1980. The City had not accounted for computer software at historical cost and therefore retroactive reporting was necessary. The City was able to obtain historical costs and estimated fair value of donated intangible assets as of the date of donation for the initial reporting of easements through public works project records.

CITY OF WEST ST. PAUL, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Property, plant and equipment of the primary government, as well as the component units, are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Useful Live in Years</u>
Buildings and improvements	20 to 50
Machinery and equipment	5 to 20
Motor vehicles	5 to 20
Trails, sidewalks and streetlights	30
Storm sewers	50
Streets	40
Distribution and collection systems	50 to 75
Software	5

Deferred outflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has only one item that qualifies for reporting in this category. Accordingly, the item, deferred pension resources, is reported only in the statements of net position. This item results from actuarial calculations and current year pension contributions made subsequent to the measurement date.

Pensions

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 PERA's fiduciary net position have been determined on the same basis as they are reported by PERA except that PERA's fiscal year end is June 30. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Compensated absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. In accordance with the provisions of Statement of Government Accounting Standards No. 16, *Accounting for Compensated Absences*, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave benefits that is vested as severance pay. The General fund is typically used to liquidate governmental compensated absences payable.

The City's policy regarding vacation leave is contained in the City Code, Section 310.37. Vacation leave may be accumulated by an employee up to a maximum of twice the annual amount that they are eligible for at any point in time. Upon separation from City service, the employee can receive all unused vacation leave as severance pay, subject to this limitation.

The City's policy regarding sick leave is contained in the City Code, Section 310.43. The maximum accumulation allowed is 120 working days. Upon the employee's termination from City service, the City will pay a portion of accumulated sick leave as severance pay based on years of service.

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Deferred inflows of resources

In addition to liabilities, the statement of financial position and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of items, *unavailable revenue* and *deferred pension resources*.

- *Unavailable revenue* arises only under a modified accrual basis of accounting that qualifies as needing to be reported in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- *Deferred pension resources* is reported only in the statements of net position and results from actuarial calculations.

Postemployment benefits other than pensions

Under Minnesota statute 471.61, subdivision 2b, public employers must allow retirees and their dependents to continue coverage indefinitely in an employer-sponsored health care plan, under the following conditions: 1) Retirees must be receiving (or eligible to receive) an annuity from a Minnesota public pension plan, 2) Coverage must continue in a group plan until age 65, and retirees must pay no more than the group premium, and 3) Retirees are able to add dependent coverage during open enrollment period or qualifying life event prior to retirement. All premiums are funded on a pay-as-you-go basis. The liability was determined, in accordance with GASB Statement No. 45, at January 1, 2014. The General fund is typically used to liquidate governmental other postemployment benefits payable.

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.

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.

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Fund balance

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources reported in the governmental funds. These classifications are defined as follows:

Nonspendable - Amounts that cannot be spent because they are not in spendable form, such as prepaid items.

Restricted - Amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.

Committed - Amounts constrained for specific purposes that are internally imposed by formal action (resolution) of the City Council, which is the City's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the City Council modifies or rescinds the commitment by resolution.

Assigned - Amounts constrained for specific purposes that are internally imposed. Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. Assigned amounts represent intended uses established by the City Council itself or by the Finance Director to which the governing body delegates the authority. The City Council has adopted a fund balance policy which delegates the authority to assign amounts for specific purposes to the Finance Director.

Unassigned - The residual classification for the General fund and also negative residual amounts in other funds.

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

Net position

In the government-wide financial statements, net position represents the difference between assets and liabilities. Net position is displayed in three components:

- a. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation reduced by any outstanding debt attributable to acquire capital assets.
- b. Restricted net position - Consist of net position balances restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.
- c. Unrestricted net position - All other net position balances that do not meet the definition of "restricted" or "net investment in capital assets".

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

CITY OF WEST ST. PAUL, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General fund and Special Revenue funds. All annual appropriations lapse at fiscal year-end. The City does not use encumbrance accounting.

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. The budget was not amended during 2015.

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.
3. The budget is legally enacted through passage of a resolution on a departmental basis 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. Additional interdepartmental or interfund appropriations and deletions are or may be authorized by the City Council as allowed by City Charter.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds.
6. Supplementary budgets are adopted for the debt service and proprietary funds. These budget amounts represent general obligation bond indenture provisions and net income for operation and capital maintenance, respectively, and are not reflected in the financial statements, because these are adopted for management purposes only and do not represent a legally adopted budget.
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.
8. Budgeted appropriations for expenditures are controlled at the departmental level. Monitoring of budgets is maintained at the expenditure category level (i.e., personal services and benefits; materials, supplies, services, capital outlay) within each activity.

B. Excess of expenditures over appropriations

For the year ended December 31, 2015 expenditures exceeded appropriations in the following funds:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Excess of Expenditures Over Appropriations</u>
Economic Development Authority	\$ 398,930	\$ 1,041,551	\$ 642,621
Insurance fund	356,485	378,935	22,450

The excess of expenditures over appropriations for these funds were funded by both actual transfers in and actual revenues in excess of budget.

CITY OF WEST ST. PAUL, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - CONTINUED

C. Deficit fund equity

The following funds had deficits at December 31, 2015:

Fund	Amount
Major governmental	
Permanent Improvement Revolving	\$ 4,846,761
TIF District	15,963
Nonmajor governmental	
Parks Improvement	259,278

The fund balance deficits will be eliminated with future revenues and transfers from other funds.

Note 3: DETAILED NOTES ON ALL FUNDS

A. Deposits and investments

Deposits

Custodial credit risk for deposits and investments is the risk that in the event of a bank failure, the City's deposits and investments may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. In accordance with Minnesota statutes and as authorized by the City Council, the City maintains deposits at those depository banks, all of which are members of the Federal Reserve System.

Minnesota statutes require that all City deposits be protected by insurance, surety bond or collateral. The market value of collateral pledged must equal 110 percent of the deposits not covered by insurance or bonds.

Authorized collateral in lieu of a corporate surety bond includes:

- United States government Treasury bills, Treasury notes, Treasury bonds;
- Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- 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;
- General obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity;
- 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
- Time deposits that are fully insured by any federal agency.

Minnesota statutes require that all collateral shall be placed in safekeeping in a restricted account at a 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. The selection should be approved by the government entity.

At year end, the City's carrying amount of deposits was \$804,356 and the bank balance was \$950,811. The bank balance was covered by federal depository insurance totaling \$252,899. The remaining balance was covered by collateral held by the City's agent in the City's name.

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

Cash and investments summary

A reconciliation of cash and temporary investments as shown on the financial statements for the City follows:

Carrying amount of deposits	\$ 804,356
Investments	<u>15,179,196</u>
Total	<u><u>\$ 15,983,552</u></u>
As reported on the financial statements	
Statement of net position	
Cash and temporary investments	<u><u>\$ 15,983,552</u></u>

Investments

Types of Investments	Credit Quality/ Rating (1)	Segmented Time Distribution (2)	Fair Value and Carrying Amount
Non Pooled investments			
Brokered Certificates of Deposit	N/A	6 months to 1 year	\$ 280,528
Brokered Certificates of Deposit	N/A	1 to 3 years	2,282,729
Brokered Certificates of Deposit	N/A	more than 3 years	4,187,558
Taxable Municipal Bonds	Aa1	1 to 3 years	494,245
Taxable Municipal Bonds	A1	more than 3 years	506,080
Taxable Municipal Bonds	Aa1	more than 3 years	740,523
Taxable Municipal Bonds	Aa2	more than 3 years	806,803
Taxable Municipal Bonds	NR	more than 3 years	188,165
Taxable Municipal Bonds	AAA	more than 3 years	634,842
Municipal Bonds (3)	N/A	more than 3 years	335,000
US Government Securities	AAA	1 to 3 years	500,083
US Government Securities	AAA	more than 3 years	3,478,095
Pooled investments			
Minnesota Municipal Money Market Fund	N/A	less than 6 months	3,445
Broker Money Market	N/A	less than 6 months	<u>741,100</u>
Total investments			<u><u>\$ 15,179,196</u></u>

As of December 31, 2015, the City had the following investments that are insured or registered, or securities held by the City's agent in the City's name:

- (1) Ratings are provided by various credit rating agencies where applicable to indicate associated credit risk.
- (2) Interest rate risk is disclosed using the segmented time distribution method.
- (3) Internal investment in City of West St. Paul 1995 gross revenue golf course bonds, which are not rated.
- N/A Indicates not applicable or available.

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

The investments of the City are subject to the following risks:

- *Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will be unable to fulfill its obligation to the holder of the investment. State law limits investments to commercial paper to those rated in the highest quality category by at least two nationally recognized rating agencies; in any security of the State of Minnesota or any of its municipalities which is rated “A” or better by a national bond rating service for general obligation and rated “AA” or better for a revenue obligation; a general obligation of the Minnesota Housing Finance Agency to those rated “A” or better by a national bond rating agency; mutual funds or money market funds whose investments are restricted to securities described in MS 118A.04. The City’s investment policy does not place further restrictions on investment options.
- *Custodial Credit Risk.* For investments in securities, custodial credit risk is the risk that in the event of failure of the counterparty to a transaction, the City will not be able to recover the value of its investment securities that are in the possession of an outside party. Investments in investment pools and money markets are not evidenced by securities that exist in physical or book entry form, and therefore are not subject to custodial credit risk disclosures. The City’s investment policy does not address custodial risk. However, investments in securities are held by the City’s broker-dealer of which \$500,000 is insured through SIPC. The broker-dealer has provided additional protection by providing additional insurance. This insurance is subject to aggregate limits applied to all of the broker-dealer’s accounts.
- *Concentration of Credit risk.* The City's investment policy places limits on various security types as a percentage of the total portfolio. United States governmental securities are allowed to be 100% of the portfolio. State and local securities cannot exceed 40% of the portfolio. The City has placed limits on other types of securities, but has not invested in these types. The City places no limit on the amount the City may invest in any one issuer (except commercial paper). As of December 31, 2015, the following issuers exceeded 5 percent of the City’s total investments: FHLMC (9.9 percent) and FNMA (8.2 percent).
- *Interest Rate Risk.* The City's investment policy states the investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. The portfolio shall be structured so that securities mature concurrent with cash needs to meet anticipated demands and the portfolio should consist largely of securities with active secondary or resale markets.

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

B. Capital assets

Capital asset activity for the year ended December 31, 2015 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	\$ 5,834,879	\$ -	\$ -	\$ 5,834,879
Construction in progress	6,142,065	5,965,081	(2,858,065)	9,249,081
Total capital assets not being depreciated	<u>11,976,944</u>	<u>5,965,081</u>	<u>(2,858,065)</u>	<u>15,083,960</u>
Capital assets, being depreciated				
Buildings	10,651,592	-	-	10,651,592
Improvements other than buildings	1,159,131	826,415	(128,238)	1,857,308
Vehicles, machinery and equipment	3,535,825	399,696	(422,499)	3,513,022
Software	358,254	-	-	358,254
Infrastructure	57,908,734	1,481,546	-	59,390,280
Total capital assets being depreciated	<u>73,613,536</u>	<u>2,707,657</u>	<u>(550,737)</u>	<u>75,770,456</u>
Less accumulated depreciation for				
Buildings	(2,677,665)	(364,383)	-	(3,042,048)
Improvements other than buildings	(931,123)	(25,823)	116,959	(839,987)
Machinery and equipment	(2,324,609)	(298,480)	382,596	(2,240,493)
Software	(159,360)	(66,492)	-	(225,852)
Infrastructure	(27,858,382)	(1,381,130)	-	(29,239,512)
Total accumulated depreciation	<u>(33,951,139)</u>	<u>(2,136,308)</u>	<u>499,555</u>	<u>(35,587,892)</u>
Total capital assets being depreciated, net	<u>39,662,397</u>	<u>571,349</u>	<u>(51,182)</u>	<u>40,182,564</u>
Governmental activities capital assets, net	<u>\$ 51,639,341</u>	<u>\$ 6,536,430</u>	<u>\$ (2,909,247)</u>	<u>\$ 55,266,524</u>

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets not being depreciated				
Land	\$ 1,144,168	\$ -	\$ -	\$ 1,144,168
Construction in progress	377,396	1,664,061	(1,669,348)	372,109
Total capital assets not being depreciated	1,521,564	1,664,061	(1,669,348)	1,516,277
Capital assets being depreciated				
Buildings and improvements	13,133,614	1,669,349	-	14,802,963
Distribution and collection systems	14,109,162	1,002,386	-	15,111,548
Machinery and equipment	919,068	189,080	-	1,108,148
Total capital assets being depreciated	28,161,844	2,860,815	-	31,022,659
Less accumulated depreciation for				
Buildings and improvements	(3,585,958)	(390,245)	-	(3,976,203)
Distribution and collection systems	(7,513,717)	(249,527)	-	(7,763,244)
Machinery and equipment	(564,490)	(73,786)	-	(638,276)
Total accumulated depreciation	(11,664,165)	(713,558)	-	(12,377,723)
Total capital assets being depreciated, net	16,497,679	2,147,257	-	18,644,936
Business-type activities capital assets, net	\$ 18,019,243	\$ 3,811,318	\$ (1,669,348)	\$ 20,161,213

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

Governmental activities	
General government	\$ 176,271
Public safety	117,056
Public works	1,763,858
Parks and recreation	79,123
Total depreciation expense - governmental activities	\$ 2,136,308
 Business-type activities	
Storm Sewer	\$ 180,130
Sanitary Sewer	176,778
Recreation	356,650
Total depreciation expense - business-type activities	\$ 713,558

CITY OF WEST ST. PAUL, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

C. Construction commitments

The City had the following outstanding construction commitments at December 31, 2015:

Project	Spent to date	Remaining Commitment
Parks Sports Complex	\$ 533,427	\$ 2,448
Harmon Park Improvements	2,892,465	12,784
2014 Street Recont (Marie Ave)	913,742	1,950
2015 Street Recont (Marie Ave)	1,662,432	166,476
Robert Street Reconstruction	14,053,026	10,158,230

D. Interfund receivables, payables and transfers

The composition of interfund balances as of December 31, 2015 is as follows:

Receivable Fund	Payable Fund	Purpose	Amount
Economic Development Authority	TIF Districts	To fund tax increment projects	\$ 1,315,436
General	Permanent Improvement Revolving Fund	To provide cash flows	<u>5,671,792</u>
Total			<u><u>\$ 6,987,228</u></u>

Interfund loans are not expected to be collected in full within one year. These loans will be repaid with future tax increment collections, intergovernmental receipts and bond proceeds.

The City made transfers during the fiscal year 2015 as shown and described below:

Fund	Transfer in					Total
	General	Debt Service	Permanent Improvement Revolving Fund	Nonmajor Governmental	Recreation	
Transfer out						
General	\$ -	\$ -	\$ -	\$ -	\$ 50,406	\$ 50,406
TIF districts	-	104,400	-	-	-	104,400
Nonmajor governmental	78,000	-	-	24,293	-	102,293
Storm sewer	150,000	-	500,000	-	-	650,000
Sanitary sewer	400,000	-	286,000	-	-	686,000
Recreation	50,000	-	-	-	-	50,000
Total	<u>\$ 678,000</u>	<u>\$ 104,400</u>	<u>\$ 786,000</u>	<u>\$ 24,293</u>	<u>\$ 50,406</u>	<u>\$ 1,643,099</u>

During the year, transfers are used to 1) transfer funds to the General Fund for indirect costs and administrative support and 2) transfer tax increment resources to pay debt service. Further, during the year ended December 31, 2015, the City made the following one-time transfers:

1. Transfers of \$24,293 from the nonmajor governmental funds to another nonmajor governmental fund to close the Public Works Facility fund.
2. The General fund transferred resources to the recreation fund to cover the golf course and swimming pool cash deficits.
3. The Storm Sewer and Sanitary Sewer funds made a transfer to the Permanent Improvement Revolving Fund to transfer costs related to the Robert street project.

CITY OF WEST ST. PAUL, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

E. Long-term debt

General obligation (G.O.) bonds

The City issues G.O. and revenue bonds to provide funds for the acquisition and construction of major capital facilities and equipment. Debt service is covered by tax increments, special assessments, property tax levies and revenues. In addition, bonds have been issued to refund G.O., G.O. tax increment, G.O. special assessment, and G.O. revenue bonds.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Tax Abatement Bonds, Series 2014A	\$ 4,845,000	2.00-3.375 %	6/24/2014	2/1/2035	\$ 4,845,000
G.O. Street Reconstruction Bonds, Series 2014B	4,930,000	2.00-3.25	6/24/2014	2/1/2030	<u>4,930,000</u>
Total G.O. Bonds					<u>\$ 9,775,000</u>

Annual debt service requirements to maturity for G.O. bonds are as follows:

Year Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2016	\$ 475,000	\$ 259,156	\$ 734,156
2017	485,000	249,556	734,556
2018	490,000	239,806	729,806
2019	500,000	229,906	729,906
2020	510,000	219,806	729,806
2021-2025	2,710,000	911,294	3,621,294
2026-2030	3,140,000	485,219	3,625,219
2031-2035	<u>1,465,000</u>	<u>123,972</u>	<u>1,588,972</u>
Total	<u>\$ 9,775,000</u>	<u>\$ 2,718,715</u>	<u>\$ 12,493,715</u>

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

G.O. improvement bonds

The following bonds were issued to finance various improvements and will be repaid primarily from special assessments levied on the properties benefiting from the improvements. Some issues, however, are partially financed by ad valorem tax levies. All special assessment debt is backed by the full faith and credit of the City. Each year the combined assessment and tax levy equals 105 percent of the amount required for debt service. The excess of 5 percent is to cover any delinquencies in tax or assessment payments.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Improvement Refunding Bonds, Series 2009A	\$ 2,685,000	2.50-4.60 %	3/18/2009	2/1/2021	\$ 570,000
G.O. Improvement and Refunding Bonds, Series 2010A	2,940,000	3.00-3.75	12/29/2010	2/1/2026	1,920,000
G.O. Improvement and Refunding Bonds, Series 2012C	3,795,000	0.40-1.45	12/27/2012	2/1/2023	2,930,000
G.O. Improvement and Refunding Bonds, Series 2013A	1,530,000	2.0-2.30	5/13/2013	2/1/2024	1,390,000
G.O. Improvement and Refunding Bonds, Series 2015A	6,880,000	2.9-3.00	6/24/2015	2/1/2035	6,880,000
G.O. Improvement and Refunding Bonds, Series 2015B	995,000	2.00	12/1/2015	12/1/2023	<u>995,000</u>
Total G.O. improvement bonds					<u><u>\$ 14,685,000</u></u>

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

Year Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2016	\$ 1,320,000	\$ 373,029	\$ 1,693,029
2017	1,500,000	322,844	1,822,844
2018	1,230,000	289,986	1,519,986
2019	1,220,000	265,108	1,485,108
2020	1,135,000	240,020	1,375,020
2021-2025	4,455,000	818,608	5,273,608
2026-2030	1,835,000	415,354	2,250,354
2031-2035	<u>1,990,000</u>	<u>147,320</u>	<u>2,137,320</u>
Total	<u><u>\$ 14,685,000</u></u>	<u><u>\$ 2,872,269</u></u>	<u><u>\$ 17,557,269</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

G.O. tax increment bonds

The following bonds were issued for redevelopment projects. The additional tax increments resulting from increased tax capacity of the redeveloped properties will be used to retire the related debt.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. TIF Bonds, Series 2005A	\$ 1,605,000	3.75-4.50 %	11/1/2005	2/1/2016	\$ 1,335,000
G.O. TIF Refunding Bonds, Series 2015C	1,320,000	1.50-3.00	12/1/2015	2/1/2031	<u>1,320,000</u>
Total G.O. tax increment bonds					<u><u>\$ 2,655,000</u></u>

Annual debt service requirements to maturity for G.O. tax increment bonds are as follows:

Year Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2016	\$ 1,335,000	\$ 20,307	\$ 1,355,307
2017	60,000	30,010	90,010
2018	65,000	29,073	94,073
2019	70,000	28,060	98,060
2020	75,000	26,954	101,954
2021-2025	415,000	114,178	529,178
2026-2030	515,000	57,331	572,331
2031	120,000	1,800	121,800
Total	<u><u>\$ 2,655,000</u></u>	<u><u>\$ 307,713</u></u>	<u><u>\$ 2,962,713</u></u>

General obligation revenue bonds

The following bonds were issued to finance capital improvements in the enterprise funds.

The Golf Course Bonds and the G.O. Sewer Revenue Bonds will be repaid from future revenues pledged from the enterprise funds and are backed by the taxing power of the City. Annual revenues from charges for services, principal and interest payments, and percentage of revenue required to cover principal and interest payments are as follows:

	Sanitary Sewer	Recreation (Golf Course)	Recreation (Regional Athletic Center)
Net operating revenues	\$ 3,046,818	\$ 147,242	\$ 705,354
Principal and interest	310,537	53,125	314,718
Percentage of revenues	10 %	36 %	45 %

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

The Tax Abatement Bonds and interest thereon are payable from abatements collected from certain property in the City. If abatement revenues are insufficient to meet principal and interest due, the City is required to levy ad valorem taxes without limit as to rate or amount on all taxable property in the City to make up the deficiency.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
Golf Course Bonds, Series 1995	\$ 970,000	6.50 %	7/1/1995	12/1/2016	\$ 335,000
G.O. Sewer Refunding Bonds Series 2009A	1,315,000	2.5 - 4.60	3/18/2009	2/1/2018	600,000
G.O. Sewer Revenue Bonds, Series 2009A	1,545,000	2.0 - 3.50	11/18/2009	2/1/2020	825,000
G.O. Tax Abatement Bonds, Series 2012A	2,520,000	2.00 - 2.75	8/14/2012	2/1/2026	2,320,000
G.O. Tax Abatement Bonds, Series 2012B	2,560,000	2.125 - 2.75	8/14/2012	2/1/2034	<u>2,560,000</u>
Total G.O. Revenue Bonds					<u><u>\$ 6,640,000</u></u>

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

Year Ending December 31,	Business-type Activities		
	Principal	Interest	Total
2016	\$ 520,000	\$ 165,056	\$ 685,056
2017	525,000	151,206	676,206
2018	540,000	137,156	677,156
2019	555,000	122,494	677,494
2020	570,000	106,681	676,681
2021-2025	1,275,000	402,863	1,677,863
2026-2030	1,385,000	249,622	1,634,622
2031-2034	<u>1,270,000</u>	<u>68,388</u>	<u>1,338,388</u>
Total	<u><u>\$ 6,640,000</u></u>	<u><u>\$ 1,403,466</u></u>	<u><u>\$ 8,043,466</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

Changes in long-term liabilities

Noncurrent liability activity for the year ended December 31, 2015 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental activities					
Bonds payable					
G.O. bonds	\$ 15,680,000	\$ -	\$ (5,905,000)	\$ 9,775,000	\$ 475,000
G.O. improvement bonds	10,985,000	7,875,000	(4,175,000)	14,685,000	1,320,000
G.O. tax increment bonds	1,380,000	1,320,000	(45,000)	2,655,000	1,335,000
Bond premium	352,648	232,667	(51,184)	534,131	-
Bond discount	(39,853)	-	39,853	-	-
Total bonds payable	28,357,795	9,427,667	(10,136,331)	27,649,131	3,130,000
Pension liability					
GERF	-	2,645,256	(107,345)	2,537,911	-
PEPFF	-	3,088,848	(43,741)	3,045,107	-
Compensated absences payable	799,854	441,616	(509,463)	732,007	402,604
Other postemployment benefits payable	727,597	142,162	(101,183)	768,576	-
Governmental activity long-term liabilities	<u>\$ 29,885,246</u>	<u>\$ 15,745,549</u>	<u>\$ (10,898,063)</u>	<u>\$ 34,732,732</u>	<u>\$ 3,532,604</u>
Business-type activities					
Bonds payable					
G.O. revenue bonds	\$ 7,140,000	\$ -	\$ (500,000)	\$ 6,640,000	\$ 520,000
Bond premium	46,918	-	(6,416)	40,502	-
Bond discount	(12,331)	-	2,056	(10,275)	-
Total bonds payable	7,174,587	-	(504,360)	6,670,227	520,000
Pension liability					
GERF	-	317,192	(9,900)	307,292	-
Compensated absences payable	24,505	15,508	(17,142)	22,871	12,579
Other postemployment benefits payable	41,735	8,104	(6,028)	43,811	-
Business-type activity long-term liabilities	<u>\$ 7,240,827</u>	<u>\$ 340,804</u>	<u>\$ (537,430)</u>	<u>\$ 7,044,201</u>	<u>\$ 532,579</u>

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

Current refunding bonds

On June 24, 2015 the City issued \$6,880,000 of 2015A G.O. Refunding Bonds and contributed \$200,000 of their reserves. The bonds bear an average coupon rate of 2.92 percent and were used to call \$5,745,000 of the outstanding principal of the 2006A G.O. Improvement Bonds and \$1,245,000 of the outstanding principal of the 2009B G.O. CIP Bonds in 2015. As a result of the refunding issue, the City will save \$1,129,775 in debt service payments and achieve an economic gain (the present value of the difference between the old and the new debt service) of \$733,487.

On December 1, 2015 the City issued \$995,000 of 2015B G.O. Improvement Refunding Bonds and contributed \$388,860 of their reserves. The bonds bear an average coupon rate of 1.40 percent and were used to call \$1,375,000 of the outstanding principal of the 2008A G.O. Improvement Bonds in 2015. As a result of the refunding issue, the City will save \$182,916 in debt service payments and achieve an economic gain (the present value of the difference between the old and the new debt service) of \$148,928.

On December 1, 2015 the City issued \$1,320,000 of 2015C G.O. Tax Increment Refunding Bonds. The bonds bear an average coupon rate of 2.35 percent and were used to call \$1,285,000 of the outstanding principal of the 2005A G.O. Tax Increment Bonds in 2016. As a result of the refunding issue, the City will save \$185,603 in debt service payments and achieve an economic gain (the present value of the difference between the old and the new debt service) of \$155,899.

F. Fund balance classification

At December 31, 2015, a summary of the governmental fund balance classifications are as follows:

	General	Economic Development Authority	Debt Service	TIF Districts	Other Governmental Funds	Total
Nonspendable						
Prepays	\$ 107,632	\$ -	\$ -	\$ -	\$ -	\$ 107,632
Restricted for						
Debt service	\$ -	\$ -	\$ 5,418,424	\$ -	\$ -	\$ 5,418,424
Economic development	-	-	-	1,301,700	-	1,301,700
Police	1,615	-	-	-	36,941	38,556
Fire	-	-	-	-	193,943	193,943
Total restricted	<u>\$ 1,615</u>	<u>\$ -</u>	<u>\$ 5,418,424</u>	<u>-</u>	<u>\$ 230,884</u>	<u>\$ 6,952,623</u>
Committed to						
Economic development	\$ -	\$ 2,821,997	\$ -	\$ -	\$ -	\$ 2,821,997
Insurance deductibles, litigation, risk mitigation	-	-	-	-	662,823	662,823
Total committed	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ 662,823</u>	<u>\$ 3,484,820</u>
Assigned to						
Equipment acquisition	\$ -	\$ -	\$ -	\$ -	\$ 2,250,419	\$ 2,250,419
Technology replacement	-	-	-	-	326,250	326,250
Capital facilities	-	-	-	-	448,268	448,268
Total assigned	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ 3,024,937</u>	<u>\$ 3,024,937</u>

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 4: DEFINED BENEFIT PENSION PLANS - STATEWIDE

A. Plan description

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

General Employees Retirement Fund (GERF)

All full-time and certain part-time employees of the City, are covered by the General Employees Retirement Fund (GERF). GERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. The Basic Plan was closed to new members in 1967. All new members must participate in the Coordinated Plan.

Public Employees Police and Fire Fund (PEPFF)

The PEPFF, originally established for police officers and firefighters not covered by a local relief association, now covers all police officers and firefighters hired since 1980. Effective July 1, 1999, the PEPFF also covers police officers and firefighters belonging to a local relief association that elected to merge with and transfer assets and administration to PERA.

B. Benefits provided

PERA provides retirement, disability and death benefits. Benefit provisions are established by Minnesota statute and can only be modified by the state legislature.

Benefit increases are provided to benefit recipients each January. Increases are related to the funding ratio of the plan. Members in plans that are at least 90 percent funded for two consecutive years are given 2.5 percent increases. Members in plans that have not exceeded 90 percent funded, or have fallen below 80 percent, are given 1 percent increases.

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

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 PERA's Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2 percent of average salary for each of the first ten years of service and 2.7 percent for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2 percent of average salary for each of the first ten years and 1.7 percent for each remaining year. Under Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service. For 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.

PEPFF benefits

Benefits for the PEPFF members first hired after June 30, 2010, but before July 1, 2014, vest on a prorated basis from 50 percent after five years up to 100 percent after ten years of credited service. Benefits for PEPFF members first hired after June 30, 2014, vest on a prorated basis from 50 percent after ten years up to 100 percent after twenty years of credited service. The annuity accrual rate is 3 percent of average salary for each year of service.

For PEPFF who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equal at least 90.

CITY OF WEST ST. PAUL, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 4: DEFINED BENEFIT PENSION PLANS - STATEWIDE - CONTINUED

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

Basic Plan members and Coordinated Plan members were required to contribute 9.10 percent and 6.50 percent, respectively, of their annual covered salary in calendar year 2015. The City was required to contribute 11.78 percent of pay for Basic Plan members and 7.50 percent for Coordinated Plan members in calendar year 2015. The City's contributions to the GERF for the years ending December 31, 2015, 2014 and 2013 were \$238,068, \$224,633 and \$201,801, respectively. The City's contributions were equal to the contractually required contributions for each year as set by Minnesota statute.

PEPFF contributions

Plan members were required to contribute 10.8 percent of their annual covered salary in calendar year 2015. The City was required to contribute 16.20 percent of pay for PEPFF members in calendar year 2015. The City's contributions to the PEPFF for the years ending December 31, 2015, 2014 and 2013 were \$386,253, \$359,576 and \$318,054, respectively. The City's contributions were equal to the contractually required contributions for each year as set by Minnesota statute.

D. Pension costs

GERF pension costs

At December 31, 2015, the City reported a liability of \$2,845,203 for its proportionate share of the GERF's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2014 through June 30, 2015 relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2015, the City's proportionate share was 0.0549 percent which was a decrease of 0.0013 percent from its proportion measured as of June 30, 2014.

For the year ended December 31, 2015, the City recognized pension expense of \$288,451 for its proportionate share of GERF's pension expense.

At December 31, 2015, the City reported its proportionate share of GERF's deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date, from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 27,011	\$ 143,447
Changes in actuarial assumptions	176,564	-
Net difference between projected and actual earnings on plan investments	-	253,275
Changes in proportion	-	52,752
Contributions to GERF subsequent to the measurement date	122,717	-
Total	\$ 326,292	\$ 449,474

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 4: DEFINED BENEFIT PENSION PLANS - STATEWIDE - CONTINUED

Deferred outflows of resources totaling \$122,717 related to pensions resulting from the City's contributions to GERF subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to GERF pensions will be recognized in pension expense as follows:

2016	\$ (70,482)
2017	(70,482)
2018	(172,270)
2019	67,335
2020	-
Thereafter	-

PEPFF pension costs

At December 31, 2015, the City reported a liability of \$3,045,107 for its proportionate share of the PEPFF's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2014 through June 30, 2015 relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2015, the City's proportionate share was 0.268 percent which was an increase of 0.257 percent from its proportion measured as of June 30, 2014.

For the year ended December 31, 2015, the City recognized pension expense of \$313,143 for its proportionate share of PEPFF's pension expense. The City also recognized \$23,130 for the year ended December 31, 2015, as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's on-behalf contributions to the PEPFF. Legislation passed in 2013 required the State of Minnesota to begin contributing \$9 million to the PEPFF each year, starting in fiscal year 2014.

At December 31, 2015, the City reported its proportionate share of PEPFF's deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date, from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 3,106	\$ 493,817
Changes in actuarial assumptions	578,915	-
Net difference between projected and actual earnings on plan investments	-	540,627
Changes in proportion	122,972	-
Contributions to PEPFF subsequent to the measurement date	<u>204,193</u>	<u>-</u>
Total	<u>\$ 909,186</u>	<u>\$ 1,034,444</u>

CITY OF WEST ST. PAUL, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 4: DEFINED BENEFIT PENSION PLANS - STATEWIDE - CONTINUED

Deferred outflows of resources totaling \$204,193 related to pensions resulting from the City's contributions to PEPFF subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to GERF pensions will be recognized in pension expense as follows:

2016	\$ (153,087)
2017	(153,087)
2018	(153,087)
2019	203,976
2020	(74,166)
Thereafter	-

E. Actuarial assumptions

The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.75% per year
Active member payroll growth	3.50% per year
Investment rate of return	7.90%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors and disabilitants were based on RP-2000 tables for males or females, as appropriate, with slight adjustments. Cost of living benefit increases for retirees are assumed to be: 1.0 percent effective every January 1st until 2034, then 2.5 percent for GERF and PEPFF.

Actuarial assumptions used in the June 30, 2015 valuation were based on the results of actuarial experience studies. The experience study in the GERF was for the period July 1, 2004 through June 30, 2008, with an update of economic assumptions in 2014. The experience study for PEPFF was for the period July 1, 2004, through June 30, 2009. Experience studies have not been prepared for PERA's other plans, but assumptions are reviewed annually.

There were no changes in actuarial assumptions in 2015.

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 4: DEFINED BENEFIT PENSION PLANS - STATEWIDE - CONTINUED

The long-term expected rate of return on pension plan investments is 7.9 percent. The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness of the long-term expected rate of return on a regular basis using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic stocks	45.00 %	5.50 %
International stocks	15.00	6.00
Bonds	18.00	1.45
Alternative assets	20.00	6.40
Cash	2.00	0.50
Total	100.00 %	

F. Discount rate

The discount rate used to measure the total pension liability was 7.9 percent. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

G. Pension liability sensitivity

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

	City Proportionate Share of NPL		
	1 Percent Decrease (6.90%)	Current (7.90%)	1 Percent Increase (8.90%)
	GERF	\$ 4,473,670	\$ 2,845,203
PEPFF	5,934,946	3,045,107	657,597

H. Pension plan fiduciary net position

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

CITY OF WEST ST. PAUL, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 5: DEFINED CONTRIBUTION PLAN

There are six City Council members that are covered by the Public Employees Defined Contribution Plan (PEDCP), a multiple-employer deferred compensation plan administered by 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, specify 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. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment fund. For administering the plan, PERA receives 2 percent of employer contributions and twenty-five hundredths of one percent of the assets in each member's account annually.

The City's contributions to the PEDCP for the years ended December 31, 2015, 2014 and 2013 were \$1,995, \$1,518 and \$1,518, respectively. The City's contributions were equal to the contractually required contributions for each year as set by Minnesota statute.

Contribution Amount		Percentage of Covered Payroll		Required Rate
Employee	Employer	Employee	Employer	
\$ 1,995	\$ 1,995	5.00%	5.00%	5.00%

Note 6: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

A. Plan description

In addition to providing the pension benefits described in Note 7, the City provides post-employment health care benefits (OPEB) for retired employees and police and firefighters disabled in the line of duty through a single-employer defined benefit plan. The City of West St. Paul, Minnesota's OPEB plan is administered by the City. The authority to provide these benefits is established in Minnesota Statutes Sections 471.61 Subd. 2a, and 299A.465. The benefits, benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and collective bargaining agreements with employee groups. The Plan is not accounted for as a trust fund, an irrevocable trust has not been established to account for the plan. The Plan does not issue a separate report.

B. Benefits provided

The City provides post-employment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement or disability benefits from a Minnesota public pension plan. The employee may continue to participate in the City's group health insurance plan that the employee was a participant of immediately prior to retirement. Employees may obtain dependent coverage at retirement only if the employee was receiving dependent coverage immediately prior to retirement. Covered spouses may continue coverage after the retiree's death. The surviving spouse of an active employee may continue coverage in the group health insurance plan after the employee's death.

All health care benefits are provided through the City's group health insurance plans. The retiree pays 100 percent of their premium cost for the City-sponsored group health insurance plan in which they participate. Since the premium is a blended rate determined on the entire active and retiree population, the retirees are receiving an implicit rate subsidy. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary.

CITY OF WEST ST. PAUL, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 6: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS - CONTINUED

C. Participants

As of the actuarial valuation dated January 1, 2014, participants consisted of 11 retirees and beneficiaries and 70 active members.

D. Funding policy

Retiree health care benefits are currently funded on a pay-as-you-go basis. The City Council may change the funding policy at any time.

E. Annual OPEB costs and net OPEB obligation

The City's annual other post-employment benefit (OPEB) cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 days.

Annual required contribution	\$ 163,983
Interest on net OPEB obligation	30,775
Adjustment to annual required contribution	<u>(44,490)</u>
 Annual OPEB cost (expense)	 150,268
Contributions made	<u>(107,213)</u>
 Increase in net OPEB obligation	 43,055
Net OPEB obligation - January 1, 2015	<u>769,332</u>
 Net OPEB obligation - December 31, 2015	 <u><u>\$ 812,387</u></u>

The City first had an actuarial valuation performed for the plan as of January 1, 2008 to determine the funded status of the plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended December 31, 2008. The City's annual OPEB cost (expense) of \$283,891 was equal to the ARC for the fiscal year, as the transition liability was set at zero as of December 31, 2007. A subsequent actuarial valuation was performed for the Plan as of January 1, 2014 which revalued the annual required contribution (ARC) to \$163,983 beginning December 31, 2015. The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation was as follows:

Year Ending	Three Year Trend Information			
	Annual OPEB Cost	Employer Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/15	\$ 150,268	\$ 107,213	71.3 %	\$ 812,387
12/31/14	171,579	91,242	53.2	673,379
12/31/13	173,642	102,786	59.2	744,234

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 6: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS - CONTINUED

F. Funded status and funding progress

As of January 1, 2014, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$610,231, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$8,318,280, and the ratio of the unfunded actuarial accrued liability (UAAL) to the covered payroll was 7.3 percent.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Amounts determined regarding the funded status of the plan and the ARC of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress for the Postemployment Benefit Plan, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

G. Actuarial methods and assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions (ARC) of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year trend information that shows whether the actuarial value of plan asset is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2014 actuarial valuation, the Projected Unit Credit actuarial cost method was used. The actuarial assumptions included a 4% investment rate of return (net of administrative expenses) and an initial annual health care cost trend rate of 7.5% reduced by 0.31% each year to arrive at an ultimate health care cost trend rate of 5.0%, which includes a 3% inflation assumption. The actuarial value of assets was \$0. The plan's unfunded actuarial accrued liability is being amortized using a level dollar amount over a 30 year open period. The remaining amortization period at December 31, 2015, was 22 years.

Note 7: JOINT POWERS AGREEMENTS

A. DCC-JOINT POWERS DEBT COMMITMENT

On August 25, 2005, the City entered into a joint powers agreement with the Cities of Apple Valley, Burnsville, Eagan, Farmington, Hastings, Inver Grove Heights, Lakeville, Mendota Heights, Rosemount and South St. Paul, Minnesota and Dakota County Minnesota, to establish the Dakota Communications Center (DCC), a Minnesota nonprofit corporation. The purpose of the DCC is to engage in the operation and maintenance of a county-wide public safety answering point and communications center for law enforcement, fire, emergency medical services, and other public safety services for the mutual benefit of residents residing in the abovementioned cities and county. Pursuant to the joint powers agreement, members are required to provide DCC their pro rata share of cost of operations and maintenance, and capital projects.

Information regarding the Dakota Communications Center can be obtained at the website www.mn-dcc.org/stats.asp.

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 7: JOINT POWERS AGREEMENTS - CONTINUED

B. SOUTH METRO FIRE DEPARTMENT

The City entered into a joint power agreement with the City of South St. Paul to consolidate the cities of West St. Paul and South St. Paul fire departments thereby creating a new entity known as the South Metro Fire Department (SMFD) as of January 1, 2008, the operational date.

The SMFD is governed by a five-member board of directors (Board) that include two council members from each joint city, and one public member which is not an employee nor a resident of either city. The City Council from each respective city appoints four out of the five members to the board. The process for filling the public member position is as follows:

1. The Board shall approve 3 names to be forwarded to each City Council.
2. Each City Council shall rank each nominee in order of preference.
3. If the highest ranked person is the same on each list, then that person is appointed by each Council.

As required by the agreement, the City transferred fire department property and equipment to the SMFD on January 1, 2008, retaining its rights to these assets in the event of SMFD's dissolution. The property and equipment had an estimated original value of \$1,446,249.

The activities of the SMFD are funded substantially by the Cities of West St. Paul and South St. Paul, with each contributing an equal share of the SMFD annual budget which must be approved by the Board by a four-fifths vote of all of its members. In addition, each City performed in-kind contributed services of approximate equal value during 2015 with additional service agreements in future years. Information regarding the South Metro Fire Department can be obtained at the website www.southmetrofire.com.

Financial statements may be obtained by writing to the South Metro Fire Department, 1616 Humboldt Avenue, West St. Paul, MN 55118

Note 8: OTHER INFORMATION

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 for which the City carries insurance. The City obtains insurance through participation in the League of Minnesota Cities Insurance Trust (LMCIT), which is a risk sharing pool with approximately 800 other governmental units. The City pays an annual premium to LMCIT for its workers compensation and property and casualty insurance. The LMCIT is self-sustaining through member premiums and will reinsure for claims above a prescribed dollar amount for each insurance event. Settled claims have not exceeded the City's coverage in any of the past three fiscal years.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities, if any, include an amount for claims that have been incurred but not reported (IBNRs). The City's management is not aware of any incurred but not reported claims.

B. Tax increment financing districts

The City's tax increment districts are subject to review by the State of Minnesota Office of the State Auditor (OSA). 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.

The City has entered into "pay as you go" Tax Increment Financing notes within its TIF districts. These notes are payable only to the extent of the increment received. As a result they are a commitment within the district but they have not met the criteria to be reported as a liability on the statement of net position.

CITY OF WEST ST. PAUL, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 8: OTHER INFORMATION - CONTINUED

C. Conduit debt obligations

From time to time, the City has issued industrial revenue bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payment received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2015, there were two series of Housing Revenue Bonds outstanding as follows:

Description	Amount Issued	Balance Outstanding 2015
2009 Care Facilities Revenue Note	\$ 4,850,000	\$ 751,712
2011 Health Care Facilities Revenue Bonds	17,915,000	17,565,000
Total	\$ 22,765,000	\$ 18,316,712

D. Golf course land use agreement

A portion of the City's golf course is located on property owned by a third party. The City entered into an agreement with the third party which guarantees that the City will have exclusive rights to use this property in exchange for limited exclusive rights for the third party to use a portion of certain City owned parkland. The term of this agreement expires June 30, 2024.

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 9: CHANGE IN ACCOUNTING STANDARDS

During 2015, the City implemented several new accounting pronouncements issued by the Governmental Accounting Standards Board (GASB), including Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68*, for the year ended December 31, 2015. These standards required a retroactive implementation which resulted in the restatement of beginning balances in the December 31, 2014 financial statements. Changes related to these standards are reflected in the financial statements and schedules and related disclosures are included in Note 4.

As a result of the restatement of beginning balances, the following schedule reconciles the previously reported December 31, 2014 balances to the December 31, 2015 financial statements:

Fund	December 31, 2015		
	Net Position January 1, 2015 as Previously Reported	Prior Period Restatement (1)	Net Position January 1, 2015 as Restated
Governmental activities	\$ 46,878,673	\$ (5,908,711)	\$ 40,969,962
Business-type activities	\$ 14,902,555	\$ (282,975)	\$ 14,619,580
Business-type activities			
Storm sewer	\$ 5,155,711	\$ (1,748)	\$ 5,153,963
Sewer	4,575,385	(196,759)	4,378,626
Recreation fund	5,171,459	(84,468)	5,086,991
Total business-type activities	\$ 14,902,555	\$ (282,975)	\$ 14,619,580

(1) To record beginning net pension liability, deferred inflows of resources and deferred outflow of resources at December 31, 2014.

Note 10: PRIOR PERIOD ADJUSTMENT

A prior period adjustment was recorded in the Economic Development Authority fund to reduce the balance of unavailable revenue for loans and increase fund balance. The adjustment was caused by a change in loan receivable reporting due to the implementation of GASB 65.

Note 11: SUBSEQUENT EVENT

On May 23, 2016, the City issued \$5,110,000 in General Obligation Utility Revenue Bonds, Series 2016A. The bonds will mature on February 1, 2032 and carry an average coupon rate of 2.00 percent.

Note 12: CONTINGENCIES

The City has outstanding claims for damages claimed by property owners related to condemnations within the City. Owners have made claims totaling \$763,150 in excess of initial deposits made on claims by City. The City intends to defend the claims on the merits and to resolve the cases by settlement where appropriate. The liability at this time cannot be determined.

THIS PAGE IS LEFT BLANK
INTENTIONALLY

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WEST ST. PAUL
WEST ST. PAUL, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2015

CITY OF WEST ST. PAUL, MINNESOTA
 REQUIRED SUPPLEMENTARY INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2015

Schedule of employer's share of PERA net pension liability - General Employees Retirement Fund

Required Supplementary Information							
Fiscal Year Ending	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the City (b)	Total (a+b)	City's Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll ((a+b)/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
06/30/15	0.0549 %	\$ 2,845,203	\$ -	\$ 2,845,203	\$ 3,225,507	88.2 %	78.2 %

Schedule of employer's PERA contributions - General Employees Retirement Fund

Required Supplementary Information					
Year Ending	Statutorily Required Contribution (a)	Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/15	\$ 238,068	\$ 238,068	\$ -	\$ 3,174,240	7.5 %

Schedule of employer's share of PERA net pension liability - Public Employees Police and Fire Fund

Required Supplementary Information							
Fiscal Year Ending	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the City (b)	Total (a+b)	City's Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll ((a+b)/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
06/30/15	0.2680 %	\$ 3,045,107	\$ -	\$ 3,045,107	\$ 2,450,436	124.3 %	86.6 %

CITY OF WEST ST. PAUL, MINNESOTA
 REQUIRED SUPPLEMENTARY INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2015

Schedule of employer's PERA contributions - Public Employees Police and Fire Fund

Year Ending	Required Supplementary Information				
	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/15	\$ 386,253	\$ 386,253	\$ -	\$ 2,524,529	15.3 %

Schedule of funding progress for the postemployment benefit plan

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability (UAAL)	Funded Rate	Covered Payroll	UAAL as a Percentage of Covered Payroll
01/01/14	\$ -	\$ 1,897,694	\$ 1,897,694	- %	\$ 5,311,287	35.7 %
01/01/11	-	1,621,549	1,621,549	-	4,800,000	33.8
01/01/08	-	2,294,555	2,294,555	-	4,918,450	46.7

THIS PAGE IS LEFT BLANK
INTENTIONALLY

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

CITY OF WEST ST. PAUL
WEST ST. PAUL, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2015

CITY OF WEST ST. PAUL, MINNESOTA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2015

	Special Revenue		
	212		
	Insurance Fund	Capital Projects	Total
ASSETS			
Cash and temporary investments	\$ 661,863	\$ 3,514,480	\$ 4,176,343
Receivables			
Accrued interest	1,899	10,510	12,409
TOTAL ASSETS	\$ 663,762	\$ 3,524,990	\$ 4,188,752
LIABILITIES			
Accounts payable	\$ 939	\$ 497,016	\$ 497,955
Due to other governments	-	31,431	31,431
TOTAL LIABILITIES	939	528,447	529,386
FUND BALANCES			
Restricted	-	230,884	230,884
Committed	662,823	-	662,823
Assigned	-	3,024,937	3,024,937
Unassigned	-	(259,278)	(259,278)
TOTAL FUND BALANCES	662,823	2,996,543	3,659,366
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 663,762	\$ 3,524,990	\$ 4,188,752

CITY OF WEST ST. PAUL, MINNESOTA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2015

	Special Revenue		Total
	<u>212</u>		
	Insurance Fund	Capital Projects	
REVENUES			
Intergovernmental	\$ -	\$ 248,244	\$ 248,244
Charges for services	-	36,885	36,885
Interest on investments	14,200	101,421	115,621
Miscellaneous			
Insurance dividends	58,878	-	58,878
Other	-	31,229	31,229
	<u>73,078</u>	<u>417,779</u>	<u>490,857</u>
TOTAL REVENUES			
EXPENDITURES			
Current			
General government	96,972	12,500	109,472
Public safety	160,518	-	160,518
Public works	81,921	-	81,921
Parks and recreation	39,524	738	40,262
Capital outlay			
General government	-	197,468	197,468
Public safety	-	182,811	182,811
Public works	-	278,457	278,457
Parks and recreation	-	3,572,438	3,572,438
	<u>378,935</u>	<u>4,244,412</u>	<u>4,623,347</u>
TOTAL EXPENDITURES			
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(305,857)</u>	<u>(3,826,633)</u>	<u>(4,132,490)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	24,293	24,293
Transfers out	-	(102,293)	(102,293)
	<u>-</u>	<u>(78,000)</u>	<u>(78,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)			
NET CHANGE IN FUND BALANCES	(305,857)	(3,904,633)	(4,210,490)
FUND BALANCES, JANUARY 1	<u>968,680</u>	<u>6,901,176</u>	<u>7,869,856</u>
FUND BALANCES, DECEMBER 31	<u>\$ 662,823</u>	<u>\$ 2,996,543</u>	<u>\$ 3,659,366</u>

THIS PAGE IS LEFT BLANK
INTENTIONALLY

NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds are used to account for revenue derived from specific taxes or other earmarked revenue sources. They are usually required by Minnesota statute or local ordinances to finance particular functions or other activities of government.

Insurance Fund - used to account for claims paid under the City's liability, property and casualty and miscellaneous insurance policy deductibles. This is not considered to be a self-insurance fund.

CITY OF WEST ST. PAUL, MINNESOTA
INSURANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Interest on investments	\$ 15,000	\$ 15,000	\$ 14,200	\$ (800)
Miscellaneous				
Insurance dividends	55,000	55,000	58,878	3,878
TOTAL REVENUES	<u>70,000</u>	<u>70,000</u>	<u>73,078</u>	<u>3,078</u>
EXPENDITURES				
Current				
General government	39,050	39,050	25,197	13,853
Public safety	131,200	131,200	160,518	(29,318)
Public works	59,000	59,000	81,921	(22,921)
Parks and recreation	30,000	30,000	39,524	(9,524)
Unallocated	97,235	97,235	71,775	25,460
TOTAL EXPENDITURES	<u>356,485</u>	<u>356,485</u>	<u>378,935</u>	<u>(22,450)</u>
NET CHANGE IN FUND BALANCES	(286,485)	(286,485)	(305,857)	(19,372)
FUND BALANCES, JANUARY 1	<u>968,680</u>	<u>968,680</u>	<u>968,680</u>	<u>-</u>
FUND BALANCES, DECEMBER 31	<u>\$ 682,195</u>	<u>\$ 682,195</u>	<u>\$ 662,823</u>	<u>\$ (19,372)</u>

NONMAJOR CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by enterprise funds.

Vehicle and Equipment Fund - used to account for major capital improvements of a public works nature as set forth in the City Code, Section 315.03. Financing is provided by a specific annual property tax levy to the extent that miscellaneous revenue is not sufficient to cover the required expenditures.

Police and Fire PERA - used to account for the acquisition of major pieces of capital equipment. Financing is provided by the issuance of an annual capital note, pursuant to Minnesota Statutes, Section 410.32.

Technology Replacement - used to account for the acquisition of computer hardware and software. Financing is provided by interest earnings on a specified pool of money, which was established in 2001.

Parks Improvement - used to account for the acquisition, development and maintenance of the City's park infrastructure. Financing is provided by park dedication fees, donations, property taxes and interest earnings on a specified pool of money.

Government Facilities - used to account for costs associated with construction and capital costs relating to current and future City-owned facilities. Funding is provided through a combination of bond proceeds and transfers from other funds.

Public Works Facility - used to account for costs associated with the 2009- 2010 construction of the Public Works Facility. Financing was provided through the 2009B Taxable G.O. CIP Build America Bonds.

CITY OF WEST ST. PAUL, MINNESOTA
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2015

	401	409	411
	<u>Vehicle and Equipment Fund</u>	<u>Police and Fire PERA</u>	<u>Technology Replacement</u>
ASSETS			
Cash and temporary investments	\$ 2,285,903	\$ 230,209	\$ 412,730
Receivable			
Accrued interest	<u>6,817</u>	<u>675</u>	<u>1,022</u>
 TOTAL ASSETS	 <u>\$ 2,292,720</u>	 <u>\$ 230,884</u>	 <u>\$ 413,752</u>
LIABILITIES			
Accounts payable	\$ 10,870	\$ -	\$ 87,502
Due to other governments	<u>31,431</u>	<u>-</u>	<u>-</u>
 TOTAL LIABILITIES	 <u>42,301</u>	 <u>-</u>	 <u>87,502</u>
FUND BALANCES			
Restricted	-	230,884	-
Assigned	2,250,419	-	326,250
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>
 TOTAL FUND BALANCES	 <u>2,250,419</u>	 <u>230,884</u>	 <u>326,250</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	 <u>\$ 2,292,720</u>	 <u>\$ 230,884</u>	 <u>\$ 413,752</u>

413 Parks Improvement	415 Government Facilities	420 Public Works Facility	Total
\$ 138,719	\$ 446,919	\$ -	\$ 3,514,480
<u>647</u>	<u>1,349</u>	<u>-</u>	<u>10,510</u>
<u>\$ 139,366</u>	<u>\$ 448,268</u>	<u>\$ -</u>	<u>\$ 3,524,990</u>
\$ 398,644	\$ -	\$ -	\$ 497,016
<u>-</u>	<u>-</u>	<u>-</u>	<u>31,431</u>
<u>398,644</u>	<u>-</u>	<u>-</u>	<u>528,447</u>
-	-	-	230,884
-	448,268	-	3,024,937
<u>(259,278)</u>	<u>-</u>	<u>-</u>	<u>(259,278)</u>
<u>(259,278)</u>	<u>448,268</u>	<u>-</u>	<u>2,996,543</u>
<u>\$ 139,366</u>	<u>\$ 448,268</u>	<u>\$ -</u>	<u>\$ 3,524,990</u>

CITY OF WEST ST. PAUL, MINNESOTA
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2015

	401 Vehicle and Equipment Fund	409 Police and Fire PERA	411 Technology Replacement
REVENUES			
Intergovernmental	\$ -	\$ -	\$ 100,000
Charges for services	-	-	-
Interest on investments	50,416	5,170	6,548
Miscellaneous	-	-	-
TOTAL REVENUES	50,416	5,170	106,548
EXPENDITURES			
Current			
General government	-	-	-
Parks and recreation	-	-	-
Capital outlay			
General government	115,036	-	82,432
Public safety	150,578	1,310	30,923
Public works	278,457	-	-
Parks and recreation	-	-	-
TOTAL EXPENDITURES	544,071	1,310	113,355
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(493,655)	3,860	(6,807)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	(78,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(78,000)	-
NET CHANGE IN FUND BALANCES	(493,655)	(74,140)	(6,807)
FUND BALANCES, JANUARY 1	2,744,074	305,024	333,057
FUND BALANCES, DECEMBER 31	\$ 2,250,419	\$ 230,884	\$ 326,250

413	415	420	
Parks Improvement	Government Facilities	Public Works Facility	Total
\$ 39,765	\$ 108,479	\$ -	\$ 248,244
36,885	-	-	36,885
31,880	7,407	-	101,421
31,229	-	-	31,229
<u>139,759</u>	<u>115,886</u>	<u>-</u>	<u>417,779</u>
-	12,500	-	12,500
738	-	-	738
-	-	-	197,468
-	-	-	182,811
-	-	-	278,457
3,572,438	-	-	3,572,438
<u>3,573,176</u>	<u>12,500</u>	<u>-</u>	<u>4,244,412</u>
<u>(3,433,417)</u>	<u>103,386</u>	<u>-</u>	<u>(3,826,633)</u>
-	24,293	-	24,293
-	-	(24,293)	(102,293)
-	24,293	(24,293)	(78,000)
(3,433,417)	127,679	(24,293)	(3,904,633)
<u>3,174,139</u>	<u>320,589</u>	<u>24,293</u>	<u>6,901,176</u>
<u>\$ (259,278)</u>	<u>\$ 448,268</u>	<u>\$ -</u>	<u>\$ 2,996,543</u>

THIS PAGE IS LEFT BLANK
INTENTIONALLY

CITY OF WEST ST. PAUL, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - CONTINUED ON THE FOLLOWING PAGES
FOR THE YEAR ENDED DECEMBER 31, 2015
(With comparative actual amounts for the year ended December 31, 2014)

	2015			Variance with Final Budget	2014
	Budget Amounts		Actual		Actual
	Original	Final	Amounts		Amounts
REVENUES					
Taxes					
Property taxes	\$ 8,482,435	\$ 8,482,435	\$ 8,288,837	\$ (193,598)	\$ 8,407,864
Franchise taxes	872,500	872,500	872,919	419	905,076
Water surcharge	21,000	21,000	23,824	2,824	25,374
Total	<u>9,375,935</u>	<u>9,375,935</u>	<u>9,185,580</u>	<u>(190,355)</u>	<u>9,338,314</u>
Licenses and permits					
Licenses	229,000	229,000	182,870	(46,130)	222,607
Permits	257,000	257,000	454,346	197,346	276,729
Total	<u>486,000</u>	<u>486,000</u>	<u>637,216</u>	<u>151,216</u>	<u>499,336</u>
Intergovernmental					
Federal					
Other	10,000	10,000	2,143	(7,857)	2,230
State					
PERA aid	14,361	14,361	14,361	-	-
Police and fire aid	282,000	282,000	272,448	(9,552)	270,489
Municipal State Aid	144,000	144,000	82,616	(61,384)	74,425
Other	28,639	28,639	87,540	58,901	141,805
County	22,500	22,500	25,000	2,500	24,000
Total	<u>501,500</u>	<u>501,500</u>	<u>484,108</u>	<u>(17,392)</u>	<u>512,949</u>
Charges for services					
General government	356,000	356,000	288,739	(67,261)	398,284
Public safety	125,250	125,250	343,160	217,910	145,280
Public works	2,000	2,000	5,322	3,322	1,807
Parks and recreation	65,000	65,000	61,604	(3,396)	64,130
Community development	4,000	4,000	16,187	12,187	2,390
Other	210,000	210,000	-	(210,000)	-
Total	<u>762,250</u>	<u>762,250</u>	<u>715,012</u>	<u>(47,238)</u>	<u>611,891</u>
Fines and forfeitures	108,000	108,000	136,400	28,400	160,714
Special assessments	32,000	32,000	87,408	55,408	41,684
Interest on investments	100,000	100,000	140,228	40,228	229,647
Miscellaneous					
Refunds and reimbursements	7,500	7,500	14,133	6,633	59,884
Contributions and donations	7,500	7,500	3,642	(3,858)	8,282
Other	10,453	10,453	28,753	18,300	5,581
Total	<u>25,453</u>	<u>25,453</u>	<u>46,528</u>	<u>21,075</u>	<u>73,747</u>
TOTAL REVENUES	<u>11,391,138</u>	<u>11,391,138</u>	<u>11,432,480</u>	<u>41,342</u>	<u>11,468,282</u>

CITY OF WEST ST. PAUL, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2015
(With comparative actual amounts for the year ended December 31, 2014)

	2015			Variance with Final Budget	2014
	Budget Amounts		Actual		Actual
	Original	Final	Amounts		Amounts
EXPENDITURES					
Current expenditures					
General government					
Mayor and City Council					
Personal services	\$ 57,293	\$ 57,293	\$ 55,265	\$ 2,028	\$ 55,409
Supplies	250	250	-	250	-
Other services and charges	114,500	114,500	107,907	6,593	112,662
Total	<u>172,043</u>	<u>172,043</u>	<u>163,172</u>	<u>8,871</u>	<u>168,071</u>
Management and administration					
Personal services	604,400	604,400	616,263	(11,863)	549,387
Supplies	11,050	11,050	10,480	570	12,016
Other services and charges	102,655	102,655	51,969	50,686	43,318
Total	<u>718,105</u>	<u>718,105</u>	<u>678,712</u>	<u>39,393</u>	<u>604,721</u>
Finance					
Personal services	276,230	276,230	309,840	(33,610)	272,427
Supplies	3,000	3,000	2,689	311	2,472
Other services and charges	67,900	67,900	31,293	36,607	56,264
Total	<u>347,130</u>	<u>347,130</u>	<u>343,822</u>	<u>3,308</u>	<u>331,163</u>
Human relations					
Personal services	40,000	40,000	55,838	(15,838)	71,672
Supplies	1,150	1,150	19	1,131	1,205
Other services and charges	40,710	40,710	20,464	20,246	28,604
Total	<u>81,860</u>	<u>81,860</u>	<u>76,321</u>	<u>5,539</u>	<u>101,481</u>
Elections					
Personal services	-	-	-	-	1,349
Supplies	275	275	-	275	1,091
Other services and charges	2,590	2,590	205	2,385	22,188
Total	<u>2,865</u>	<u>2,865</u>	<u>205</u>	<u>2,660</u>	<u>24,628</u>
City attorney					
Other services and charges	298,000	298,000	366,748	(68,748)	338,941
Charter commission					
Other services and charges	1,500	1,500	1,582	(82)	4,774
General governmental buildings					
Personal services	64,360	64,360	65,184	(824)	57,045
Supplies	20,050	20,050	16,747	3,303	15,763
Other services and charges	111,025	111,025	85,739	25,286	120,937
Total	<u>195,435</u>	<u>195,435</u>	<u>167,670</u>	<u>27,765</u>	<u>193,745</u>

CITY OF WEST ST. PAUL, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2015
(With comparative actual amounts for the year ended December 31, 2014)

	2015			Variance with Final Budget	2014
	Budget Amounts		Actual		Actual
	Original	Final	Amounts		Amounts
EXPENDITURES - CONTINUED					
Current expenditures - continued					
General government - continued					
Planning and zoning					
Personal services	\$ 248,508	\$ 248,508	\$ 230,339	\$ 18,169	\$ 220,796
Supplies	1,700	1,700	3,444	(1,744)	(979)
Other services and charges	32,350	32,350	61,631	(29,281)	75,907
Total	<u>282,558</u>	<u>282,558</u>	<u>295,414</u>	<u>(12,856)</u>	<u>295,724</u>
Recycling					
Supplies	1,200	1,200	2,095	(895)	2,966
Other services and charges	7,575	7,575	5,985	1,590	8,435
Total	<u>8,775</u>	<u>8,775</u>	<u>8,080</u>	<u>695</u>	<u>11,401</u>
Building inspection					
Personal services	258,360	258,360	246,889	11,471	225,981
Supplies	5,500	5,500	3,483	2,017	2,374
Other services and charges	42,900	42,900	36,607	6,293	65,362
Total	<u>306,760</u>	<u>306,760</u>	<u>286,979</u>	<u>19,781</u>	<u>293,717</u>
Management information systems					
Personal services	233,705	233,705	220,598	13,107	199,462
Supplies	4,000	4,000	3,329	671	1,296
Other services and charges	204,200	204,200	152,196	52,004	128,750
Total	<u>441,905</u>	<u>441,905</u>	<u>376,123</u>	<u>65,782</u>	<u>329,508</u>
Innovations					
Other services and charges	35,000	35,000	-	35,000	3,924
Total general government	<u>2,891,936</u>	<u>2,891,936</u>	<u>2,764,828</u>	<u>127,108</u>	<u>2,701,798</u>
Public safety					
Police					
Personal services	3,601,500	3,601,500	3,714,741	(113,241)	3,477,951
Supplies	177,460	177,460	129,441	48,019	141,965
Other services and charges	177,710	177,710	150,821	26,889	134,553
Total	<u>3,956,670</u>	<u>3,956,670</u>	<u>3,995,003</u>	<u>(38,333)</u>	<u>3,754,469</u>
Fire					
Other services and charges	2,101,737	2,101,737	2,101,737	-	1,925,800
Dispatching					
Other services and charges	647,520	647,520	595,547	51,973	581,576

CITY OF WEST ST. PAUL, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2015
(With comparative actual amounts for the year ended December 31, 2014)

	2015			Variance with Final Budget	2014
	Budget Amounts		Actual		Actual
	Original	Final	Amounts		Amounts
EXPENDITURES - CONTINUED					
Current expenditures - continued					
Public safety - continued					
Civil defense					
Supplies	\$ 2,500	\$ 2,500	\$ 1,467	\$ 1,033	\$ 1,714
Other services and charges	12,850	12,850	12,392	458	12,171
Total	15,350	15,350	13,859	1,491	13,885
Animal control					
Other services and charges	5,950	5,950	5,297	653	2,087
Total public safety	6,727,227	6,727,227	6,711,443	15,784	6,277,817
Public works					
Streets and highways					
Personal services	919,200	919,200	871,735	47,465	879,024
Supplies	236,175	236,175	187,056	49,119	204,497
Other services and charges	93,925	93,925	143,579	(49,654)	111,797
Total	1,249,300	1,249,300	1,202,370	46,930	1,195,318
Engineering					
Personal services	165,400	165,400	162,958	2,442	149,815
Supplies	2,500	2,500	2,216	284	2,370
Other services and charges	23,050	23,050	32,036	(8,986)	13,394
Total	190,950	190,950	197,210	(6,260)	165,579
Traffic signs					
Supplies	10,600	10,600	10,049	551	7,583
Other services and charges	13,300	13,300	10,872	2,428	12,397
Total	23,900	23,900	20,921	2,979	19,980
Facility					
Supplies	5,200	5,200	3,539	1,661	3,068
Other services and charges	59,300	59,300	54,775	4,525	60,352
Total	64,500	64,500	58,314	6,186	63,420
Street lighting					
Supplies	4,025	4,025	8,092	(4,067)	652
Other services and charges	131,000	131,000	114,060	16,940	118,081
Total	135,025	135,025	122,152	12,873	118,733
Total public works	1,663,675	1,663,675	1,600,967	62,708	1,563,030

CITY OF WEST ST. PAUL, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2015
(With comparative actual amounts for the year ended December 31, 2014)

	2015			Variance with Final Budget	2014
	Budget Amounts		Actual Amounts		Actual Amounts
	Original	Final			
EXPENDITURES - CONTINUED					
Current expenditures - continued					
Parks and recreation					
Parks and recreation					
Personal services	\$ 606,175	\$ 606,175	\$ 569,254	\$ 36,921	\$ 549,498
Supplies	59,900	59,900	49,517	10,383	59,711
Other services and charges	128,425	128,425	134,325	(5,900)	107,546
Total parks and recreation	<u>794,500</u>	<u>794,500</u>	<u>753,096</u>	<u>41,404</u>	<u>716,755</u>
Total current expenditures	12,077,338	12,077,338	11,830,334	282,004	11,259,400
Capital outlay					
General government	1,800	1,800	2,671	(871)	-
TOTAL EXPENDITURES	<u>12,079,138</u>	<u>12,079,138</u>	<u>11,833,005</u>	<u>281,133</u>	<u>11,259,400</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(688,000)</u>	<u>(688,000)</u>	<u>(400,525)</u>	<u>287,475</u>	<u>208,882</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	678,000	678,000	678,000	-	642,000
Transfers out	-	-	(50,406)	(50,406)	(451,468)
Sale of capital assets	10,000	10,000	12,203	2,203	8,155
TOTAL OTHER FINANCING SOURCES (USES)	<u>688,000</u>	<u>688,000</u>	<u>639,797</u>	<u>(48,203)</u>	<u>198,687</u>
NET CHANGE IN FUND BALANCES	-	-	239,272	239,272	407,569
FUND BALANCES, JANUARY 1	<u>9,014,509</u>	<u>9,014,509</u>	<u>9,014,509</u>	<u>-</u>	<u>8,606,940</u>
FUND BALANCES, DECEMBER 31	<u>\$ 9,014,509</u>	<u>\$ 9,014,509</u>	<u>\$ 9,253,781</u>	<u>\$ 239,272</u>	<u>\$ 9,014,509</u>

CITY OF WEST ST. PAUL, MINNESOTA
DEBT SERVICE FUNDS
COMBINING BALANCE SHEET - CONTINUED ON THE FOLLOWING PAGES
DECEMBER 31, 2015

	323 2006 G.O. Improvement Bonds	324 2008 G.O. Improvement Bonds	325 2009 G.O. Refunding Bonds	327 G.O. Capital Improvement Bonds
ASSETS				
Cash and temporary investments	\$ 40,810	\$ 2,180	\$ 614,041	\$ 553,865
Receivables				
Accrued interest	203	929	2,228	1,124
Special assessments	4,418	42,798	-	-
Due from other governments	-	18	-	52,736
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u><u>\$ 45,431</u></u>	<u><u>\$ 45,925</u></u>	<u><u>\$ 616,269</u></u>	<u><u>\$ 607,725</u></u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - special assessments	\$ 4,418	\$ 42,798	\$ -	\$ -
FUND BALANCES				
Restricted for debt service	<u>41,013</u>	<u>3,127</u>	<u>616,269</u>	<u>607,725</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u><u>\$ 45,431</u></u>	<u><u>\$ 45,925</u></u>	<u><u>\$ 616,269</u></u>	<u><u>\$ 607,725</u></u>

328 2010 G.O. Improvement Bonds	329 2012 G.O. Improvement Bonds	330 2013 G.O. Improvement Bonds	331 2014A Tax Abatement Bonds	332 2014B G.O. Improvement Bonds	333 2015A Refunding Bonds
\$ 907,449	\$ 847,900	\$ 184,866	\$ 282,478	\$ 484,524	\$ 136,190
2,364	2,015	404	488	1,007	48
164,179	295,713	105,171	-	48,907	-
402	6,794	-	-	-	-
<u>\$ 1,074,394</u>	<u>\$ 1,152,422</u>	<u>\$ 290,441</u>	<u>\$ 282,966</u>	<u>\$ 534,438</u>	<u>\$ 136,238</u>
\$ 164,179	\$ 295,713	\$ 105,171	\$ -	\$ 48,907	\$ -
910,215	856,709	185,270	282,966	485,531	136,238
<u>\$ 1,074,394</u>	<u>\$ 1,152,422</u>	<u>\$ 290,441</u>	<u>\$ 282,966</u>	<u>\$ 534,438</u>	<u>\$ 136,238</u>

THIS PAGE IS LEFT BLANK
INTENTIONALLY

CITY OF WEST ST. PAUL, MINNESOTA
DEBT SERVICE FUNDS
COMBINING BALANCE SHEET - CONTINUED
DECEMBER 31, 2015

	334 2015B G.O. Refunding Bonds	335 2015C G.O. Tax Increment Refunding Bonds	375 TIF Bonds	Total
ASSETS				
Cash and temporary investments	\$ 3,542	\$ 4,202	\$ 1,284,362	\$ 5,346,409
Receivables				
Accrued interest	-	-	1,255	12,065
Special assessments	-	-	-	661,186
Due from other governments	-	-	-	59,950
TOTAL ASSETS	<u>\$ 3,542</u>	<u>\$ 4,202</u>	<u>\$ 1,285,617</u>	<u>\$ 6,079,610</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - special assessments	\$ -	\$ -	\$ -	\$ 661,186
FUND BALANCES				
Restricted for debt service	<u>3,542</u>	<u>4,202</u>	<u>1,285,617</u>	<u>5,418,424</u>
TOTAL DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 3,542</u>	<u>\$ 4,202</u>	<u>\$ 1,285,617</u>	<u>\$ 6,079,610</u>

CITY OF WEST ST. PAUL, MINNESOTA
DEBT SERVICE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - CONTINUED ON THE FOLLOWING PAGES
FOR THE YEAR ENDED DECEMBER 31, 2015

	323	324	325	327
	2006 G.O. Improvement Bonds	2008 G.O. Improvement Bonds	2009 G.O. Refunding Bonds	G.O. Capital Improvement Bonds
REVENUES				
Taxes	\$ 244,015	\$ 209,305	\$ 259,615	\$ 512,755
Intergovernmental	-	-	-	106,098
Special assessments	21,139	36,248	-	-
Interest on investments	2,120	7,805	14,038	4,557
TOTAL REVENUES	<u>267,274</u>	<u>253,358</u>	<u>273,653</u>	<u>623,410</u>
EXPENDITURES				
Debt service				
Principal	1,445,000	1,555,000	335,000	5,905,000
Bond issuance costs	-	28,207	-	-
Interest and other charges	37,659	68,281	27,530	326,518
TOTAL EXPENDITURES	<u>1,482,659</u>	<u>1,651,488</u>	<u>362,530</u>	<u>6,231,518</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,215,385)</u>	<u>(1,398,130)</u>	<u>(88,877)</u>	<u>(5,608,108)</u>
OTHER FINANCING SOURCES				
Transfers in	-	-	-	-
Premium on bonds issued	-	25,159	-	-
Refunding bonds issued	1,134,151	991,458	-	5,745,000
TOTAL OTHER FINANCING SOURCES	<u>1,134,151</u>	<u>1,016,617</u>	<u>-</u>	<u>5,745,000</u>
NET CHANGE IN FUND BALANCES	(81,234)	(381,513)	(88,877)	136,892
FUND BALANCES, JANUARY 1	<u>122,247</u>	<u>384,640</u>	<u>705,146</u>	<u>470,833</u>
FUND BALANCES, DECEMBER 31	<u>\$ 41,013</u>	<u>\$ 3,127</u>	<u>\$ 616,269</u>	<u>\$ 607,725</u>

328 2010 G.O. Improvement Bonds	329 2012 G.O. Improvement Bonds	330 2013 G.O. Improvement Bonds	331 2014A Tax Abatement Bonds	332 2014B G.O. Improvement Bonds	333 2015A Refunding Bonds
\$ 224,293	\$ 378,115	\$ 114,962	\$ 348,134	\$ 409,991	\$ -
-	-	-	-	-	-
60,812	106,082	23,248	-	12,896	-
12,997	8,839	1,359	820	3,857	15,397
<u>298,102</u>	<u>493,036</u>	<u>139,569</u>	<u>348,954</u>	<u>426,744</u>	<u>15,397</u>
275,000	425,000	140,000	-	-	-
-	-	-	-	-	71,406
69,135	31,060	31,617	145,940	146,783	-
<u>344,135</u>	<u>456,060</u>	<u>171,617</u>	<u>145,940</u>	<u>146,783</u>	<u>71,406</u>
<u>(46,033)</u>	<u>36,976</u>	<u>(32,048)</u>	<u>203,014</u>	<u>279,961</u>	<u>(56,009)</u>
-	-	-	-	-	-
-	-	-	-	-	191,398
-	-	-	-	-	849
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>192,247</u>
(46,033)	36,976	(32,048)	203,014	279,961	136,238
956,248	819,733	217,318	79,952	205,570	-
<u>\$ 910,215</u>	<u>\$ 856,709</u>	<u>\$ 185,270</u>	<u>\$ 282,966</u>	<u>\$ 485,531</u>	<u>\$ 136,238</u>

THIS PAGE IS LEFT BLANK
INTENTIONALLY

CITY OF WEST ST. PAUL, MINNESOTA
DEBT SERVICE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2015

	334	335	375	
	2015B G.O. Refunding Bonds	2015C G.O. Tax Increment Refunding Bonds	TIF Bonds	Total
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ 2,701,185
Intergovernmental	-	-	-	106,098
Special assessments	-	-	-	260,425
Interest on investments	-	-	617	72,406
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>617</u>	<u>3,140,114</u>
EXPENDITURES				
Debt service				
Principal	-	-	45,000	10,125,000
Bond issuance costs	-	-	46,908	146,521
Interest and other charges	-	-	59,400	943,923
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>151,308</u>	<u>11,215,444</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>(150,691)</u>	<u>(8,075,330)</u>
OTHER FINANCING SOURCES				
Transfers in	-	-	104,400	104,400
Premium on bonds issued	-	-	16,110	232,667
Refunding bonds issued	3,542	4,202	1,315,798	9,195,000
TOTAL OTHER FINANCING SOURCES	<u>3,542</u>	<u>4,202</u>	<u>1,436,308</u>	<u>9,532,067</u>
NET CHANGE IN FUND BALANCES	3,542	4,202	1,285,617	1,456,737
FUND BALANCES, JANUARY 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,961,687</u>
FUND BALANCES, DECEMBER 31	<u>\$ 3,542</u>	<u>\$ 4,202</u>	<u>\$ 1,285,617</u>	<u>\$ 5,418,424</u>

CITY OF WEST ST. PAUL, MINNESOTA
TIF DISTRICTS
COMBINING BALANCE SHEET
DECEMBER 31, 2015

	450 TIF 1-1	451 TIF 1-2	452 TIF 1-3	453 TIF 1-4	Total
ASSETS					
Cash and temporary investments	\$ 1,216,841	\$ 260,578	\$ 2,605	\$ 93,131	\$ 1,573,155
Receivables					
Property taxes	-	-	3,997	-	3,997
Accrued interest	-	467	55	-	522
Due from other governments	-	4,767	442	-	5,209
TOTAL ASSETS	<u>\$ 1,216,841</u>	<u>\$ 265,812</u>	<u>\$ 7,099</u>	<u>\$ 93,131</u>	<u>\$ 1,582,883</u>
LIABILITIES					
Accounts payable	\$ 2,636	\$ -	\$ 398	\$ 2,573	\$ 5,607
Due to other governments	214,291	1,336	712	53,248	269,587
Deposits payable	-	-	4,219	-	4,219
Due to other funds	-	-	1,315,436	-	1,315,436
TOTAL LIABILITIES	<u>216,927</u>	<u>1,336</u>	<u>1,320,765</u>	<u>55,821</u>	<u>1,594,849</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - taxes	-	-	3,997	-	3,997
FUND BALANCES					
Restricted	999,914	264,476	-	37,310	1,301,700
Unassigned	-	-	(1,317,663)	-	(1,317,663)
TOTAL FUND BALANCES	<u>999,914</u>	<u>264,476</u>	<u>(1,317,663)</u>	<u>37,310</u>	<u>(15,963)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 1,216,841</u>	<u>\$ 265,812</u>	<u>\$ 7,099</u>	<u>\$ 93,131</u>	<u>\$ 1,582,883</u>

CITY OF WEST ST. PAUL, MINNESOTA
TIF DISTRICTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2015

	450 TIF 1-1	451 TIF 1-2	452 TIF 1-3	453 TIF 1-4	Total
REVENUES					
Tax increment	\$ (2,221)	\$ 212,981	\$ 45,070	\$ -	\$ 255,830
Interest on investments	(3,857)	3,899	228	(202)	68
TOTAL REVENUES	(6,078)	216,880	45,298	(202)	255,898
EXPENDITURES					
Current					
Economic development	444,993	72,833	54,639	57,016	629,481
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES					
	(451,071)	144,047	(9,341)	(57,218)	(373,583)
OTHER FINANCING USES					
Transfers out	-	(104,400)	-	-	(104,400)
NET CHANGE IN FUND BALANCES	(451,071)	39,647	(9,341)	(57,218)	(477,983)
FUND BALANCES, JANUARY 1	1,450,985	224,829	(1,308,322)	94,528	462,020
FUND BALANCES, DECEMBER 31	<u>\$ 999,914</u>	<u>\$ 264,476</u>	<u>\$ (1,317,663)</u>	<u>\$ 37,310</u>	<u>\$ (15,963)</u>

CITY OF WEST ST. PAUL, MINNESOTA
RECREATION FUND
COMBINING SCHEDULE OF NET POSITION
DECEMBER 31, 2015

	613	615	616	617	
	Golf Course	Civic Center Arena	Swimming Pool	Regional Athletic Center	Totals
ASSETS					
CURRENT ASSETS					
Cash and temporary investments	\$ -	\$ 250,877	\$ -	\$ 894,742	\$ 1,145,619
Receivables					
Accrued interest	-	542	-	2,164	2,706
Accounts	90	90,340	786	3,921	95,137
Inventory	1,115	-	-	-	1,115
	<u>1,205</u>	<u>341,759</u>	<u>786</u>	<u>900,827</u>	<u>1,244,577</u>
TOTAL CURRENT ASSETS	<u>1,205</u>	<u>341,759</u>	<u>786</u>	<u>900,827</u>	<u>1,244,577</u>
NONCURRENT ASSETS					
Capital assets					
Land	1,070,302	32,296	30,625	-	1,133,223
Construction in progress	-	-	-	362,660	362,660
Buildings	276,975	3,753,646	1,719,949	6,827,453	12,578,023
Machinery and equipment	247,505	150,435	-	69,193	467,133
Less accumulated depreciation	(407,539)	(1,450,797)	(785,874)	(595,474)	(3,239,684)
	<u>1,187,243</u>	<u>2,485,580</u>	<u>964,700</u>	<u>6,663,832</u>	<u>11,301,355</u>
NET CAPITAL ASSETS	<u>1,187,243</u>	<u>2,485,580</u>	<u>964,700</u>	<u>6,663,832</u>	<u>11,301,355</u>
TOTAL NONCURRENT ASSETS	<u>1,187,243</u>	<u>2,485,580</u>	<u>964,700</u>	<u>6,663,832</u>	<u>11,301,355</u>
TOTAL ASSETS	<u>1,188,448</u>	<u>2,827,339</u>	<u>965,486</u>	<u>7,564,659</u>	<u>12,545,932</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred pension resources	1,798	8,334	-	-	10,132
	<u>1,798</u>	<u>8,334</u>	<u>-</u>	<u>-</u>	<u>10,132</u>
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable	370	100,528	419	65,270	166,587
Accrued salaries payable	-	3,586	-	-	3,586
Due to other governments	13	636	-	338	987
Accrued interest payable	961	-	-	46,558	47,519
Unearned revenue	-	-	-	58,178	58,178
Compensated absences payable - current	-	3,505	-	-	3,505
Bonds payable - current	45,000	-	-	205,000	250,000
	<u>46,344</u>	<u>108,255</u>	<u>419</u>	<u>375,344</u>	<u>530,362</u>
TOTAL CURRENT LIABILITIES	<u>46,344</u>	<u>108,255</u>	<u>419</u>	<u>375,344</u>	<u>530,362</u>

CITY OF WEST ST. PAUL, MINNESOTA
RECREATION FUND
COMBINING SCHEDULE OF NET POSITION - CONTINUED
DECEMBER 31, 2015

	613	615	616	617	
	Golf Course	Civic Center Arena	Swimming Pool	Regional Athletic Center	Totals
NONCURRENT LIABILITIES					
Other postemployment benefits	\$ 2,856	\$ 7,747	\$ 2,103	\$ -	\$ 12,706
Compensated absences payable	-	2,868	-	-	2,868
Pension liability	15,677	72,667	-	-	88,344
Bonds payable	290,000	-	-	4,690,439	4,980,439
TOTAL NONCURRENT LIABILITIES	<u>308,533</u>	<u>83,282</u>	<u>2,103</u>	<u>4,690,439</u>	<u>5,084,357</u>
TOTAL LIABILITIES	<u>354,877</u>	<u>191,537</u>	<u>2,522</u>	<u>5,065,783</u>	<u>5,614,719</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred pension resources	2,477	11,480	-	-	13,957
NET POSITION					
Net investment in capital assets	852,243	2,485,580	964,700	1,768,393	6,070,916
Unrestricted	(19,351)	147,076	(1,736)	730,483	\$ 856,472
TOTAL NET POSITION	<u>\$ 832,892</u>	<u>\$ 2,632,656</u>	<u>\$ 962,964</u>	<u>\$ 2,498,876</u>	<u>\$ 6,927,388</u>

THIS PAGE IS LEFT BLANK
INTENTIONALLY

CITY OF WEST ST. PAUL, MINNESOTA
RECREATION FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2015

	613	615	616	617	
	Golf Course	Civic Center Arena	Swimming Pool	Regional Athletic Center	Totals
OPERATING REVENUES					
Charges for services	\$ 147,242	\$ 150,391	\$ 786	\$ 705,354	\$ 1,003,773
OPERATING EXPENSES					
Personal services	45,991	131,875	-	-	177,866
Supplies	17,901	13,851	10,437	17,445	59,634
Professional services	80,463	11,581	2,367	189,625	284,036
Insurance	3,170	4,053	3,959	5,913	17,095
Utilities	6,551	40,744	13,521	128,513	189,329
Repairs and maintenance	9,411	4,649	670	146,677	161,407
Depreciation	20,070	51,325	48,970	236,285	356,650
TOTAL OPERATING EXPENSES	183,557	258,078	79,924	724,458	1,246,017
OPERATING LOSS	(36,315)	(107,687)	(79,138)	(19,104)	(242,244)
NONOPERATING REVENUES (EXPENSES)					
Property taxes	53,125	-	-	333,605	386,730
Intergovernmental	-	1,794,667	-	-	1,794,667
Interest income	252	1,096	-	11,435	12,783
Miscellaneous	-	4,005	-	8,720	12,725
Interest expense	(13,007)	-	-	(111,663)	(124,670)
TOTAL NONOPERATING REVENUES (EXPENSES)	40,370	1,799,768	-	242,097	2,082,235
INCOME (LOSS) BEFORE TRANSFERS	4,055	1,692,081	(79,138)	222,993	1,839,991
TRANSFERS IN	18,006	-	32,400	-	50,406
TRANSFERS OUT	-	-	-	(50,000)	(50,000)
CHANGE IN NET POSITION	22,061	1,692,081	(46,738)	172,993	1,840,397
NET POSITION, JANUARY 1 AS RESTATED	810,831	940,575	1,009,702	2,325,883	5,086,991
NET POSITION, DECEMBER 31	\$ 832,892	\$ 2,632,656	\$ 962,964	\$ 2,498,876	\$ 6,927,388

CITY OF WEST ST. PAUL, MINNESOTA
RECREATION FUND
COMBINING SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2015

	613	615	616	617	
	Golf Course	Civic Center Arena	Swimming Pool	Regional Athletic Center	Totals
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 147,152	\$ 943,074	\$ -	\$ 748,204	\$ 1,838,430
Payments to suppliers	(120,931)	5,142	(32,400)	(570,026)	(718,215)
Payments to employees	(44,533)	(121,201)	-	-	(165,734)
	<u>(18,312)</u>	<u>827,015</u>	<u>(32,400)</u>	<u>178,178</u>	<u>954,481</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Property taxes	53,125	-	-	333,605	386,730
Transfers from other funds	18,006	-	32,400	-	50,406
Transfers to other funds	-	-	-	(50,000)	(50,000)
	<u>71,131</u>	<u>-</u>	<u>32,400</u>	<u>283,605</u>	<u>387,136</u>
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES					
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES					
Acquisition of capital assets	-	(1,662,310)	-	-	(1,662,310)
Intergovernmental	-	1,033,000	-	-	1,033,000
Interest paid on bonds	(13,125)	-	-	(114,718)	(127,843)
Principal paid on bonds	(40,000)	-	-	(200,000)	(240,000)
	<u>(53,125)</u>	<u>(629,310)</u>	<u>-</u>	<u>(314,718)</u>	<u>(997,153)</u>
NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES					
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received on investments	306	748	-	11,381	12,435
	<u>306</u>	<u>748</u>	<u>-</u>	<u>11,381</u>	<u>12,435</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS					
	-	198,453	-	158,446	356,899
CASH AND CASH EQUIVALENTS, JANUARY 1					
	-	52,424	-	736,296	788,720
	<u>-</u>	<u>52,424</u>	<u>-</u>	<u>736,296</u>	<u>788,720</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31					
	<u>\$ -</u>	<u>\$ 250,877</u>	<u>\$ -</u>	<u>\$ 894,742</u>	<u>\$ 1,145,619</u>

CITY OF WEST ST. PAUL, MINNESOTA
RECREATION FUND
COMBINING SCHEDULE OF CASH FLOWS - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2015

	Business-type Activities - Enterprise Funds				Totals
	613	615	616	617	
	Golf Course	Civic Center Arena	Swimming Pool	Regional Athletic Center	
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating loss	\$ (36,315)	\$ (107,687)	\$ (79,138)	\$ (19,104)	\$ (242,244)
Adjustments to reconcile operating loss to net cash provided by operating activities					
Depreciation	20,070	51,325	48,970	236,285	356,650
Other income related to operations	-	765,672	-	8,720	774,392
(Increase) decrease in assets					
Accounts receivable	(90)	27,011	(786)	4,086	30,221
Inventories	299	-	-	-	299
(Increase) decrease in deferred outflows of resources					
Deferred pension resource	(1,798)	(8,334)	-	-	(10,132)
Increase (decrease) in liabilities					
Accounts payable	(2,012)	79,821	(1,446)	(79,420)	(3,057)
Accrued salaries payable	-	288	-	-	288
Due to other governments	(1,722)	199	-	(2,433)	(3,956)
Unearned revenue	-	-	-	30,044	30,044
Other postemployment benefits	519	-	-	-	519
Compensated absences payable	-	3,624	-	-	3,624
Pension liability	260	3,616	-	-	3,876
Increase (decrease) in deferred inflows of resources					
Deferred pension resource	2,477	11,480	-	-	13,957
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (18,312)</u>	<u>\$ 827,015</u>	<u>\$ (32,400)</u>	<u>\$ 178,178</u>	<u>\$ 954,481</u>
NONCASH CAPITAL FINANCING AND INVESTING ACTIVITIES					
Amortization of deferred charges	\$ -	\$ -	\$ -	\$ 1,403	\$ 1,403
Capital assets acquired on account	\$ -	\$ 12,938	\$ -	\$ -	\$ 12,938

CITY OF WEST ST. PAUL, MINNESOTA
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>12/31/2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/2015</u>
South Metro Fire Fund				
Assets				
Cash and temporary investments	<u>\$ -</u>	<u>\$ 160,775</u>	<u>\$ (160,775)</u>	<u>\$ -</u>
Liabilities				
Due to other governments	<u>\$ -</u>	<u>\$ 160,775</u>	<u>\$ (160,775)</u>	<u>\$ -</u>

CITY OF WEST ST. PAUL, MINNESOTA
SUMMARY FINANCIAL REPORT
GOVERNMENTAL FUNDS
REVENUES AND EXPENDITURES FOR GENERAL OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	Total		Percent Increase (Decrease)
	2015	2014	
REVENUES			
Taxes	\$ 12,392,595	\$ 12,389,852	0.02 %
Licenses and permits	637,216	499,336	27.61
Intergovernmental	14,606,633	2,811,083	419.61
Charges for services	753,646	614,256	22.69
Fines and forfeits	136,400	168,869	(19.23)
Special assessments	503,657	416,748	20.85
Interest on investments	417,937	574,402	(27.24)
Miscellaneous	658,282	212,596	209.64
	<u>\$ 30,106,366</u>	<u>\$ 17,687,142</u>	70.22 %
TOTAL REVENUES			
Per Capita	\$ 1,521	\$ 900	68.91 %
EXPENDITURES			
Current			
General government	\$ 2,874,300	\$ 3,096,850	(7.19) %
Public safety	6,871,961	6,460,790	6.36
Public works	1,954,618	1,872,708	4.37
Parks and recreation	793,358	767,457	3.37
Economic development	1,671,032	596,989	179.91
Capital outlay			
General government	200,139	120,268	66.41
Public safety	182,811	1,570	11,544.01
Public works	19,491,759	5,538,978	251.90
Parks and recreation	3,572,438	2,699,381	32.34
Debt service			
Principal	10,125,000	1,530,000	561.76
Bond issuance costs	146,521	196,441	(25.41)
Interest and other charges	943,923	705,587	33.78
	<u>\$ 48,827,860</u>	<u>\$ 23,587,019</u>	107.01 %
TOTAL EXPENDITURES			
Per Capita	\$ 2,466	\$ 1,200	105.42 %
Total Long-term Indebtedness	\$ 27,115,000	\$ 28,045,000	(3.32) %
Per Capita	1,369	1,427	(4.06)
General Fund Balance - December 31	\$ 9,253,781	\$ 9,014,509	2.65 %
Per Capita	467	459	1.87

THIS PAGE IS LEFT BLANK
INTENTIONALLY

STATISTICAL SECTION (UNAUDITED)

CITY OF WEST ST. PAUL
WEST ST. PAUL, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2015

THIS PAGE IS LEFT BLANK
INTENTIONALLY

STATISTICAL SECTION (UNAUDITED)

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

Financial trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and economic information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

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

CITY OF WEST ST. PAUL, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 NET POSITION BY COMPONENT
 LAST TEN FISCAL YEARS
 (accrual basis of accounting)

	Fiscal Year			
	2006	2007	2008	2009
Governmental activities				
Net investment in capital assets	\$28,838,130	\$28,849,102	\$28,259,027	\$30,796,241
Restricted	7,105,350	7,041,256	7,390,280	12,968,106
Unrestricted	11,335,204	13,668,115	14,788,580	9,846,265
Total governmental activities net position	<u>\$ 47,278,684</u>	<u>\$ 49,558,473</u>	<u>\$ 50,437,887</u>	<u>\$ 53,610,612</u>
Business-type activities				
Net investment in capital assets	\$5,857,428	\$5,736,609	\$5,744,038	\$5,657,805
Restricted	-	-	-	-
Unrestricted	2,340,294	2,283,949	2,291,545	887,385
Total business-type activities net position	<u>\$ 8,197,722</u>	<u>\$ 8,020,558</u>	<u>\$ 8,035,583</u>	<u>\$ 6,545,190</u>
Primary government				
Net investment in capital assets	\$ 34,695,558	\$ 34,585,711	\$ 34,003,065	\$ 36,454,046
Restricted	7,105,350	7,041,256	7,390,280	12,968,106
Unrestricted	13,675,498	15,952,064	17,080,125	10,733,650
Total primary government net position	<u>\$ 55,476,406</u>	<u>\$ 57,579,031</u>	<u>\$ 58,473,470</u>	<u>\$ 60,155,802</u>

Table 1

Fiscal Year					
2010	2011	2012	2013	2014	2015
\$31,069,506	\$33,835,227	\$ 33,876,690	\$ 32,092,175	\$ 25,948,421	\$ 30,272,393
5,065,984	5,223,837	4,686,286	3,399,206	7,208,765	4,697,697
18,126,311	17,264,839	16,559,404	13,698,514	13,721,487	2,484,651
<u>\$ 54,261,801</u>	<u>\$ 56,323,903</u>	<u>\$ 55,122,380</u>	<u>\$ 49,189,895</u>	<u>\$ 46,878,673</u>	<u>\$ 37,454,741</u>
\$4,078,198	\$4,219,590	\$ 5,299,774	\$ 10,277,693	\$ 10,719,869	\$ 13,490,986
257,135	-	-	-	-	-
2,174,747	2,707,322	4,255,228	3,709,389	4,182,686	2,494,754
<u>\$ 6,510,080</u>	<u>\$ 6,926,912</u>	<u>\$ 9,555,002</u>	<u>\$ 13,987,082</u>	<u>\$ 14,902,555</u>	<u>\$ 15,985,740</u>
\$ 35,147,704	\$ 38,054,817	\$ 39,176,464	\$ 42,369,868	\$ 36,668,290	\$ 43,763,379
5,323,119	5,223,837	4,686,286	3,399,206	7,208,765	4,697,697
20,301,058	19,972,161	20,814,632	17,407,903	17,904,173	4,979,405
<u>\$ 60,771,881</u>	<u>\$ 63,250,815</u>	<u>\$ 64,677,382</u>	<u>\$ 63,176,977</u>	<u>\$ 61,781,228</u>	<u>\$ 53,440,481</u>

CITY OF WEST ST. PAUL, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 CHANGES IN NET POSITION - CONTINUED ON THE FOLLOWING PAGES
 LAST TEN FISCAL YEARS
 (accrual basis of accounting)

	Fiscal Year			
	2006	2007	2008	2009
Expenses				
Governmental activities				
General government	\$ 2,950,118	\$ 2,586,165	\$ 2,796,893	\$ 3,360,035
Public safety	5,248,453	6,072,424	5,927,420	5,890,526
Public works	2,907,025	3,165,152	3,867,676	3,435,137
Parks and recreation	665,065	808,763	912,410	838,059
Economic development (1)	-	-	-	-
Interest on long-term debt	545,727	573,403	556,157	397,208
Total governmental activities expenses	<u>12,316,388</u>	<u>13,205,907</u>	<u>14,060,556</u>	<u>13,920,965</u>
Business-type activities				
Public utilities (2)	1,991,350	1,884,927	2,361,447	3,824,046
Storm Sewer (2)	-	-	-	-
Sewer (2)	-	-	-	-
Recreation	685,347	692,598	686,534	655,524
Total business-type activities expenses	<u>2,676,697</u>	<u>2,577,525</u>	<u>3,047,981</u>	<u>4,479,570</u>
Total primary government expenses	<u>\$ 14,993,085</u>	<u>\$ 15,783,432</u>	<u>\$ 17,108,537</u>	<u>\$ 18,400,535</u>
Program revenues				
Governmental activities				
Charges for services				
General government	\$ 816,436	\$ 699,460	\$ 515,872	\$ 617,830
Public safety	519,993	414,528	274,322	297,953
Public works	94,653	182,852	217,132	297,969
Parks and recreation	60,168	63,526	78,598	64,684
Economic development (1)	-	-	-	-
Operating grants and contributions	527,126	562,144	748,435	1,401,375
Capital grants and contributions	627,689	2,007,373	530,873	581,053
Total governmental activities program revenues	<u>2,646,065</u>	<u>3,929,883</u>	<u>2,365,232</u>	<u>3,260,864</u>
Business-type activities				
Charges for services				
Public utilities	2,377,834	2,492,158	2,787,280	2,965,137
Storm Sewer (2)	-	-	-	-
Sewer (2)	-	-	-	-
Recreation	467,611	469,462	435,019	444,752
Operating grants and contributions	560	-	-	-
Capital grants and contributions	-	105	158,345	-
Total business-type activities program revenues	<u>2,846,005</u>	<u>2,961,725</u>	<u>3,380,644</u>	<u>3,409,889</u>
Total primary government program revenues	<u>\$ 5,492,070</u>	<u>\$ 6,891,608</u>	<u>\$ 5,745,876</u>	<u>\$ 6,670,753</u>

Table 2

Fiscal Year					
2010	2011	2012	2013	2014	2015
\$ 3,302,702	\$ 3,437,501	\$ 3,642,850	\$ 3,389,974	\$ 4,161,997	\$ 3,098,841
6,049,004	6,167,218	6,285,568	6,303,232	6,638,595	7,002,514
3,213,509	3,143,689	4,053,264	6,306,335	7,591,595	20,866,152
860,994	849,591	755,629	789,544	862,074	917,884
-	-	-	-	-	1,671,352
824,286	795,508	746,047	945,296	816,561	984,888
<u>14,250,495</u>	<u>14,393,507</u>	<u>15,483,358</u>	<u>17,734,381</u>	<u>20,070,822</u>	<u>34,541,631</u>
2,139,272	2,146,608	2,341,621	2,462,051	2,543,165	-
-	-	-	-	-	290,394
-	-	-	-	-	2,780,700
584,478	516,700	809,898	1,118,008	1,250,548	1,370,687
<u>2,723,750</u>	<u>2,663,308</u>	<u>3,151,519</u>	<u>3,580,059</u>	<u>3,793,713</u>	<u>4,441,781</u>
<u>\$ 16,974,245</u>	<u>\$ 17,056,815</u>	<u>\$ 18,634,877</u>	<u>\$ 21,314,440</u>	<u>\$ 23,864,535</u>	<u>\$ 38,983,412</u>
\$ 747,044	\$ 868,587	\$ 721,933	\$ 712,530	\$ 813,207	\$ 852,522
393,749	354,840	362,190	392,902	435,572	598,370
219,053	223,280	248,158	120,755	5,188	16,787
67,479	63,568	69,121	73,920	64,131	61,604
-	-	-	-	-	1,749
808,067	582,445	843,318	568,633	918,514	936,983
797,237	880,307	576,047	733,961	1,091,846	14,091,333
<u>3,032,629</u>	<u>2,973,027</u>	<u>2,820,767</u>	<u>2,602,701</u>	<u>3,328,458</u>	<u>16,559,348</u>
2,772,372	3,111,202	3,361,552	3,420,865	3,346,691	-
-	-	-	-	-	445,611
-	-	-	-	-	3,046,818
373,644	332,450	503,440	1,110,429	1,040,691	1,003,773
-	-	-	7,902	10,224	781,119
-	117,060	58,017	5,999	50,431	1,111,430
<u>3,146,016</u>	<u>3,560,712</u>	<u>3,923,009</u>	<u>4,545,195</u>	<u>4,448,037</u>	<u>6,388,751</u>
<u>\$ 6,178,645</u>	<u>\$ 6,533,739</u>	<u>\$ 6,743,776</u>	<u>\$ 7,147,896</u>	<u>\$ 7,776,495</u>	<u>\$ 22,948,099</u>

CITY OF WEST ST. PAUL, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 CHANGES IN NET POSITION - CONTINUED
 LAST TEN FISCAL YEARS
 (accrual basis of accounting)

	Fiscal Year			
	2006	2007	2008	2009
Net revenues (expenses)				
Governmental activities	\$ (9,670,323)	\$ (9,276,024)	\$(11,695,324)	\$(10,660,101)
Business-type activities	169,308	384,200	332,663	(1,069,681)
Total primary government net (expenses) revenues	<u>\$ (9,501,015)</u>	<u>\$ (8,891,824)</u>	<u>\$(11,362,661)</u>	<u>\$(11,729,782)</u>
General revenues and other changes in net position				
Governmental activities				
Taxes				
Property taxes	\$ 7,148,433	\$ 7,588,912	\$ 8,114,780	\$ 9,230,584
Tax increments	312,082	736,055	885,302	1,001,532
Franchise and other taxes	728,551	775,255	784,951	778,465
Grants and contributions not restricted to specific programs	660,873	962,269	1,439,729	1,780,315
Gain on sale of capital assets	790,632	1,166,186	789,661	493,389
Unrestricted investment earnings	-	40,596	45,165	5,774
Miscellaneous revenues	54,165	48,531	-	-
Transfers - capital assets	-	-	-	-
Transfers	491,877	(321,950)	515,150	542,768
Total governmental activities	<u>10,186,613</u>	<u>10,995,854</u>	<u>12,574,738</u>	<u>13,832,827</u>
Business-type activities				
Property taxes	28,351	90,211	100,036	100,112
Grants and contributions not restricted to specific programs	1,721	-	5,192	5,245
Unrestricted investment earnings	109,098	132,134	92,284	16,699
Gain on sale of capital assets	376	800	-	-
Transfers - capital assets	-	435	-	-
Transfers	(491,877)	321,950	(515,150)	(542,768)
Total business-type activities	<u>(352,331)</u>	<u>545,530</u>	<u>(317,638)</u>	<u>(420,712)</u>
Total primary government	<u>\$ 9,834,282</u>	<u>\$ 11,541,384</u>	<u>\$ 12,257,100</u>	<u>\$ 13,412,115</u>
Change in net position				
Governmental activities	\$ 516,290	\$ 1,719,830	\$ 879,414	\$ 3,172,726
Business-type activities	(183,023)	929,730	15,025	(1,490,393)
Total primary government	<u>\$ 333,267</u>	<u>\$ 2,649,560</u>	<u>\$ 894,439</u>	<u>\$ 1,682,333</u>

(1) Prior to 2015, economic development activity was combined with the general government function.

(2) Prior to 2015, the Storm Sewer and Sewer funds were aggregated into the Public Utilities fund.

Table 2

Fiscal Year					
2010	2011	2012	2013	2014	2015
\$(11,217,866)	\$(11,420,480)	\$(12,662,591)	\$(15,131,680)	\$(16,742,364)	\$(17,982,283)
422,266	897,404	771,490	965,136	654,324	1,946,970
<u>\$(10,795,600)</u>	<u>\$(10,523,076)</u>	<u>\$(11,891,101)</u>	<u>\$(14,166,544)</u>	<u>\$(16,088,040)</u>	<u>\$(16,035,313)</u>
\$ 8,593,238	\$ 9,304,895	\$ 10,112,316	\$ 10,525,106	\$ 10,571,093	\$ 11,233,695
1,017,676	898,424	886,540	870,109	853,759	255,830
727,378	854,084	829,627	915,396	930,176	893,817
899,359	917,984	788,847	788,259	1,168,041	472,840
259,595	710,644	396,479	(177,976)	574,401	12,203
6,523	8,418	11,908	-	-	417,937
84,894	125,488	155,250	130,619	109,389	156,211
-	-	-	-	-	(311,065)
736,390	662,645	(1,719,899)	224,106	224,280	1,335,594
<u>12,325,053</u>	<u>13,482,582</u>	<u>11,461,068</u>	<u>13,275,619</u>	<u>14,431,139</u>	<u>14,467,062</u>
264,946	45,403	54,118	102,797	387,054	386,730
3,866	658	-	-	-	-
14,432	45,269	82,583	(37,571)	98,378	56,989
-	-	-	-	-	-
-	-	-	-	-	311,065
<u>(736,390)</u>	<u>(662,645)</u>	<u>1,719,899</u>	<u>(224,106)</u>	<u>(224,280)</u>	<u>(1,335,594)</u>
<u>(453,146)</u>	<u>(571,315)</u>	<u>1,856,600</u>	<u>(158,880)</u>	<u>261,152</u>	<u>(580,810)</u>
<u>\$ 11,871,907</u>	<u>\$ 12,911,267</u>	<u>\$ 13,317,668</u>	<u>\$ 13,116,739</u>	<u>\$ 14,692,291</u>	<u>\$ 13,886,252</u>
\$ 1,107,187	\$ 2,062,102	\$ (1,201,523)	\$ (1,856,061)	\$ (2,311,225)	\$ (3,515,221)
(30,880)	326,089	2,628,090	806,256	915,476	1,366,160
<u>\$ 1,076,307</u>	<u>\$ 2,388,191</u>	<u>\$ 1,426,567</u>	<u>\$ (1,049,805)</u>	<u>\$ (1,395,749)</u>	<u>\$ (2,149,061)</u>

CITY OF WEST ST. PAUL, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS

	Fiscal Year			
	2006	2007	2008	2009
General fund				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-
Designated for working capital	3,918,128	4,152,541	4,096,047	5,274,336
Designated for contingencies	495,324	980,223	980,223	468,023
Designated for police forfeitures	22,223	22,223	22,223	5,304
Undesignated	-	-	-	-
Fund balance				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total General fund	<u>\$ 4,435,675</u>	<u>\$ 5,154,987</u>	<u>\$ 5,098,493</u>	<u>\$ 5,747,663</u>
All other governmental funds				
Reserved	\$ 4,140,803	\$ 4,140,803	\$ 4,366,569	\$ 10,016,943
Unreserved, reported in				
Special revenue funds	1,000,000	1,000,000	1,000,000	1,737,298
Capital project funds	3,894,047	3,964,170	3,887,555	7,253,715
Undesignated	6,032,981	5,801,188	7,135,022	2,086,109
Fund balance				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total all other governmental funds	<u>\$ 15,067,831</u>	<u>\$ 14,906,161</u>	<u>\$ 16,389,146</u>	<u>\$ 21,094,065</u>

Note: The implemented GASB 54 in fiscal year 2011, resulting in significant reclassification of the components of fund balance. Years prior to 2011 have not been restated.

Table 3

Fiscal Year					
2010	2011	2012	2013	2014	2015
\$ 278	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
5,374,535	-	-	-	-	-
527,811	-	-	-	-	-
8,929	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	107,632
-	782	560	110,133	330,465	1,615
-	-	809	809	4,231	-
-	29,004	-	648,763	-	-
-	7,114,327	7,411,647	7,847,235	8,679,813	9,144,534
<u>\$ 5,911,553</u>	<u>\$ 7,144,113</u>	<u>\$ 7,413,016</u>	<u>\$ 8,606,940</u>	<u>\$ 9,014,509</u>	<u>\$ 9,253,781</u>
\$ 5,327,248	\$ -	\$ -	\$ -	\$ -	\$ -
3,074,627	-	-	-	-	-
9,291,114	-	-	-	-	-
574,511	-	-	-	-	-
-	2,003,349	1,588,890	-	-	-
-	5,917,882	5,519,879	4,108,357	8,126,495	6,951,008
-	2,454,012	2,853,349	4,058,819	3,533,479	3,484,820
-	7,363,458	6,789,739	3,806,759	5,028,547	3,024,937
-	(1,276,852)	(1,302,110)	(2,401,880)	(1,517,156)	(6,423,702)
<u>\$ 18,267,500</u>	<u>\$ 16,461,849</u>	<u>\$ 15,449,747</u>	<u>\$ 9,572,055</u>	<u>\$ 15,171,365</u>	<u>\$ 7,037,063</u>

CITY OF WEST ST. PAUL, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS

	Fiscal Year			
	2006	2007	2008	2009
Revenues				
Taxes				
General property tax	\$ 7,093,714	\$ 7,589,626	\$ 8,026,104	\$ 8,198,676
Tax increments	311,127	737,231	890,559	1,038,990
Franchise and other taxes	728,551	770,594	775,702	766,070
Licenses and permits	557,771	725,347	470,559	515,595
Intergovernmental	2,549,294	2,144,118	2,039,715	3,003,528
Charges for services	681,772	615,954	572,455	681,621
Fines and forfeitures	98,384	117,986	119,783	132,957
Special assessments	531,896	470,834	526,298	557,691
Investment income	790,632	1,151,057	789,661	493,389
Contributions and donations	17,690	-	-	-
Miscellaneous	157,604	444,912	94,268	146,371
Insurance policy dividends	5,935	16,872	17,160	9,190
Total revenues	<u>13,524,370</u>	<u>14,784,531</u>	<u>14,322,264</u>	<u>15,544,078</u>
Expenditures				
Current				
General government	2,639,410	2,467,715	2,903,076	2,970,876
Public safety	4,982,224	5,908,111	5,738,646	5,727,556
Public works	1,543,044	1,711,250	1,645,992	1,512,683
Parks and recreation	635,065	725,223	800,658	744,114
Economic development (1)	-	-	-	-
Unallocated general expenditures	163,397	112,637	158,914	113,079
Capital outlay	3,280,104	1,887,240	2,614,096	3,355,188
Debt service				
Principal	1,485,546	1,640,579	1,497,996	5,054,428
Bond issuance costs	30,055	-	64,703	-
Interest and other charges	534,765	590,245	510,674	647,703
Miscellaneous	-	1,130	904	40,819
Total expenditures	<u>15,293,610</u>	<u>15,044,130</u>	<u>15,935,659</u>	<u>20,166,446</u>
Excess (deficiency) or revenues over (under) expenditures	<u>(1,769,240)</u>	<u>(259,599)</u>	<u>(1,613,395)</u>	<u>(4,622,368)</u>
Other financing sources (uses)				
Transfers in	1,122,751	834,908	693,134	1,919,527
Sale of capital assets	21,192	35,102	45,165	5,774
Bond premium	-	-	-	-
Refunding bonds issued	2,692,000	190,000	2,600,000	9,427,915
Issuance of debt	-	-	-	-
Bond discount	(18,008)	-	(28,440)	-
Insurance recoveries	-	-	-	-
Transfers out	(607,861)	(334,758)	(177,984)	(1,376,759)
Total other financing sources (uses)	<u>3,210,074</u>	<u>725,252</u>	<u>3,131,875</u>	<u>9,976,457</u>
Net change in fund balance	<u>\$ 1,440,834</u>	<u>\$ 465,653</u>	<u>\$ 1,518,480</u>	<u>\$ 5,354,089</u>
Debt service as a percentage of noncapital expenditures	<u>16.8 %</u>	<u>17.0 %</u>	<u>15.1 %</u>	<u>33.9 %</u>

(1) Prior to 2015, economic development activity was combined with the general government program.

Table 4

Fiscal Year					
2010	2011	2012	2013	2014	2015
\$ 8,595,194	\$ 9,306,243	\$ 10,073,778	\$ 10,554,349	\$ 10,615,462	\$ 11,263,846
939,241	958,223	859,384	915,051	845,540	255,830
777,432	851,778	827,713	913,228	928,850	872,919
539,594	548,118	498,897	481,658	499,336	637,216
1,727,742	1,679,334	1,646,494	1,736,590	2,811,083	14,606,633
695,683	793,786	763,861	636,274	614,256	753,646
124,744	95,600	88,062	140,612	168,869	136,400
990,289	562,175	440,000	398,142	416,748	503,657
250,374	710,644	396,479	(177,976)	574,402	417,937
-	-	-	-	-	-
192,541	416,228	237,398	179,864	212,596	658,282
4,310	-	-	-	-	-
<u>14,837,144</u>	<u>15,922,129</u>	<u>15,832,066</u>	<u>15,777,792</u>	<u>17,687,142</u>	<u>30,106,366</u>
2,764,914	2,850,517	3,354,742	3,036,157	3,612,770	2,874,300
5,868,395	6,031,175	6,101,857	6,143,197	6,460,699	6,871,961
1,415,267	1,440,843	1,451,514	3,315,490	1,872,708	1,954,618
771,283	724,218	660,754	681,584	767,457	793,358
-	-	-	-	-	1,671,032
123,535	120,957	103,940	61,258	81,160	-
8,148,622	2,902,851	5,332,713	6,687,137	8,360,197	23,447,147
1,402,900	2,327,900	1,479,700	1,880,000	1,530,000	10,125,000
46,808	-	63,058	53,096	196,441	146,521
674,433	770,469	746,145	696,797	700,007	943,923
1,113	3,813	3,658	2,342	5,580	-
<u>21,217,270</u>	<u>17,172,743</u>	<u>19,298,081</u>	<u>22,557,058</u>	<u>23,587,019</u>	<u>48,827,860</u>
<u>(6,380,126)</u>	<u>(1,250,614)</u>	<u>(3,466,015)</u>	<u>(6,779,266)</u>	<u>(5,899,877)</u>	<u>(18,721,494)</u>
1,445,484	701,065	766,652	586,013	555,000	1,592,693
21,103	8,418	18,940	10,644	1,350,398	12,203
71,453	-	-	31,498	234,063	232,667
2,940,000	-	690,000	-	-	9,195,000
-	-	3,105,000	1,530,000	9,775,000	-
-	-	-	-	-	-
4,853	6,460	14,164	5,643	-	-
(709,094)	(38,420)	(1,872,000)	(68,300)	(7,705)	(257,099)
<u>3,773,799</u>	<u>677,523</u>	<u>2,722,756</u>	<u>2,095,498</u>	<u>11,906,756</u>	<u>10,775,464</u>
<u>\$ (2,606,327)</u>	<u>\$ (573,091)</u>	<u>\$ (743,259)</u>	<u>\$ (4,683,768)</u>	<u>\$ 6,006,879</u>	<u>\$ (7,946,030)</u>
<u>15.9 %</u>	<u>21.7 %</u>	<u>15.9 %</u>	<u>15.0 %</u>	<u>11.6 %</u>	<u>25.9 %</u>

CITY OF WEST ST. PAUL, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 (Shown by year of tax collectability)

Fiscal Year Ended December 31,	Residential Property	Commercial/ Industrial Property	All Other	Total Tax Capacity	Less Fiscal Disparity Contribution	Adjusted Tax Capacity Value
2006	\$ 11,320,958	\$ 3,553,175	\$ 2,878,158	\$ 17,752,291	\$ 1,338,159	\$ 16,414,132
2007	12,330,829	4,865,981	2,419,777	19,616,587	1,487,932	18,128,655
2008	12,573,491	5,234,351	2,489,211	20,297,053	1,855,711	18,441,342
2009	12,188,009	5,568,526	2,418,915	20,175,450	2,001,404	18,174,046
2010	11,048,101	5,569,775	2,596,131	19,214,007	3,271,505	15,942,502
2011	10,240,464	5,279,185	2,429,209	17,948,858	3,271,375	14,677,483
2012	8,821,628	5,182,698	2,443,500	16,447,826	2,023,373	14,424,453
2013	7,651,552	5,115,816	2,473,126	15,240,494	1,986,284	13,254,210
2014	7,498,805	5,018,719	2,652,624	15,170,148	1,962,727	13,207,421
2015	8,152,865	4,946,031	2,719,760	15,818,656	1,927,294	13,891,362

Source: Dakota County Assessing Services

Note: The year associated with a Tax Capacity or a Market Value means one of two things:

Assessment Year: the year for which the property market values are determined. Market values must be assessed annually on January 2nd. Pay year or tax payment year: the year in which the taxes are payable. Current year taxes - are based on the prior January 2nd assessment. To more accurately compare the information on this table to the financial statements the year is the pay year.

Table 5

<u>Total Direct Tax Rate</u>	<u>Estimated Market Value</u>	<u>Tax Capacity as a Percent of EMV</u>
42.761	\$1,530,023,000	0.97%
42.082	1,687,050,300	1.02%
43.706	1,734,621,300	1.03%
44.608	1,707,579,700	1.04%
50.873	1,594,050,200	1.00%
56.078	1,485,245,000	0.99%
62.205	1,339,567,341	1.08%
69.447	1,342,545,100	0.99%
71.249	1,336,402,600	0.99%
70.640	1,398,637,900	0.99%

CITY OF WEST ST. PAUL, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 PROPERTY TAX CAPACITY RATES - DIRECT AND OVERLAPPING GOVERNMENTS
 LAST TEN FISCAL YEARS

Table 6

Fiscal Year	City Rate Applicable to Debt	City Rate Applicable to Operations	Total City Direct Rate	Overlapping Rates*			Total
				School District	Other Districts	County	
2006	10.61 %	32.15 %	42.761 %	21.428 %	4.616 %	26.318 %	95.123 %
2007	8.28	33.80	42.082	19.838	4.416	25.127	91.463
2008	10.09	33.62	43.706	18.914	4.393	25.184	92.197
2009	10.03	34.58	44.608	18.051	4.328	25.821	92.808
2010	11.04	39.84	50.873	18.850	4.421	27.269	101.413
2011	11.06	45.02	56.078	19.692	4.644	29.149	109.563
2012	13.12	49.08	62.205	21.857	5.021	31.426	120.509
2013	12.66	56.79	69.447	24.429	7.115	33.421	134.412
2014	15.50	55.75	71.249	23.863	6.242	31.827	133.181
2015	18.96	51.68	70.642	24.063	5.831	29.633	130.169

Source: Dakota County website www.dakotacounty.us

Note: The City's basic property tax rate may be increased only by a majority vote of the City's Councilmembers. Rates for debt service are set based on each year's requirements.

*Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping

CITY OF WEST ST. PAUL, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT YEAR AND NINE YEARS AGO

Table 7

Taxpayer	2015			2006		
	Net Tax Capacity	Rank	Percent of Total Net Tax Capacity	Net Tax Capacity	Rank	Percent of Total Net Tax Capacity
Robert Street 2008 LLC	\$ 315,108	1	1.99 %	\$ -		- %
Target Corp.	259,942	2	1.64	170,748	5	0.96
Menards Inc.	257,530	3	1.63	-		-
Signal Hills Company LLC	244,346	4	1.54	245,088	1	1.38
Xcel Energy	229,936	5	1.45	180,804	3	1.02
Lowe's Home Centers Inc.	198,060	6	1.25	-		-
Wal-Mart	187,022	7	1.18	-		-
Mailand Properties LP	173,340	8	1.10	173,332	4	0.98
Sascon Investments LLP	160,488	9	1.01	-		-
Walker Senior Housing Corp.	158,971	10	1.00	137,500	9	0.77
Bradley Operating Ltd.	-		-	203,688	2	1.15
Westview Park Apartments	-			131,251	6	0.74
Westwood Villas	-			131,251	8	0.74
Holiday Acres Limited	-			122,501	9	0.69
Ottawa Investment Co.	-			106,250	10	0.60
Total	<u>\$ 2,184,743</u>		<u>13.81 %</u>	<u>\$ 1,602,413</u>		<u>9.03 %</u>
Total All Property	<u>\$ 15,818,656</u>			<u>\$ 17,752,291</u>		

Source: 2015 information from Ehlers Annual Disclosure.
 2006 from City's 2006 CAFR.

THIS PAGE IS LEFT BLANK
INTENTIONALLY

CITY OF WEST ST. PAUL, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 PROPERTY TAX LEVIES AND COLLECTIONS
 LAST TEN FISCAL YEARS

Table 8

Fiscal Year Ended December 31,	Taxes Levied For The Fiscal Year	Collected Within The Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	\$ 7,607,225	\$ 7,482,046	98.35%	\$ 123,964	\$ 7,606,010	99.98%
2007	8,094,100	7,969,034	98.45%	123,936	8,092,970	99.99%
2008	8,522,075	8,409,350	98.68%	113,108	8,522,458	100.00%
2009	8,745,974	8,629,734	98.67%	114,942	8,744,676	99.99%
2010*	9,265,888	8,844,367	95.45%	99,243	8,943,609	96.52%
2011*	9,760,512	9,212,265	94.38%	99,828	9,312,092	95.41%
2012	9,954,113	9,814,866	98.60%	94,883	9,909,749	99.55%
2013	10,339,245	10,105,751	97.74%	77,950	10,183,701	98.50%
2014	10,696,145	10,580,150	98.92%	76,921	10,657,071	99.63%
2015	11,610,896	11,465,520	98.75%	N/A	11,465,520	98.75%

Sources: City Budget Book (Levy) and Dakota County tax collection reports of Finance.

* The total amount of property taxes levied is partially supported by property tax relief payments on behalf of lower-valued residential properties. In FY 2010 and 2011, 75% this payment, known as Market Value Homestead Credit was withheld by the State of Minnesota, resulting in a lower overall collection percentage.

CITY OF WEST ST. PAUL, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 RATIOS OF OUTSTANDING DEBT BY TYPE
 LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities				Total Governmental Activities	Percentage of Tax Capacity
	General Obligation Bonds	Improvement Bonds	Tax Increment Bonds	Capital Leases		
2006	\$ 826,000	\$ 10,790,000	\$ 1,605,000	\$ 338,026	\$ 13,559,026	76.38%
2007	766,000	9,615,000	1,605,000	192,447	12,178,447	62.08%
2008	746,000	10,985,000	1,580,000	39,450	13,350,450	65.78%
2009	7,160,500	9,105,000	1,555,000	-	17,820,500	88.33%
2010	6,907,600	11,730,000	1,525,000	-	20,162,600	101.22%
2011	6,609,700	9,730,000	1,495,000	-	17,834,700	99.36%
2012	6,239,233	12,530,995	1,443,412	-	20,213,640	122.90%
2013	6,083,359	12,400,635	1,404,435	-	19,888,429	130.50%
2014	15,916,872	11,075,466	1,365,457	-	28,357,795	186.93%
2015	9,979,710	15,014,421	2,655,000	-	27,649,131	174.79%

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

^(a)See Table 14 for personal income and population data.

Table 9

Business-Type Activities				Total Primary Government	Percentage of County-Wide Personal Income ^(a)	Per Capita ^(a)
Sewer Bonds	Sports Dome Bonds	Term Loan Payable	Total Business-Type Activities			
\$ 1,450,000	\$ -	\$ 1,840,000	\$ 3,290,000	\$ 16,849,026	0.10%	\$ 895
1,375,000	-	1,740,000	3,115,000	15,293,447	0.09%	809
1,300,000	-	1,635,000	2,935,000	16,285,450	0.09%	857
2,755,000	-	1,365,000	4,120,000	21,940,500	0.13%	1,158
2,660,000	-	525,000	3,185,000	23,347,600	0.13%	1,195
2,430,000	-	490,000	2,920,000	20,754,700	0.11%	1,059
2,230,101	5,099,650	455,000	7,784,751	27,998,391	0.14%	1,417
1,960,703	5,098,246	415,000	7,473,949	27,362,378	0.13%	1,393
1,702,746	5,096,843	375,000	7,174,589	35,532,384	0.17%	1,795
1,439,788	4,895,439	335,000	6,670,227	34,319,358	N/A	1,733

CITY OF WEST ST. PAUL, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 RATIOS OF GENERAL BONDED DEBT OUTSTANDING
 LAST TEN FISCAL YEARS

Table 10

Fiscal Year	General Obligation Bonds	Less: Amount Available In Debt Service Fund	Total	Percentage of Est. Actual Taxable Value of Property ^(a)	Per Capita ^(b)
2006	\$ 14,671,000	\$ 117,328	\$ 708,672	0.05%	\$ 37.66
2007	13,361,000	120,243	645,757	0.04%	34.32
2008	14,611,000	152,363	593,637	0.03%	31.55
2009	20,575,500	199,241	6,961,259	0.41%	367.41
2010	22,822,600	214,880	6,692,720	0.42%	342.51
2011	20,264,700	303,451	19,961,249	1.34%	321.67
2012	22,443,741	346,611	22,097,130	1.65%	298.27
2013	21,849,132	337,619	21,511,513	1.60%	292.43
2014	30,060,541	750,054	29,310,487	2.19%	771.93
2015	29,088,919	1,316,032	27,772,887	1.99%	1,403.00

(a) See Table 5 for property value data.

(b) See Table 14 for population data.

CITY OF WEST ST. PAUL, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 COMPUTATION OF DIRECT AND OVERLAPPING DEBT
 DECEMBER 31, 2015

Table 11

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable*	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Dakota County	\$ 23,420,000	3.445%	\$ 806,890
School Districts			
ISD No. 197	49,465,000	24.930%	12,331,710
Metropolitan Council	206,140,000	0.456%	939,919
Subtotal - overlapping debt			14,078,519
City direct debt			27,649,131
Total direct and overlapping debt			<u>\$41,727,650</u>

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

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 City'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.

*For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value. This approach was also used for the County's capital lease, loan, and other debt. The applicable percentage of the County Economic Development Bonds, which are backed by county sales taxes, was estimated by dividing the City's retail sales by the County's retail sales.

CITY OF WEST ST. PAUL, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS

	Fiscal Year			
	2006	2007	2008	2009
Estimated Market Value of Taxable Property	\$ 1,530,023,000	\$ 1,687,050,300	\$ 1,734,621,300	\$ 1,707,579,700
Statutory percentage	<u>2.0%</u>	<u>2.0%</u>	<u>3.0%</u>	<u>3.0%</u>
Statutory debt limit	30,600,460	33,741,006	52,038,639	51,227,391
Total net debt applicable to limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>\$ 30,600,460</u>	<u>\$ 33,741,006</u>	<u>\$ 52,038,639</u>	<u>\$ 51,227,391</u>

(a) In 2008 debt limitation increased from 2% of market value to 3%.

Table 12

Fiscal Year					
2010	2011	2012	2013	2014	2015
\$ 1,594,050,200	\$ 1,485,245,000	\$ 1,339,567,341	\$ 1,342,545,100	\$ 1,336,402,600	\$ 1,398,637,900
3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
47,821,506	44,557,350	40,187,020	40,276,353	40,092,078	41,959,137
-	-	-	-	-	-
<u>\$ 47,821,506</u>	<u>\$ 44,557,350</u>	<u>\$ 40,187,020</u>	<u>\$ 40,276,353</u>	<u>\$ 40,092,078</u>	<u>\$ 41,959,137</u>

Legal Debt Margin Calculation for Fiscal Year 2014

Estimated Market Value of Taxable Property	\$ 1,398,637,900
Statutory percentage	<u>3.0%</u>
Statutory debt limit	<u>\$ 41,959,137</u>
Debt applicable to limit	<u>\$ 9,979,710</u>
Legal debt margin	<u>\$ 31,979,427</u>

CITY OF WEST ST. PAUL, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 PLEDGED REVENUE COVERAGE
 LAST TEN FISCAL YEARS

Fiscal Year	Sewer Revenue Bonds					Coverage
	Utility Service Charges	Less Operating Expenses	Net Available Revenue	Debt Service		
				Principal	Interest	
2006	\$ 2,364,928	\$ 1,776,688	\$ 588,240	\$ 70,000	\$ 74,470	4.07
2007	2,445,899	1,956,727	489,172	75,000	71,320	3.34
2008	2,747,281	2,121,595	625,686	80,000	67,945	4.23
2009	2,940,335	3,636,003	(695,668)	95,000	45,616	(4.95)
2010	2,757,291	1,895,475	861,816	135,012	47,227	4.73
2011	2,704,849	1,890,974	813,875	230,000	73,413	2.68
2012	2,950,106	2,088,407	861,699	240,000	67,094	2.81
2013	2,998,953	2,170,321	828,632	250,000	63,388	2.64
2014	2,920,817	2,271,989	648,828	255,000	57,626	2.08
2015	3,046,818	2,558,481	488,337	260,000	50,537	1.57

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation, or amortization expenses. Golf course revenue bonds are excluded since they are an internal issue.

Table 13

Improvement Bonds				Tax Increment Bonds			
Special Assessment Collections	Debt Service		Coverage	Tax Increment Collections	Debt Service		Coverage
	Principal	Interest			Principal	Interest	
\$ 135,485	\$ 1,030,000	\$ 364,239	0.10	\$ 51,769	\$ -	\$ 51,769	1.00
109,947	1,175,000	411,260	0.07	69,025	-	69,025	1.00
77,718	1,000,000	373,735	0.06	93,556	25,000	68,556	1.00
102,651	1,090,000	424,397	0.07	92,619	25,000	67,619	1.00
233,585	1,190,000	340,929	0.15	96,587	30,000	66,587	1.00
254,479	2,000,000	331,910	0.11	95,463	30,000	65,463	1.00
188,232	1,055,000	331,910	0.14	99,200	35,000	64,200	1.00
225,526	1,685,000	294,513	0.11	102,700	40,000	62,700	1.00
226,234	1,330,000	273,298	0.14	101,100	40,000	61,100	1.00
260,426	1,300,000	257,583	0.17	104,400	45,000	59,400	1.00

CITY OF WEST ST. PAUL, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 DEMOGRAPHIC STATISTICS
 LAST TEN FISCAL YEARS

Table 14

Fiscal Year	Population *	County-Wide Personal Income **	Per Capita Personal Income **	Unemployment Rate ***
2006	18,816	\$ 16,764,136,000	\$ 43,405	4.00%
2007	18,914	17,814,402,000	45,588	4.00%
2008	19,002	18,299,519,000	46,457	6.90%
2009	18,947	17,496,051,000	44,081	7.50%
2010	19,540	17,907,280,000	44,863	7.30%
2011	19,605	19,521,455,000	48,557	6.20%
2012	19,756	20,407,330,000	50,396	5.60%
2013	19,648	20,488,967,000	50,116	4.70%
2014	19,800	21,524,339,000	52,177	3.90%
2015	19,800	N/A	N/A	3.70%

* Source of data: Metropolitan Council, except 2010 for which the source is the U.S. Bureau of Census. Updated data is not available for 2015.

** Source of data: Bureau of Economic Analysis. Updated data is not available for 2015.

*** Source of data: Minnesota Department of Employment and Economic Development.

CITY OF WEST ST. PAUL, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 PRINCIPAL EMPLOYERS
 CURRENT YEAR AND NINE YEARS AGO

Table 15

Employer	2015			2006		
	Employees	Rank	Percent of City Employment	Employees	Rank	Percent of City Employment
I.S.D. No. 197	803	1	10.13%	651	1	7.95%
Dakota County	583	2	7.35%	577	2	7.05%
Super Target	375	3	4.73%	400	3	4.89%
Southview Acres Health Center	340	4	4.29%	375	4	4.58%
YMCA	310	5	3.91%	145	7	1.77%
Wal-Mart	240	6	3.03%			
Darts Vehicle Maintenance Services	160	7	2.02%	179	6	2.19%
Cub Foods	153	8	1.93%	143	8	1.75%
Menards	150	9	1.89%			
Lowe's Home Improvement	140	10	1.77%			
TapeMark Company				250	5	3.05%
City of West St Paul				141	9	1.72%
Rainbow Foods				124	10	1.51%
Total	<u>3,254</u>			<u>2,985</u>		

Sources: Ehlers and Associates, Inc. and Metropolitan Council

CITY OF WEST ST. PAUL, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
 LAST TEN FISCAL YEARS

Function/Program	Full-Time Equivalent Employees as of December 31,			
	2006	2007	2008	2009
General government				
Administration	5.0	5.0	5.0	4.0
Finance	4.0	5.0	5.0	5.0
Community Development	5.0	5.0	5.0	4.0
Building inspections	1.0	1.5	1.5	1.5
MIS	1.0	1.0	1.0	1.0
Police				
Officers	28.0	30.0	30.0	30.0
Civilians	5.5	6.0	6.0	5.8
Fire				
Firefighters and officers	19.0	20.0	-	-
Civilians	0.5	0.5	-	-
Public works				
Engineering	2.0	2.0	2.0	2.0
Streets	10.0	11.0	11.0	11.0
Sewer	3.0	3.0	3.0	3.0
Building Maintenance	2.0	2.0	2.0	2.0
Parks and recreation	6.0	7.0	7.0	7.0
Golf course manager	1.0	1.0	1.0	1.0
Ice arena / pool manager	1.0	1.0	1.0	1.0
Total	92.0	99.0	78.5	76.8

Source: City Budget Books

Notes: 1. The numbers above represent full-time and permanent part-time budgeted positions. Seasonal employees are not included.

Table 16

Full-Time Equivalent Employees as of December 31,					
2010	2011	2012	2013	2014	2015
4.0	4.0	4.0	5.5	6.0	6.0
5.0	5.0	4.0	3.0	3.0	4.0
3.8	3.8	2.8	3.6	3.6	3.6
1.5	1.0	2.0	3.0	3.0	3.0
1.0	2.0	2.0	2.0	2.0	3.0
30.0	29.0	29.0	30.0	30.0	30.0
5.6	5.6	5.6	3.0	4.5	5.0
-	-	-	-	-	-
-	-	-	-	-	-
2.0	2.0	2.0	2.5	3.0	3.0
11.0	11.0	12.0	11.0	11.0	11.0
3.0	3.0	3.0	3.0	3.0	3.0
2.0	1.0	1.0	1.0	1.0	1.0
7.0	7.0	7.0	6.0	7.0	7.0
-	-	-	-	-	-
1.0	1.0	1.0	1.5	1.0	1.0
<u>75.4</u>	<u>75.4</u>	<u>75.4</u>	<u>75.1</u>	<u>78.1</u>	<u>80.6</u>

CITY OF WEST ST. PAUL, MINNESOTA
 OPERATING INDICATORS BY FUNCTION
 LAST TEN FISCAL YEARS

Function/Program	Fiscal Year				
	2006	2007	2008	2009	2010
Police					
Part 1 Crimes reports	1,177	1,080	1,047	1,265	1,007
Part 2 Crimes reports	1,184	1,182	989	1,045	1,042
Total arrests	1,099	1,153	827	1,117	801
Part 1 arrests	392	451	341	525	334
Cases investigated	387	535	608	628	643
Building inspection					
Permits issued					
Residential	451	1,023	623	790	744
Commercial/Other	83	156	83	55	886
Public works					
Streets/Alleys patched (person hrs)	3,380	2,195	3,035	3,409	2,900
Parks and recreation					
Recreation programs offered	150	160	167	170	60
Ice Arena annual admissions	65,000	65,425	65,700	65,750	65,750
Golf course					
Rounds played	13,330	12,487	12,348	14,713	14,837
Golf cars rented	N/A	566	608	1,086	1,176
Sports Dome					
Field hours rented					
Wastewater					
Average sewer lines cleaned (miles)	30	38	31	43	30

Sources: Various City departments.

*Updated data for crime reports is not available for 2015.

Table 17

Fiscal Year				
2011	2012	2013	2014	2015
713	997	1,049	1,118	*
720	742	716	936	*
395	677	870	1,110	*
185	345	445	509	*
417	390	310	598	*
689	874	349	1,260	1,357
967	768	1,475	323	336
2,889	3,082	3,667	4,023	4,938
59	61	65	70	115
65,750	65,800	65,800	65,700	64,000
10,263	12,539	10,542	9,689	11,941
1,110	1,387	1,460	1,556	1,798
		6,280	6,075	5,736
31	33	33	31	31

CITY OF WEST ST. PAUL, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS

Function/Program	Fiscal Year				
	2006	2007	2008	2009	2010
Police					
Stations	1	1	1	1	1
Police Vehicles					
Marked	10	10	11	11	11
Unmarked	8	8	8	8	8
Gun Range	1	1	1	1	1
Holding cells	3	3	3	3	3
Fire					
Stations	1	1	1	1	1
Engines	3	3	N/A	N/A	N/A
Ladder	1	1	N/A	N/A	N/A
Ambulances	2	2	N/A	N/A	N/A
Rescue truck	1	1	N/A	N/A	N/A
Vehicles	2	2	N/A	N/A	N/A
SCBA	20	20	N/A	N/A	N/A
Public works					
Streets (miles)	69.16	71.16	71.16	71.20	71.20
Alley (miles)	5	5	5	5	5
Streetlights	240	240	240	243	253
Parks and recreation					
Acreage	136.5	152.0	152.0	155.0	155.0
Parks and playgrounds	17	17	17	17	17
Baseball/softball diamonds	9	9	9	9	9
Soccer/football fields	3	3	3	3	3
Community (senior) centers	1	1	1	1	1
Outdoor skating rinks	11	12	12	12	12
Executive golf course (par 29)	1	1	1	1	1
Public sports dome	-	-	-	-	-
Public swimming pool	1	1	1	1	1
Public ice arena	1	1	1	1	1
Wastewater					
Sanitary sewers (miles)	63	63	63	63	63
Storm sewers (miles)	35	35	35	35	35

Sources: Various City departments.

Table 18

Fiscal Year				
2011	2012	2013	2014	2015
1	1	1	1	1
11	11	11	11	11
9	9	8	8	8
1	1	1	1	1
3	3	3	3	3
1	1	1	1	1
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
71.20	71.20	71.20	71.20	71.20
5	5	5	5	5
256	256	256	256	256
155.0	155.0	155.0	155.0	155.0
17	17	17.0	17.0	17.0
9	9	9.0	9.0	9.0
3	3	3	3	2
1	1	1	1	1
12	12	12	12	12
1	1	1	1	1
-	1	1	1	1
1	1	1	1	1
1	1	1	1	1
63	63	63	63	63
35	35	35	35	35