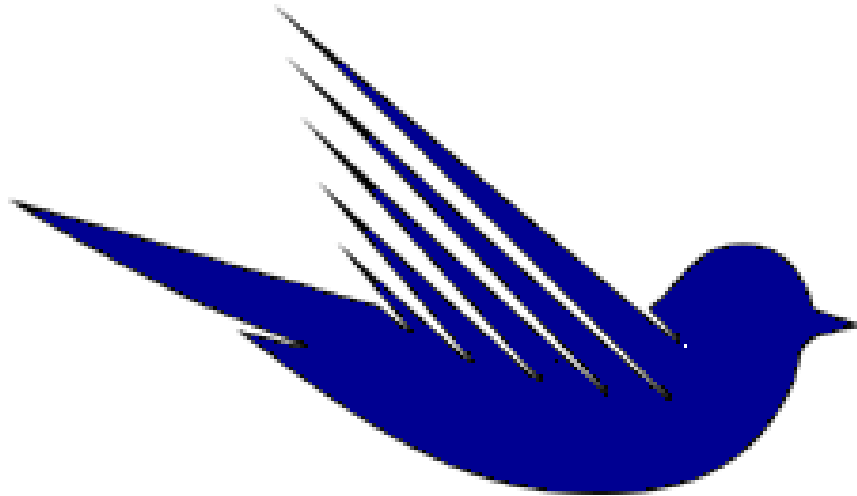


***COMPREHENSIVE
ANNUAL FINANCIAL REPORT***

For the year ended December 31, 2018

CITY OF ROBBINSDALE

ROBBINSDALE, MINNESOTA



ISSUED BY THE FINANCE DEPARTMENT

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

CITY OF ROBBINSDALE,
MINNESOTA

For the Fiscal Year Ended

December 31, 2018

Prepared by the
City of Robbinsdale Finance Department

Larry Jacobson, Finance Director
Jeff Zuba, Accountant



READER'S NOTES:

CITY OF ROBBINSDALE

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READER'S NOTES:

INTRODUCTORY SECTION



City of Robbinsdale

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Robbinsdale, Minnesota 55422-2280
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Fax: (763) 537-7344
www.robinsdalemn.com

May 20, 2019

To the Honorable Mayor and Members of the City Council
City of Robbinsdale, Minnesota

Mayor and City Council Members:

Minnesota Statutes require all cities to issue an annual report on its financial position and activity prepared in accordance with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants or the Office of the State Auditor. Pursuant to that requirement, we hereby issue the comprehensive annual financial report (CAFR) of the City of Robbinsdale, Minnesota (the City) for the fiscal year ended December 31, 2018.

This report consists of management's representations concerning the finances of the City. 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 a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation for the City's financial statements in conformity with accounting principles generally accepted in the United States of America. Because the cost of the internal controls should not outweigh their benefits, the City's comprehensive 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, we assert that, to the best of our knowledge and belief, this CAFR is complete and reliable in all material respects.

The City's financial statements have been audited by Malloy, Montague, Karnowski, Radosevich & Co., P.A., a firm of licensed certified public accountants. 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, 2018 are free of any 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 the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended December 31, 2018, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first component of the financial section of this report.

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

Profile of the Government

The City is a first ring suburb located northwest of the City of Minneapolis. The City has a land area of 2.9 square miles with a population of 14,860. The City continues to maintain a small town feel yet is located just minutes from downtown Minneapolis.

The City provides its residents and businesses with a full range of basic governmental services consisting of public safety, public works, parks and recreation, and general administrative services. In addition to basic governmental services, the governing body exercises financial accountability over the Robbinsdale Economic Development Authority (REDA). The REDA's governing board is made up exclusively of City Council members; therefore, all of its activities are included as part of the reporting entity. The Robbinsdale Fire Relief Association (the Association) has not met the established criteria for inclusion in the reporting entity and, accordingly, is excluded from this report. The Association is not a component unit because it is organized independently under state law. The Association's audited annual financial reports are available in its offices, as well as at City Hall.

Local Economy and Housing

The City's downtown area maintains a mix of retail, professional businesses, and a variety of restaurants. National notice has been given to Travail, which partnered with the REDA in 2012 to construct a new 96-seat restaurant, as well as Pig Ate My Pizza, which took on the previous location. In 2018, plans moved forward to relocate the Travail restaurant. The project to redevelop a new site replacing two substandard buildings was approved and construction is underway. Pig Ate My Pizza will renovate and move to the current Travail location. The downtown also has regional draws with Hackenmueller's Meat Market, Wuollet Bakery, Wicked Wort craft beer brewpub, and Nonna Rosa's restaurant. Outside of the downtown area, there are two shopping centers, a new Hy-Vee grocery and the North Memorial Healthcare (NMHC) campus.

The Metropolitan Transit Blue Line light rail service is planning to run an extension line north from the Minneapolis-Saint Paul International Airport to a redevelopment area by I-694 in Brooklyn Park and a station in the downtown Robbinsdale area. Currently in the development stage, construction plans are scheduled to be 100 percent complete by the end of 2019, with an anticipated start of operations in 2024. The potential for light rail has resulted in an increase in development discussion in and around the downtown area.

The City is home to the NMHC, a regional medical facility. The NMHC has a large hospital facility and multiple associated medical office buildings. The NMHC is the City's largest employer, with over 5,000 employees.

The City's housing market is primarily single-family homes that are pre-World War II vintage. During 2018, the REDA approved a tax increment district to facilitate the construction of a class A, four story, multi-family rental building with 152 market rate apartments. The project, known as Birdtown Flats, involves the redevelopment of several existing parcels in the City.

Although the City is fully developed, there are a few in-fill projects:

- The REDA entered into a purchase agreement for a former gas station, a key downtown location. After environmental clean-up of the site is conducted, the property will be used as a parking lot for downtown traffic for 5 to 10 years, depending on the timing of the construction of the Metropolitan Transit Blue Line extension.
- A development agreement is in place for a four-home development on South Twin Lake on land acquired from the Minnesota Department of Transportation. The property is adjacent to the new Three Rivers Park boat landing and bike trails. A model home was completed in 2018. The remaining three homes are expected to be completed by 2020.

- A development site opportunity near Hy-Vee is in the planning stages. The current concept proposal would include 194 market-rate apartments. City planning approvals were granted in 2018 with consideration of tax increment financing assistance in early 2019.
- Typically, one to two scattered sites are acquired, cleared, and sold each year.

Long-Term Financial Planning

The City receives local governmental aid (LGA) through the state of Minnesota to help pay for basic governmental services. This aid is based on a funding formula that includes volatility in the calculations that determine how the amount is allocated among cities in the state.

The City received a total of \$1,822,775 in LGA in 2018; an increase of \$108,610 from the prior year. The City expects to receive \$1,828,941 in state aid in 2019, an increase of \$6,166. This will assist in relieving budget stress imposed in prior years as the City has made up a majority of the state aid loss through an increase to its property tax levy and other fees and spending reductions.

Historically, the City has seen fluctuation in the amount of LGA received from the state. The amount of LGA received was at its highest point in 2002. In 2008, the actual amount received decreased by 50 percent from the 2002 level to assist in balancing the state budget. The amount of LGA has recovered beginning in 2014. The 2018 LGA amount is 9 percent less than the amount received in 2002.

Additionally, the City extended through June 2019, a 4 percent franchise fee on revenues that gas and electric utilities receive from customers located within the City. The City Council approved a fee increase to 5 percent effective July 1, 2019 through July 1, 2021. This fee has been in place since 2003. This fee helps support some basic governmental services and provides additional funds towards the City's long-term street replacement program.

The City annually prepares and adopts a Five-Year Capital Improvement Plan (CIP), which serves as a planning document to ensure that its facilities, equipment, and infrastructure are well maintained and operating efficiently. The CIP is a planning tool that forecasts the City's capital needs over a five-year period based on city-adopted long-range plans, goals, and policies. The CIP includes detailed descriptions of every capital project the City anticipates to initiate during the five-year period.

Key priorities for the City for 2018–2019 are to:

- Continue the community policing connection with residents and falling crime rates
- Maintain the Infrastructure Replacement Program, including LED street lighting replacements and planning for water treatment plant and water tower replacement
- Provide safe and fun places in parks focusing on quality rather than quantity of facilities
 - Completion of Lakeview Terrace Park reconstruction
 - Plan for and implement Triangle Park improvements
- Encourage partnerships for improvements in parks
- Uphold aggressive housing rental licensing and point of sale standards
- Prepare for Light Rail Transit (LRT)
 - LRT design detail engagement
 - Option agreements for key downtown properties
 - Identify a developer for the LRT parking ramp wrap/Hubbard Marketplace and other potential downtown redevelopment areas
- Enhance the downtown area
 - Plan for the 41½ Promenade from LRT to West Broadway
 - Address downtown parking challenges
- Liquor store marketing and sales improvements

The City subscribes to the “pooled cash” concept of investing, which means that all funds with cash balances participate in an investment pool. This permits some funds to be overdrawn and others to show cash balances when, in fact, the City as a whole has a cash balance. This pooled cash concept provides for investing greater amounts of money at more favorable rates. Investment earnings are then allocated yearly based on quarterly cash balances to the participating funds. For further information on the City’s cash and investments, please see Note 3 of the City’s notes to basic financial statements.

The City belongs to two organizations that were created for insurance purposes. The League of Minnesota Cities Insurance Trust (LMCIT) was founded to provide general liability and workers’ compensation insurance to the LMCIT members. The program provides coverage for damages up to \$2,000,000 per incident and limits the City’s liability to \$25,000 per claim and \$100,000 per year for general liability. Also, Minnesota Statutes provide limits on liability claims to cities. The LOGIS Insurance Group is a joint powers agreement between local government agencies that have combined their group size for pooling of health and life insurance experience ratings. The group annually reviews coverage and costs offered by health maintenance organizations that provide insurance to the members and bids group life insurance.

Relevant Financial Policies

The City Council will continue to review its policy on the level of the General Fund balance reserves, which is currently 40 to 50 percent of the subsequent year’s expenditures. Due to past cuts in state aid, to assist in balancing the state budget, this will continue to be an important element of future budget planning. As in prior years, the City Council may determine to use a portion of the General Fund balance to assist in balancing future budgets. This will help to reduce the amount that property tax levies will increase for property owners or minimize reductions in services. The City Council will continue to provide that the balance is adequate to finance cash flow needs for subsequent years.

Major Initiatives

While continuing to reconstruct various streets throughout the City, the 2019 budget includes an increased investment being made to resurface local streets, which are seeing surface degradation, but not scheduled to be reconstructed in a 10+ year horizon. The 2018 projects included the Toledo/Scott Reconstruction area in the central part of the City.

Significant City Council and staff engagement was invested in reviewing LRT plans proposed for extension of the Metropolitan Transit Blue Line light rail through the City inside the BNSF right-of-way. Municipal consent was given in early 2016.


Awards and Acknowledgements

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended December 31, 2017. The City has received a Certificate of Achievement for the last 39 years (1979–2017). In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program’s requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

We wish to express our appreciation to the Mayor and City Council for their continued interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner. We also want to express our appreciation to the entire Finance Department staff for their efficient and dedicated services in the preparation of this report.

Respectfully submitted,


Marcia Glick
City Manager


Larry Jacobson
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Robbinsdale
Minnesota

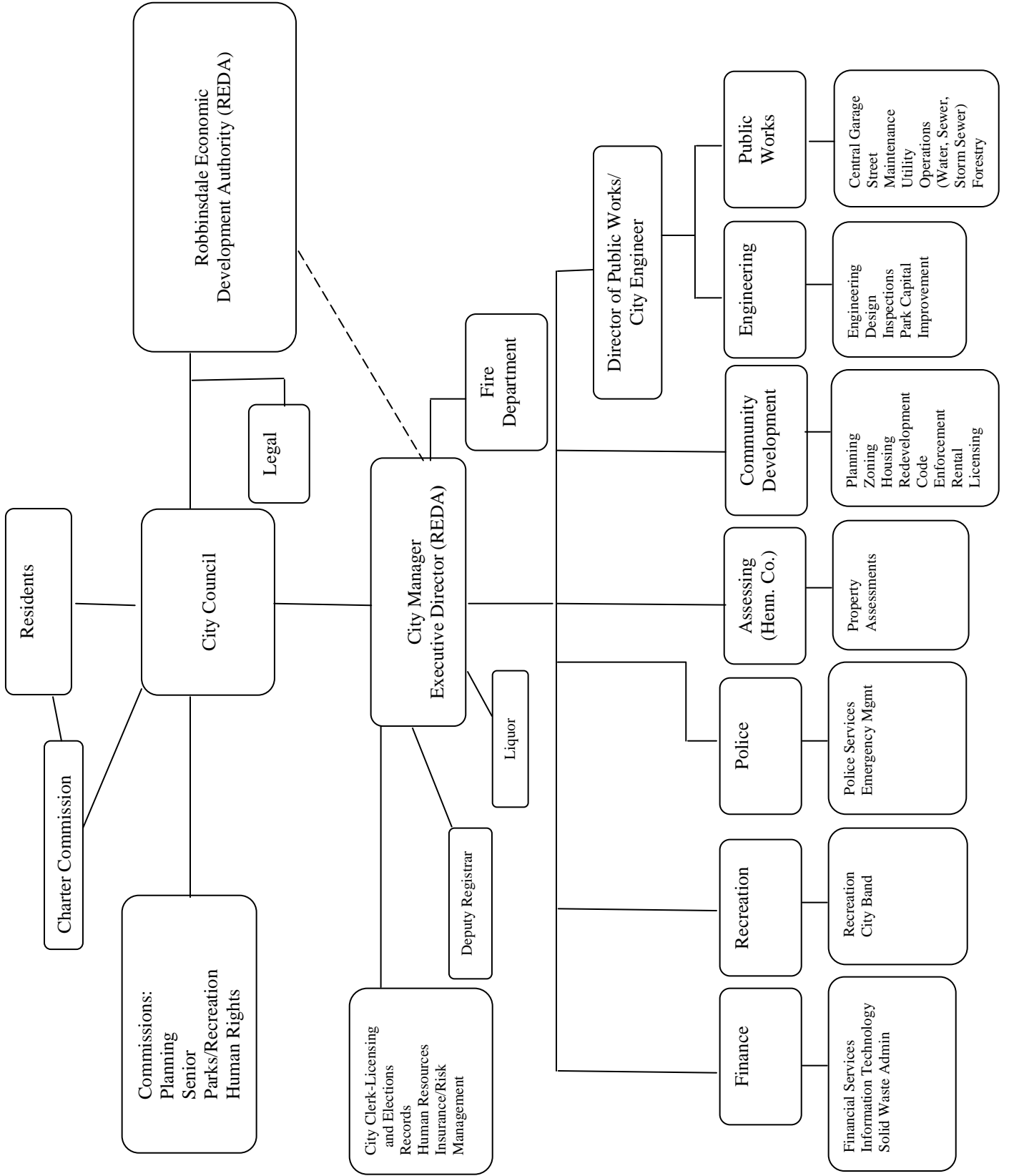
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morrill

Executive Director/CEO

City of Robbinsdale Organization Chart



CITY OF ROBBINSDALE, MINNESOTA

Elected and Administrative Officials
December 31, 2018

ELECTED OFFICIALS

| | | <u>Term Expires</u> |
|------------------|----------------------------|---------------------|
| Regan Murphy | Mayor | December 31, 2020 |
| William Blonigan | First Ward Council Member | December 31, 2020 |
| Dan Rogan | Second Ward Council Member | December 31, 2020 |
| George Selman | Third Ward Council Member | December 31, 2022 |
| Pat Backen | Fourth Ward Council Member | December 31, 2022 |

ADMINISTRATIVE OFFICIALS

| | |
|--------------------|--|
| Marcia Glick | City Manager |
| Larry Jacobson | Finance Director |
| Richard McCoy | Director of Public Works/City Engineer |
| Jim Franzen | Chief of Police |
| Guy Dorholt | Fire Chief |
| Andrew Biggerstaff | Attorney |
| Hennepin County | Assessor |

FINANCIAL SECTION



PRINCIPALS

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

INDEPENDENT AUDITOR'S REPORT

To the City Council and Management
City of Robbinsdale, Minnesota

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Robbinsdale, Minnesota (the City) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

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

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

(continued)

OPINIONS

In our opinion, the financial statements referred to on the previous page present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund and major special revenue funds for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

EMPHASIS OF MATTER

As described in Note 1 of the notes to basic financial statements, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, during the year ended December 31, 2018. Our opinion is not modified with respect to this matter.

OTHER MATTERS

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the required supplemental information (RSI), as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the RSI in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

(continued)

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 20, 2019 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

Minneapolis, Minnesota

May 20, 2019



READER'S NOTES:

CITY OF ROBBINSDALE

Management's Discussion and Analysis Year Ended December 31, 2018

As management of the City of Robbinsdale, Minnesota (the City), we have provided readers of the City's financial statements with this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2018. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, located earlier in this report.

FINANCIAL HIGHLIGHTS

- The overall net position of the City increased \$2,201,065 in the current year. The change in net position related to governmental activities was a decrease of (\$133,274), while the net result of business-type activities was an increase of \$2,334,339.
- 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 \$76,508,537 (net position), as compared to \$74,307,472 at the end of 2017. Of this amount, \$17,071,248 (unrestricted net position) is available to meet the City's ongoing obligations to its citizens and creditors. At year-end, the City was able to report a positive balance in all categories of net position.
- At the end of the fiscal year, the unassigned fund balance for the City's General Fund was \$5,268,507, which represents 53.1 percent of total General Fund expenditures for 2018.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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 private sector businesses.

The Statement of Net Position presents financial information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference 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 for some items that will only result in cash flows in future fiscal periods (delinquent taxes and special assessments).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by property taxes and intergovernmental revenues (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 include general government, community development, public safety, recreation, and public works. The business-type activities of the City include utilities (water, sanitary sewer, storm sewer, and solid waste removal), liquor operations, Broadway Court, and deputy registrar.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the governmental funds Balance Sheet and Statement of Revenue, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The City maintains six individual major governmental funds. Information is presented separately in the governmental funds Balance Sheet and Statement of Revenue, Expenditures, and Changes in Fund Balances for the General Fund, Robbinsdale Economic Development Authority (REDA) General Development Special Revenue Fund, REDA Tax Increment Financing (TIF) Development Special Revenue Fund, REDA Tax Increment Debt Service Fund, General Debt Service Fund, and the Permanent Improvement Revolving (PIR) Capital Projects Fund. Data from the other nonmajor 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 elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund and major special revenue funds. A budgetary comparison statement has been provided for those major governmental funds to demonstrate compliance with this budget.

Proprietary Funds – The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal service funds are accounting devices used to accumulate and allocate costs internally among the City’s various functions. The City uses internal service funds to account for the following operations: central garage, central services (general office, information technology, and government buildings), equipment replacement, risk insurance, and benefit accrual. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide separate information for the water utility, sanitary sewer utility, storm sewer utility, solid waste removal, liquor operations, and Broadway Court, all of which are considered to be major funds of the City. Conversely, nonmajor enterprise operations (Deputy Registrar) and internal service funds are combined into single, aggregated presentations in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

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

Notes to Basic Financial Statements – The notes to basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information – Required supplementary information (RSI) is presented following the notes to basic financial statements. Combining and individual fund statements and schedules for nonmajor funds and other schedules are presented immediately following the RSI. Statistical tables are presented as the last section in this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the City’s financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$76,508,537 at the close of the most recent fiscal year.

Net Position – The City has 63.0 percent of its total net position invested in capital assets (land, land improvements, buildings and improvements, machinery and equipment, infrastructure, and construction in progress) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot liquidate these liabilities. An additional 14.7 percent of the City’s net position represents resources that are subject to external restrictions on how they may be used. The remaining 22.3 percent of net position is unrestricted and may be used to meet the City’s ongoing obligations.

The following is a summary of the City’s net position:

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|-------------------------|---------------|--------------------------|---------------|---------------|---------------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| Current and other assets | \$ 28,151,922 | \$ 28,162,387 | \$ 14,794,332 | \$ 12,802,218 | \$ 42,946,254 | \$ 40,964,605 |
| Capital assets | 34,508,241 | 33,594,682 | 33,499,257 | 32,979,210 | 68,007,498 | 66,573,892 |
| Total assets | 62,660,163 | 61,757,069 | 48,293,589 | 45,781,428 | 110,953,752 | 107,538,497 |
| Deferred outflows of resources | | | | | | |
| Deferred charge on refunding | – | – | 167,826 | 183,083 | 167,826 | 183,083 |
| OPEB plan deferments | 34,966 | – | 8,984 | – | 43,950 | – |
| Pension plan deferments | 3,508,107 | 4,672,824 | 124,020 | 205,234 | 3,632,127 | 4,878,058 |
| Total deferred outflows | 3,543,073 | 4,672,824 | 300,830 | 388,317 | 3,843,903 | 5,061,141 |
| Noncurrent liabilities (including current portion) | 17,503,776 | 17,158,586 | 13,160,096 | 13,048,069 | 30,663,872 | 30,206,655 |
| Other liabilities | 1,651,930 | 1,809,198 | 830,845 | 875,824 | 2,482,775 | 2,685,022 |
| Total liabilities | 19,155,706 | 18,967,784 | 13,990,941 | 13,923,893 | 33,146,647 | 32,891,677 |
| Deferred inflows of resources | | | | | | |
| Pension plan deferments | 4,961,034 | 5,242,339 | 181,437 | 158,150 | 5,142,471 | 5,400,489 |
| Net position | | | | | | |
| Net investment in capital assets | 26,883,728 | 27,219,381 | 21,318,637 | 21,009,635 | 48,202,365 | 48,229,016 |
| Restricted | 11,234,924 | 10,517,274 | – | – | 11,234,924 | 10,517,274 |
| Unrestricted | 3,967,844 | 4,483,115 | 13,103,404 | 11,078,067 | 17,071,248 | 15,561,182 |
| Total net position | \$ 42,086,496 | \$ 42,219,770 | \$ 34,422,041 | \$ 32,087,702 | \$ 76,508,537 | \$ 74,307,472 |

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities. Changes in state-wide pension plans contributed to the differences in total deferred outflows, noncurrent liabilities, and deferred inflows.

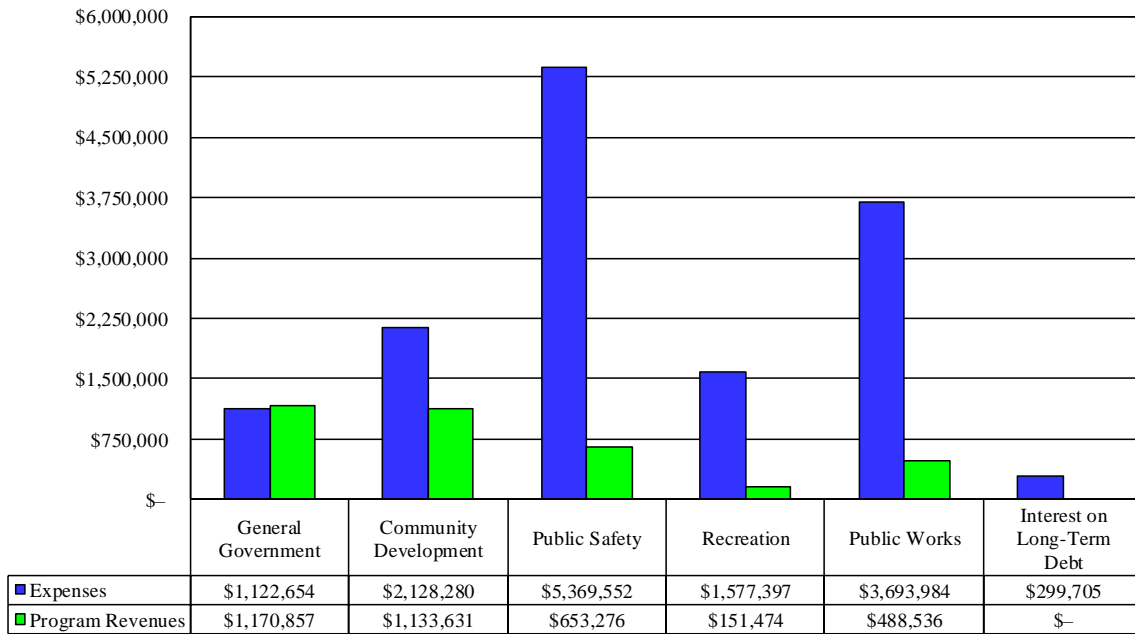
The following is a summary of the City's changes in net position:

| | Governmental Activities | | Business-Type Activities | | Total | |
|--|-------------------------|----------------------|--------------------------|----------------------|----------------------|----------------------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| Revenues | | | | | | |
| Program revenues | | | | | | |
| Charges for services | \$ 1,907,212 | \$ 2,209,509 | \$ 9,854,061 | \$ 8,633,306 | \$ 11,761,273 | \$ 10,842,815 |
| Operating grants and contributions | 1,318,582 | 888,512 | 41,401 | 42,495 | 1,359,983 | 931,007 |
| Capital grants and contributions | 371,980 | 1,150,852 | – | 325,955 | 371,980 | 1,476,807 |
| General revenues | | | | | | |
| Property taxes | 6,373,887 | 6,097,831 | – | – | 6,373,887 | 6,097,831 |
| Tax increments | 522,258 | 485,152 | – | – | 522,258 | 485,152 |
| Unrestricted grants and contributions | 1,834,241 | 1,737,793 | – | – | 1,834,241 | 1,737,793 |
| Franchise fee tax | 640,342 | 581,330 | – | – | 640,342 | 581,330 |
| Unrestricted investment earnings | 390,150 | 356,299 | 201,833 | 141,672 | 591,983 | 497,971 |
| Net change in fair value of investments | (38,937) | (102,045) | (20,036) | (40,191) | (58,973) | (142,236) |
| Land sales | 157,500 | 127,900 | – | – | 157,500 | 127,900 |
| Gain on sale of assets | 53,686 | 76,878 | – | – | 53,686 | 76,878 |
| Total revenues | 13,530,901 | 13,610,011 | 10,077,259 | 9,103,237 | 23,608,160 | 22,713,248 |
| Expenses | | | | | | |
| General government | 1,122,654 | 1,084,789 | – | – | 1,122,654 | 1,084,789 |
| Community development | 2,128,280 | 1,111,749 | – | – | 2,128,280 | 1,111,749 |
| Public safety | 5,369,552 | 5,273,771 | – | – | 5,369,552 | 5,273,771 |
| Recreation | 1,577,397 | 1,554,725 | – | – | 1,577,397 | 1,554,725 |
| Public works | 3,693,984 | 3,465,917 | – | – | 3,693,984 | 3,465,917 |
| Interest on long-term debt | 299,705 | 339,995 | – | – | 299,705 | 339,995 |
| Water utility | – | – | 1,054,113 | 1,084,344 | 1,054,113 | 1,084,344 |
| Sanitary sewer utility | – | – | 1,698,350 | 1,673,356 | 1,698,350 | 1,673,356 |
| Storm sewer utility | – | – | 881,082 | 802,930 | 881,082 | 802,930 |
| Solid waste removal | – | – | 1,276,109 | 1,233,380 | 1,276,109 | 1,233,380 |
| Liquor operations | – | – | 936,276 | 800,461 | 936,276 | 800,461 |
| Broadway Court | – | – | 692,311 | 685,356 | 692,311 | 685,356 |
| Deputy Registrar | – | – | 455,513 | 431,056 | 455,513 | 431,056 |
| Total expenses | 14,191,572 | 12,830,946 | 6,993,754 | 6,710,883 | 21,185,326 | 19,541,829 |
| Change in net position before transfers and special item | (660,671) | 779,065 | 3,083,505 | 2,392,354 | 2,422,834 | 3,171,419 |
| Transfers | 527,397 | (58,147) | (527,397) | 58,147 | – | – |
| Special item – loss on liquor leasehold improvements | – | – | (221,769) | – | (221,769) | – |
| Change in net position | (133,274) | 720,918 | 2,334,339 | 2,450,501 | 2,201,065 | 3,171,419 |
| Net position – beginning, | 42,219,770 | 41,498,852 | 32,087,702 | 29,637,201 | 74,307,472 | 71,136,053 |
| Net position – ending | <u>\$ 42,086,496</u> | <u>\$ 42,219,770</u> | <u>\$ 34,422,041</u> | <u>\$ 32,087,702</u> | <u>\$ 76,508,537</u> | <u>\$ 74,307,472</u> |

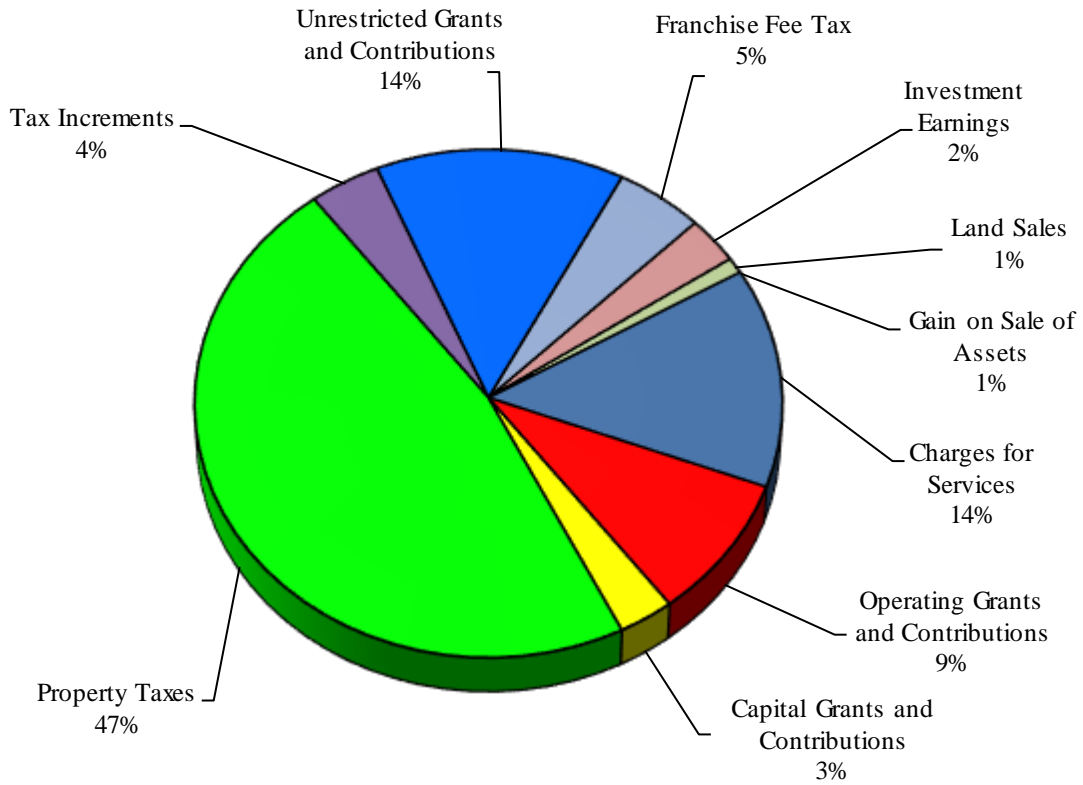
Governmental Activities – Governmental activities reduced the City's net position by \$133,274. Key elements of this change include:

- Governmental activities recognized a decrease before transfers of \$660,671.
- Business-type activities net transfers contributed \$527,397 of the total change in net position.
- Revenues decreased by \$79,110. While many sources increased, capital grants and contributions decreased with the recognition of more municipal street aid funds in the prior year. Operating grants and contributions were up, due to additional community development grants in 2018.
- Expenses were up by \$1,360,626, or 10.6 percent, with the largest change occurring with increased community development activity in the current year.

**Expenses vs. Program Revenues
Governmental Activities**



Revenue by Source – Governmental Activities



Business-Type Activities – Business-type activities increased the City’s net position by \$2,334,339, after \$527,397 of net transfers to governmental activities. The City also reported a special item, reducing net position in business-type activities by \$221,769 in the current year. The City’s liquor store operation moved into a new location in 2018. The special item reported represents the City’s write-off of leasehold improvements and closure of the previous location.

The water utility increased net position by \$1,247,420. Operating revenues increased \$546,907 in the current year with an increase in consumption, rates, and connection charges. Operating expenses decreased \$29,671, having less spending in other services and charges within the water utility system. Rate increases are monitored and planned within the City’s Five-Year Capital Improvement Plan (CIP), which is updated annually.

The sanitary sewer utility increased net position by \$464,659. An increase in usage and rates contributed to the improved operating results compared to the prior year. Rate increases are monitored and planned within the City’s CIP, which is updated annually.

The storm sewer utility increased net position by \$218,526. Operating revenue increased, primarily due to an approved rate increase. Operating expenses increased primarily in personal services, supplies, and depreciation on storm sewer infrastructure. Rate increases are monitored and planned within the City’s CIP, which is updated annually.

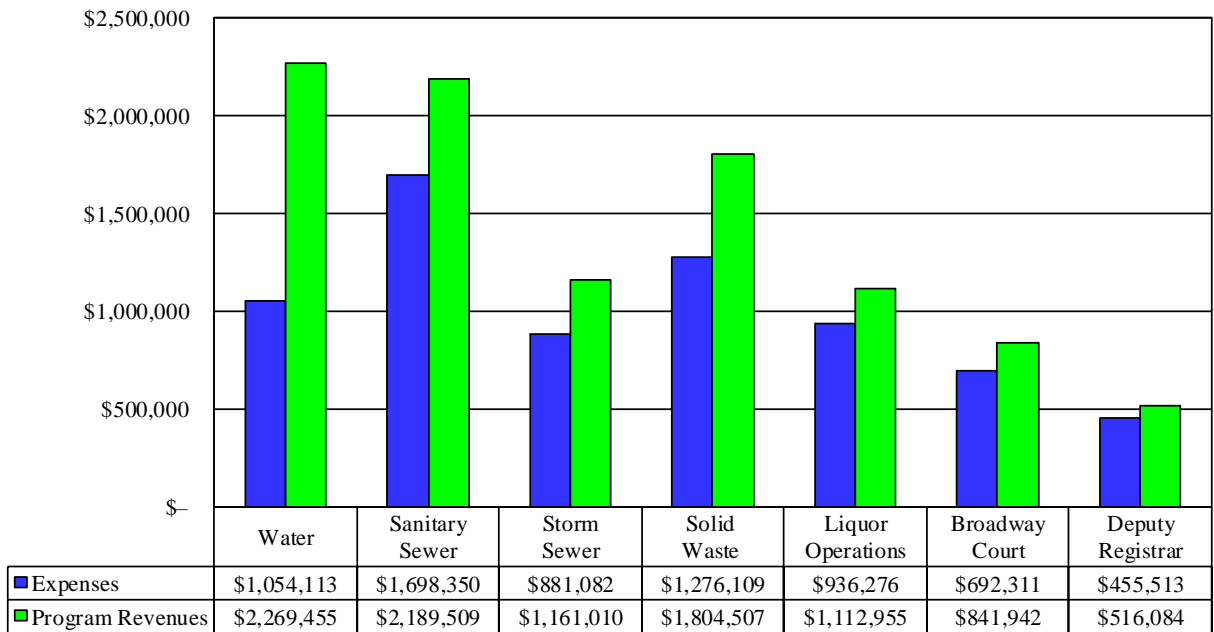
Solid waste removal increased net position by \$398,930. Operating revenue increased in the current year, primarily due to a rate increase approved for 2018. Operating expenses increased 3.5 percent, due to an increase in disposal charges. Rate increases are reviewed and updated annually. This operation had income before transfers of \$578,930 in 2018, allowing transfers of \$180,000 to other city funds in the current year.

Liquor operations reduced net position by \$180,677. Gross profit was 26.1 percent of net sales, which is consistent with the 25.0 percent target. As mentioned above, this operation reported a special item, reducing net position by \$221,769, with the transition to a new store in the current year. Transfers to other funds totaled \$150,000 in the current year.

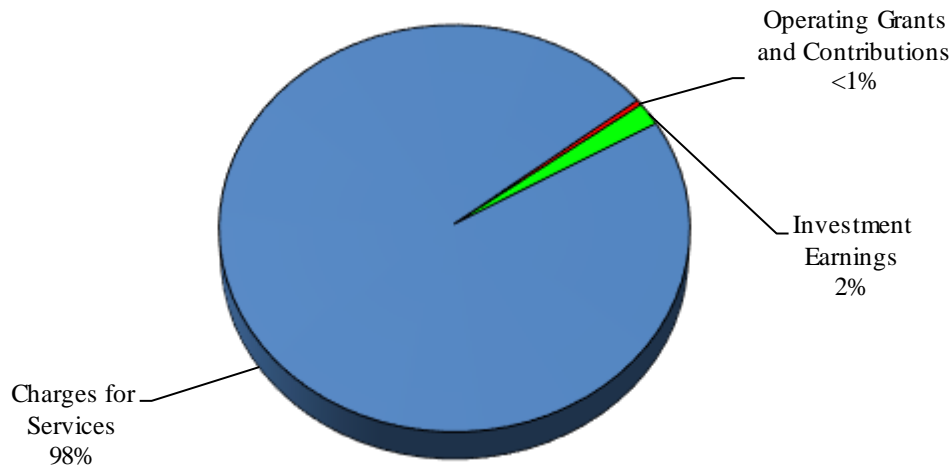
Broadway Court, which relates to the rental operations of the Broadway Court Senior Housing Complex, owned and operated by the REDA, increased net position by \$165,824. Operating revenues and expenses were similar to the prior year, resulting in an operating income of \$225,880, compared to an operating income of \$239,181 in the prior year.

The Deputy Registrar increased net position by \$19,657. Operating revenue increased by 1.2 percent, while operating expenses increased by 5.7 percent. Transfers to other funds totaled \$50,000 in the current year.

**Expenses vs. Program Revenues
Business-Type Activities**



Revenue by Source – Business-Type Activities



FINANCIAL ANALYSIS OF THE CITY AT THE FUND LEVEL

Governmental Funds – The City’s governmental funds reported combined ending fund balances of \$18,071,004, an increase of \$339,040. The fund balance is comprised of nonspendable, restricted, committed, and assigned items, which equal 94.6 percent of the fund balance. Unassigned fund balance is 5.4 percent.

General Fund – The fund balance decreased by \$34,188 before transfers. The fund balance at year-end is \$5,560,988. This is equal to 56.0 percent of total 2018 expenditures in the General Fund, which puts the General Fund in an excellent financial position. During 2018, this fund received \$246,416 of net transfers as approved by the City Council.

General Fund operating results are summarized as follows:

| | 2018 | 2017 |
|----------------------------------|---------------------|---------------------|
| Fund balance – beginning of year | \$ 5,348,760 | \$ 5,180,854 |
| Additions | | |
| Revenue | 9,891,159 | 9,160,186 |
| Other sources – transfers in | 270,995 | 296,837 |
| Total additions | <u>10,162,154</u> | <u>9,457,023</u> |
| Deletions | | |
| Expenditures | 9,925,347 | 9,289,117 |
| Other uses – transfers out | 24,579 | – |
| Total deletions | <u>9,949,926</u> | <u>9,289,117</u> |
| Fund balance – end of year | <u>\$ 5,560,988</u> | <u>\$ 5,348,760</u> |

Of this fund balance, \$5,268,507 is unassigned. The City has established a minimum unassigned fund balance policy of 40.0–50.0 percent of the subsequent year’s budgeted expenditures. At year-end, the unassigned fund balance of the General Fund was 50.7 percent of the subsequent year’s budgeted expenditures. This amount is needed to provide for General Fund operations during the first half of the year, since the City does not receive any significant money from its main revenue source—property taxes—until July of each year. Also, \$287,611 was assigned for the subsequent year’s budget and senior programs, while \$4,870 was considered nonspendable for prepaids.

General Fund Revenues – The following is an analysis of 2018 General Fund revenue:

| Revenue | Original 2018 Budget | Final 2018 Budget | 2018 Actual | Over (Under) Final Budget | Percent Over (Under) Final Budget |
|--|-------------------------|----------------------|---------------------|------------------------------|---|
| Property taxes | \$ 5,549,735 | \$ 5,549,735 | \$ 5,561,073 | \$ 11,338 | 0.2 % |
| Special assessments | – | – | 21,433 | 21,433 | – |
| Licenses and permits | 419,000 | 419,000 | 677,126 | 258,126 | 61.6 |
| Intergovernmental | 2,121,629 | 2,383,869 | 2,443,801 | 59,932 | 2.5 |
| Charges for services | 612,380 | 612,380 | 595,143 | (17,237) | (2.8) |
| Fines and forfeitures | 231,500 | 231,500 | 186,560 | (44,940) | (19.4) |
| Franchise fee tax | 276,872 | 276,872 | 320,171 | 43,299 | 15.6 |
| Interest and dividends | 40,000 | 40,000 | 84,475 | 44,475 | 111.2 |
| Net change in fair value of investments | – | – | (8,431) | (8,431) | – |
| Miscellaneous | 7,500 | 7,500 | 9,808 | 2,308 | 30.8 |
| Totals | <u>\$ 9,258,616</u> | <u>\$ 9,520,856</u> | <u>\$ 9,891,159</u> | <u>\$ 370,303</u> | 3.9 |

Overall, revenues were over budget by 3.9 percent as presented in the table above. The largest variance was in licenses and permits, which were higher due to additional construction activity and conservative budgeting for this less predictable revenue source.

General Fund Expenditures – The following is an analysis of 2018 General Fund expenditures:

| Category | Original 2018 Budget | Final 2018 Budget | 2018 Actual | Over (Under) Final Budget | Percent Over (Under) Final Budget |
|-----------------------|-------------------------|----------------------|---------------------|------------------------------|---|
| General government | \$ 1,078,200 | \$ 1,078,200 | \$ 1,013,639 | \$ (64,561) | (6.0) % |
| Community development | 439,164 | 701,404 | 730,572 | 29,168 | 4.2 |
| Public safety | 5,244,194 | 5,244,194 | 5,213,691 | (30,503) | (0.6) |
| Recreation | 1,177,001 | 1,177,001 | 1,122,502 | (54,499) | (4.6) |
| Public works | 2,027,201 | 2,027,201 | 1,844,943 | (182,258) | (9.0) |
| Totals | <u>\$ 9,965,760</u> | <u>\$ 10,228,000</u> | <u>\$ 9,925,347</u> | <u>\$ (302,653)</u> | (3.0) |

General Fund expenditures were \$302,653, or 3.0 percent, under budget as presented in the table above. The largest savings were in supplies (\$101,457) and other services and charges (\$164,015). Expenditures were under budget, due in part to shared restraint by all departments.

The budget was amended during the year, to account for an increase in intergovernmental grant funding and community related development. An amendment to increase transfers out (not included in the table above) was also approved during the year.

Other Major Governmental Funds – The City reported five other major governmental funds in 2018:

REDA General Development Special Revenue Fund – The REDA General Development Special Revenue Fund has a total fund balance of \$7,969,773, which is restricted for community development. The net increase in fund balance during the year was \$402,106, with community development revenue exceeding spending and transfers out in the current year.

REDA TIF Development Special Revenue Fund – The REDA TIF Development Special Revenue Fund has a total fund balance deficit of \$4,285,793, which will be reduced with the sale of property held for resale and future tax increments. The decrease in fund balance during the year of \$1,276,792 was due in part to a transfer to the REDA Tax Increment Debt Service Fund.

REDA Tax Increment Debt Service Fund – The REDA Tax Increment Debt Service Fund has a total fund balance of \$291,386. The net increase in fund balance during the year was \$1,262,874, primarily due to the transfer from the REDA TIF Development Special Revenue Fund.

General Debt Service Fund – The General Debt Service Fund has a total fund balance of \$1,470,779, which is restricted for future debt payments. The net increase in fund balance during the year was \$13,205.

PIR Capital Projects Fund – The PIR Capital Projects Fund has a total fund balance of \$5,351,112, which is dedicated to street reconstruction projects. The net decrease in fund balance for the year was \$517,875. The results are in line with the City’s CIP.

Proprietary Funds – The City’s proprietary funds provide the same information found in the government-wide financial statements, but in more detail. Unrestricted net position of the City’s enterprise funds totaled \$13,103,404 at the end of the fiscal year.

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets – At the end of 2018, the City had \$68,007,498 invested, net of depreciation, in a broad range of capital assets. This amount represents a net increase of \$1,433,606, or 2.2 percent, from the prior year. During 2018, the City made expenditures for a variety of capital needs, including infrastructure improvements, for both governmental and business-type activities. The City records all capital assets, including infrastructure. Infrastructure includes roads, bridges, signals, and similar assets used by the citizens. The City’s infrastructure assets are being recorded at historical or estimated historical costs in the government-wide and proprietary fund financial statements. Additional information on the City’s capital assets can be found in Note 5 in the notes to basic financial statements in this report.

Long-Term Debt – At year-end, the City had \$24,730,701 in long-term liabilities outstanding, excluding the total other post-employment benefits liability and net pension liability, versus \$23,381,404 last year, an increase of \$1,349,297. The increase was due to the issuance of the 2018A bonds and equipment certificates offset by continuing payments being made per the debt agreements. More detailed information about the City’s long-term debt is presented as Note 8 in the notes to basic financial statements.

The City carries an “AA+” bond rating from Standard & Poor’s.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

Economic factors affect the preparation of the annual budgets. The City considered the following major factors when setting the fiscal 2019 budget:

- The City received additional local government aid (LGA) in 2018 as scheduled. The LGA formula and funding is expected to remain at the higher level for future years.
- The 2019 General Fund levy provides for a 2019 budget to allow compliance with the City’s unassigned fund balance policy.
- Investment income is expected to remain at low levels, due to the low interest rate environment.
- Extension of franchise fees to June 2021.
- There has been an increase in building permit activity the past couple of years and it is expected to continue at a moderate rate in 2019.
- Continued progress with the City’s Long-Term Infrastructure Replacement Program.

Additionally, the following actions were taken in regards to the current year budget that will be continued:

- Decision to maintain fund balance levels to offset any potential future state aid reductions to balance General Fund budgets.
- Increase in utility rates as anticipated with recent rate studies and ongoing reviews completed.
- Review of staffing as vacancies occur to determine options for organizational changes or service reductions.

REQUESTS FOR INFORMATION

This Comprehensive Annual Financial Report is designated to provide a general overview of the City's finances for all those with an interest in government finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City's Finance Director, 4100 Lakeview Avenue North, Robbinsdale, Minnesota 55422. This report is also available on the City's website at www.robbinsdalemn.com/finance.



READER'S NOTES:

BASIC FINANCIAL STATEMENTS

CITY OF ROBBINSDALE

Statement of Net Position
December 31, 2018

| | Governmental Activities | Business-Type Activities | Total |
|---|----------------------------|-----------------------------|-----------------------|
| Assets | | | |
| Cash and investments | \$ 23,284,976 | \$ 12,470,223 | \$ 35,755,199 |
| Receivables | | | |
| Accrued interest | 128,600 | 66,189 | 194,789 |
| Taxes | 143,957 | - | 143,957 |
| Special assessments | 1,804,752 | 352,402 | 2,157,154 |
| Accounts | 176,544 | 1,342,953 | 1,519,497 |
| Due from other governments | 153,684 | 50,000 | 203,684 |
| Notes | 712,087 | - | 712,087 |
| Inventories | - | 491,967 | 491,967 |
| Properties held for resale | 1,256,734 | - | 1,256,734 |
| Prepaid items | 50,287 | 20,598 | 70,885 |
| Net pension asset – fire relief | 440,301 | - | 440,301 |
| Capital assets | | | |
| Not depreciated | 2,882,686 | 1,791,256 | 4,673,942 |
| Depreciated, net of accumulated depreciation | 31,625,555 | 31,708,001 | 63,333,556 |
| Total assets | <u>62,660,163</u> | <u>48,293,589</u> | <u>110,953,752</u> |
| Deferred outflows of resources | | | |
| Deferred charge on refunding | - | 167,826 | 167,826 |
| OPEB plan deferments | 34,966 | 8,984 | 43,950 |
| Pension plan deferments – PERA | 3,341,062 | 124,020 | 3,465,082 |
| Pension plan deferments – fire relief | 167,045 | - | 167,045 |
| Total deferred outflows of resources | <u>3,543,073</u> | <u>300,830</u> | <u>3,843,903</u> |
| Total assets and deferred outflows of resources | <u>\$ 66,203,236</u> | <u>\$ 48,594,419</u> | <u>\$ 114,797,655</u> |
| Liabilities | | | |
| Accounts payable | \$ 369,699 | \$ 379,855 | \$ 749,554 |
| Accrued salaries and benefits | 422,255 | - | 422,255 |
| Contracts payable | 56,385 | 184,116 | 240,501 |
| Due to other governments | 1,422 | 79,614 | 81,036 |
| Accrued interest payable | 127,643 | 114,127 | 241,770 |
| Unearned revenue | 640,014 | 1,597 | 641,611 |
| Deposits | 34,512 | 71,536 | 106,048 |
| Long-term liabilities | | | |
| Total OPEB liability | 599,051 | 100,546 | 699,597 |
| Net pension liability | 4,522,470 | 711,104 | 5,233,574 |
| Due within one year | 913,500 | 1,225,000 | 2,138,500 |
| Due in more than one year | 11,468,755 | 11,123,446 | 22,592,201 |
| Total liabilities | <u>19,155,706</u> | <u>13,990,941</u> | <u>33,146,647</u> |
| Deferred inflows of resources | | | |
| Pension plan deferments – PERA | 4,659,303 | 181,437 | 4,840,740 |
| Pension plan deferments – fire relief | 301,731 | - | 301,731 |
| Total deferred inflows of resources | <u>4,961,034</u> | <u>181,437</u> | <u>5,142,471</u> |
| Net position | | | |
| Net investment in capital assets | 26,883,728 | 21,318,637 | 48,202,365 |
| Restricted for | | | |
| Public safety equipment | 21,736 | - | 21,736 |
| Debt service | 2,800,311 | - | 2,800,311 |
| Fire relief pensions | 305,615 | - | 305,615 |
| Community development | 8,107,262 | - | 8,107,262 |
| Unrestricted | 3,967,844 | 13,103,404 | 17,071,248 |
| Total net position | <u>42,086,496</u> | <u>34,422,041</u> | <u>76,508,537</u> |
| Total liabilities, deferred inflows of resources, and net position | <u>\$ 66,203,236</u> | <u>\$ 48,594,419</u> | <u>\$ 114,797,655</u> |

CITY OF ROBBINSDALE

Statement of Activities
Year Ended December 31, 2018

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | |
|--|---------------------|----------------------------|--|--|--|-----------------------------|---------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-Type Activities | Total |
| Governmental activities | | | | | | | |
| General government | \$ 1,122,654 | \$ 1,111,459 | \$ 59,398 | \$ - | \$ 48,203 | \$ - | \$ 48,203 |
| Community development | 2,128,280 | 285,904 | 847,727 | - | (994,649) | - | (994,649) |
| Public safety | 5,369,552 | 296,995 | 356,281 | - | (4,716,276) | - | (4,716,276) |
| Recreation | 1,577,397 | 101,189 | 33,977 | 16,308 | (1,425,923) | - | (1,425,923) |
| Public works | 3,693,984 | 111,665 | 21,199 | 355,672 | (3,205,448) | - | (3,205,448) |
| Interest on long-term debt | 299,705 | - | - | - | (299,705) | - | (299,705) |
| Total governmental activities | 14,191,572 | 1,907,212 | 1,318,582 | 371,980 | (10,593,798) | - | (10,593,798) |
| Business-type activities | | | | | | | |
| Water utility | 1,054,113 | 2,268,565 | 890 | - | - | 1,215,342 | 1,215,342 |
| Sanitary sewer utility | 1,698,350 | 2,188,787 | 722 | - | - | 491,159 | 491,159 |
| Storm sewer utility | 881,082 | 1,160,673 | 337 | - | - | 279,928 | 279,928 |
| Solid waste removal | 1,276,109 | 1,768,835 | 35,672 | - | - | 528,398 | 528,398 |
| Liquor operations | 936,276 | 1,110,812 | 2,143 | - | - | 176,679 | 176,679 |
| Broadway Court | 692,311 | 841,942 | - | - | - | 149,631 | 149,631 |
| Deputy Registrar | 455,513 | 514,447 | 1,637 | - | - | 60,571 | 60,571 |
| Total business-type activities | 6,993,754 | 9,854,061 | 41,401 | - | - | 2,901,708 | 2,901,708 |
| Total government | <u>\$21,185,326</u> | <u>\$11,761,273</u> | <u>\$ 1,359,983</u> | <u>\$ 371,980</u> | (10,593,798) | 2,901,708 | (7,692,090) |
| General revenues | | | | | | | |
| Property taxes | | | | | 6,373,887 | - | 6,373,887 |
| Tax increments | | | | | 522,258 | - | 522,258 |
| Unrestricted grants and contributions | | | | | 1,834,241 | - | 1,834,241 |
| Franchise fee tax | | | | | 640,342 | - | 640,342 |
| Unrestricted investment earnings | | | | | 390,150 | 201,833 | 591,983 |
| Net change in fair value of investments | | | | | (38,937) | (20,036) | (58,973) |
| Land sales | | | | | 157,500 | - | 157,500 |
| Gain on sale of assets | | | | | 53,686 | - | 53,686 |
| Transfers | | | | | 527,397 | (527,397) | - |
| Special item – loss on liquor leasehold improvements | | | | | - | (221,769) | (221,769) |
| Total general revenues and transfers | | | | | <u>10,460,524</u> | <u>(567,369)</u> | <u>9,893,155</u> |
| Change in net position | | | | | (133,274) | 2,334,339 | 2,201,065 |
| Net position – beginning | | | | | <u>42,219,770</u> | <u>32,087,702</u> | <u>74,307,472</u> |
| Net position – ending | | | | | <u>\$42,086,496</u> | <u>\$34,422,041</u> | <u>\$76,508,537</u> |



READER'S NOTES:

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund is established to account for the revenue and expenditures to carryout basic governmental services to the residents of the City, such as general government, community development, public safety, recreation, public works, and human services. Revenue is recorded by source; i.e., taxes, licenses and permits, intergovernmental, charges for services, fines and forfeitures, and miscellaneous revenue. General Fund expenditures are made primarily for current day-to-day operations and operating equipment and are recorded by major functional classifications and by operating departments. This fund accounts for all financial transactions not accounted for in another fund.

SPECIAL REVENUE FUNDS

Robbinsdale Economic Development Authority (REDA) General Development Fund

This fund was established by the REDA to promote development and/or redevelopment with the use of funds other than tax increment financing (TIF). Revenue is generated through the repayment of business assistance loans, sale of land and redeveloped houses, and a small property tax levy (limited by state statutes). Uses of these funds are at the discretion of the REDA Board.

REDA TIF Development Fund

This fund was established by the REDA to promote development and/or redevelopment through the use of TIF. Revenue is generated by the additional property taxes generated by new development facilitated by the REDA. Uses of these funds include land acquisition, demolition, and construction of public infrastructure.

DEBT SERVICE FUND

REDA Tax Increment Fund

This fund was established to account for the payment of principal and interest on the tax increment bond issues. The City issued tax increment bonds backed by the full faith and credit of the City on behalf of the REDA. The tax increment income generated by the REDA is pledged for the retirement of these bonds.

General Debt Service Fund

This fund was established to account for the repayment of principal and interest on obligations backed by the full faith and credit of the City, other than those accounted for in enterprise funds.

CAPITAL PROJECT FUND

Permanent Improvement Revolving (PIR) Fund

The PIR Fund was established by the City Charter, Chapter 7, and designated per Section 315 of the City Code to finance the construction, maintenance, and/or repair of assessable and nonassessable improvements related to the City's Traffic and Transportation Program. It also accounts for funds allocated to the City as municipal state aid for highway construction.

CITY OF ROBBINSDALE

Balance Sheet
Governmental Funds
December 31, 2018

| | General Fund | Special Revenue | | Debt Service |
|--|---------------------|--|------------------------------------|-------------------------------|
| | | REDA General Development Fund | REDA TIF Development Fund | REDA Tax Increment Fund |
| Assets | | | | |
| Cash and investments | \$ 5,660,519 | \$ 2,368,607 | \$ 19,235 | \$ 291,131 |
| Receivables | | | | |
| Accrued interest | 31,294 | 13,156 | 23 | 1,620 |
| Taxes | 131,689 | 5,708 | 989 | 2,284 |
| Special assessments | 24,209 | – | – | – |
| Accounts | 77,664 | 5,500 | – | – |
| Due from other governments | 42,572 | 80,141 | – | – |
| Notes | – | 132,834 | – | – |
| Property held for resale | – | 1,256,734 | – | – |
| Prepaid items | 4,870 | – | – | – |
| Advance to other funds | – | 4,287,316 | – | – |
| | | | | |
| Total assets | <u>\$ 5,972,817</u> | <u>\$ 8,149,996</u> | <u>\$ 20,247</u> | <u>\$ 295,035</u> |
| Liabilities | | | | |
| Accounts payable | \$ 212,996 | \$ 17,410 | \$ 20,760 | \$ 1,613 |
| Contracts payable | – | 4,846 | – | – |
| Due to other governments | 1,422 | – | – | – |
| Unearned revenue | 60,761 | – | – | – |
| Deposits | 14,034 | 20,478 | – | – |
| Advance from other funds | – | – | 4,285,280 | 2,036 |
| Total liabilities | <u>289,213</u> | <u>42,734</u> | <u>4,306,040</u> | <u>3,649</u> |
| Deferred inflows of resources | | | | |
| Unavailable revenue – property taxes | 98,407 | 4,655 | – | – |
| Unavailable revenue – special assessments | 24,209 | – | – | – |
| Unavailable revenue – notes | – | 132,834 | – | – |
| Total deferred inflows of resources | <u>122,616</u> | <u>137,489</u> | <u>–</u> | <u>–</u> |
| Fund balances (deficits) | | | | |
| Nonspendable | 4,870 | – | – | – |
| Restricted | – | 7,969,773 | – | 291,386 |
| Committed | – | – | – | – |
| Assigned | 287,611 | – | – | – |
| Unassigned | 5,268,507 | – | (4,285,793) | – |
| Total fund balances (deficits) | <u>5,560,988</u> | <u>7,969,773</u> | <u>(4,285,793)</u> | <u>291,386</u> |
| | | | | |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 5,972,817</u> | <u>\$ 8,149,996</u> | <u>\$ 20,247</u> | <u>\$ 295,035</u> |

| <u>Debt Service</u> | <u>Capital Projects</u> | | |
|---------------------------------|---|---------------------|--------------------------------|
| General Debt Service Fund | Permanent Improvement Revolving Fund | Nonmajor Funds | Total Governmental Funds |
| \$ 1,457,423 | \$ 5,266,973 | \$ 1,698,572 | \$ 16,762,460 |
| 8,088 | 29,042 | 9,386 | 92,609 |
| 3,287 | — | — | 143,957 |
| 1,167,770 | 444,630 | 168,143 | 1,804,752 |
| — | 77,115 | 12,912 | 173,191 |
| — | 27,424 | 3,547 | 153,684 |
| — | 190,775 | 388,478 | 712,087 |
| — | — | — | 1,256,734 |
| — | 3,240 | — | 8,110 |
| — | — | — | 4,287,316 |
| <u>\$ 2,636,568</u> | <u>\$ 6,039,199</u> | <u>\$ 2,281,038</u> | <u>\$ 25,394,900</u> |
| \$ — | \$ 3,897 | \$ 11,525 | \$ 268,201 |
| — | 50,712 | 827 | 56,385 |
| — | — | — | 1,422 |
| — | 190,775 | 388,478 | 640,014 |
| — | — | — | 34,512 |
| — | — | — | 4,287,316 |
| — | 245,384 | 400,830 | 5,287,850 |
| — | — | — | 103,062 |
| 1,165,789 | 442,703 | 167,449 | 1,800,150 |
| — | — | — | 132,834 |
| <u>1,165,789</u> | <u>442,703</u> | <u>167,449</u> | <u>2,036,046</u> |
| — | 3,240 | — | 8,110 |
| 1,470,779 | — | 21,736 | 9,753,674 |
| — | 32,178 | 1,684,288 | 1,716,466 |
| — | 5,315,694 | 6,735 | 5,610,040 |
| — | — | — | 982,714 |
| <u>1,470,779</u> | <u>5,351,112</u> | <u>1,712,759</u> | <u>18,071,004</u> |
| <u>\$ 2,636,568</u> | <u>\$ 6,039,199</u> | <u>\$ 2,281,038</u> | <u>\$ 25,394,900</u> |



READER'S NOTES:

CITY OF ROBBINSDALE

Reconciliation of the Balance Sheet
to the Statement of Net Position
Governmental Funds
December 31, 2018

Total fund balances – governmental funds \$ 18,071,004

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

| | |
|--------------------------|--------------|
| Capital assets | 48,558,959 |
| Accumulated depreciation | (18,609,525) |

Net pension assets are only recorded in the government-wide financial statements as they are not current financial resources to governmental funds.

440,301

Due to availability, certain revenues are not recognized under the governmental fund statements until received; however, under the full accrual in the government-wide Statement of Activities, revenues are recorded when earned regardless of when received.

| | |
|--------------------------------|-----------|
| Property taxes receivable | 103,062 |
| Special assessments receivable | 1,800,150 |
| Notes receivable | 132,834 |

Internal service funds are used by management to charge the costs associated with central garage operations, central government services (general office, information technology, and government buildings), equipment replacement, risk insurance, and accrued benefit liabilities. The balances of these internal service funds are included in governmental activities in the Statement of Net Position.

9,703,303

Long-term liabilities, including accrued interest, are not due and payable in the current period and, therefore, are not reported in the governmental funds.

| | |
|--|--------------|
| Total OPEB liability | (593,556) |
| Net pension liability | (4,259,015) |
| Bonds and notes payable, net of unamortized discounts and premiums | (11,727,616) |
| Accrued interest payable | (127,643) |

Governmental funds do not report certain long-term amounts related to pensions that are included in net position.

| | |
|--|-------------|
| Deferred outflows of resources – OPEB plan deferments | 33,071 |
| Deferred outflows of resources – pension plan deferments | 3,457,929 |
| Deferred inflows of resources – pension plan deferments | (4,896,762) |

Total net position – governmental activities \$ 42,086,496

CITY OF ROBBINSDALE

Statement of Revenue, Expenditures, and Changes in Fund Balances
 Governmental Funds
 Year Ended December 31, 2018

| | General Fund | Special Revenue | | Debt Service |
|--|---------------------|--|------------------------------------|-------------------------------|
| | | REDA General Development Fund | REDA TIF Development Fund | REDA Tax Increment Fund |
| Revenues | | | | |
| Property taxes | \$ 5,561,073 | \$ 177,700 | \$ - | \$ - |
| Tax increments | - | - | 151,398 | 370,860 |
| Special assessments | 21,433 | - | - | - |
| Licenses and permits | 677,126 | - | - | - |
| Intergovernmental | 2,443,801 | 585,487 | - | - |
| Charges for services | 595,143 | 253,903 | 27,417 | - |
| Land sales | - | 78,500 | 79,000 | - |
| Fines and forfeitures | 186,560 | - | - | - |
| Franchise fee tax | 320,171 | - | - | - |
| Interest and dividends | 84,475 | 43,765 | 133 | 1,923 |
| Net change in fair value of investments | (8,431) | (4,375) | (6) | (192) |
| Miscellaneous | 9,808 | 2,530 | - | - |
| Total revenues | <u>9,891,159</u> | <u>1,137,510</u> | <u>257,942</u> | <u>372,591</u> |
| Expenditures | | | | |
| Current | | | | |
| General government | 1,013,639 | - | - | - |
| Community development | 730,572 | 733,832 | 326,307 | 3,483 |
| Public safety | 5,207,789 | - | - | - |
| Recreation | 1,122,502 | - | - | - |
| Public works | 1,815,000 | - | - | - |
| Debt service | | | | |
| Principal | - | - | - | 165,000 |
| Interest and fiscal charges | - | - | - | 149,661 |
| Capital outlay and improvements | 35,845 | - | - | - |
| Total expenditures | <u>9,925,347</u> | <u>733,832</u> | <u>326,307</u> | <u>318,144</u> |
| Excess (deficiency) of revenues over (under) expenditures | (34,188) | 403,678 | (68,365) | 54,447 |
| Other financing sources (uses) | | | | |
| Issuance of debt | - | - | - | - |
| Premium on debt issuance | - | - | - | - |
| Transfers in | 270,995 | - | - | 1,208,427 |
| Transfers (out) | (24,579) | (1,572) | (1,208,427) | - |
| Total other financing sources (uses) | <u>246,416</u> | <u>(1,572)</u> | <u>(1,208,427)</u> | <u>1,208,427</u> |
| Net change in fund balance | 212,228 | 402,106 | (1,276,792) | 1,262,874 |
| Fund balances (deficits) | | | | |
| Beginning of year | <u>5,348,760</u> | <u>7,567,667</u> | <u>(3,009,001)</u> | <u>(971,488)</u> |
| End of year | <u>\$ 5,560,988</u> | <u>\$ 7,969,773</u> | <u>\$ (4,285,793)</u> | <u>\$ 291,386</u> |

| <u>Debt Service</u> | | <u>Capital Projects</u> | | |
|---------------------|---------------------|-------------------------|--|----------------------|
| General | Permanent | | | Total |
| Debt Service | Improvement | Nonmajor | | Governmental |
| Fund | Revolving | Funds | | Funds |
| Fund | Fund | Funds | | Funds |
| \$ 575,291 | \$ - | \$ - | | \$ 6,314,064 |
| - | - | - | | 522,258 |
| 314,516 | 209,091 | 48,901 | | 593,941 |
| - | - | - | | 677,126 |
| - | 42,499 | 50,849 | | 3,122,636 |
| - | 67,720 | 57,279 | | 1,001,462 |
| - | - | - | | 157,500 |
| - | - | - | | 186,560 |
| - | 320,171 | - | | 640,342 |
| 18,380 | 101,606 | 28,394 | | 278,676 |
| (1,834) | (10,141) | (2,834) | | (27,813) |
| - | - | 40,721 | | 53,059 |
| <u>906,353</u> | <u>730,946</u> | <u>223,310</u> | | <u>13,519,811</u> |
| - | - | 14,001 | | 1,027,640 |
| - | - | - | | 1,794,194 |
| - | - | 78,845 | | 5,286,634 |
| - | - | 15,713 | | 1,138,215 |
| - | 963,865 | - | | 2,778,865 |
| 630,000 | - | - | | 795,000 |
| 190,037 | - | - | | 339,698 |
| - | 1,266,757 | 61,108 | | 1,363,710 |
| <u>820,037</u> | <u>2,230,622</u> | <u>169,667</u> | | <u>14,523,956</u> |
| 86,316 | (1,499,676) | 53,643 | | (1,004,145) |
| - | 760,000 | 1,000,000 | | 1,760,000 |
| 43,476 | 48,301 | 59,318 | | 151,095 |
| - | 266,587 | 200,000 | | 1,946,009 |
| <u>(116,587)</u> | <u>(93,087)</u> | <u>(1,069,667)</u> | | <u>(2,513,919)</u> |
| <u>(73,111)</u> | <u>981,801</u> | <u>189,651</u> | | <u>1,343,185</u> |
| 13,205 | (517,875) | 243,294 | | 339,040 |
| <u>1,457,574</u> | <u>5,868,987</u> | <u>1,469,465</u> | | <u>17,731,964</u> |
| <u>\$ 1,470,779</u> | <u>\$ 5,351,112</u> | <u>\$ 1,712,759</u> | | <u>\$ 18,071,004</u> |



READER'S NOTES:

CITY OF ROBBINSDALE

Reconciliation of the Statement of
Revenue, Expenditures, and Changes in Fund Balances
to the Statement of Activities
Governmental Funds
Year Ended December 31, 2018

Net change in fund balance – total governmental funds \$ 339,040

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

Revenues in the government-wide Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.

| | |
|--|-----------|
| Property taxes revenue | 59,823 |
| Special assessments revenue | (195,549) |
| Change in balances of notes receivable | (372,326) |

Net change due to internal service funds are incorporated into the Statement of Activities.

| | |
|---|---------|
| Net change in operations (net of investment income) | 826,650 |
| Investment income recognized in the Statement of Activities | 100,350 |

Governmental funds report capital outlays and improvements as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays and improvements exceeded depreciation in the current period.

| | |
|---------------------------------|-------------|
| Capital outlay and improvements | 1,457,421 |
| Depreciation expense | (1,430,127) |

Net pension assets are included in net position, but are excluded from fund balances because they do not represent financial resources.

195,662

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any affect on net position. Also, governmental funds report the affect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

| | |
|--|-------------|
| Bonds issued (including premium on current year bonds) | (1,911,095) |
| Amortization of premiums and discounts | 31,711 |
| General obligation principal repayments | 795,000 |

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 the governmental funds.

| | |
|------------------------------------|----------|
| Change in total OPEB liability | (95,944) |
| Change in net pension liability | 876,996 |
| Change in accrued interest payable | 8,282 |

Governmental funds do not report additions or deletions to certain long-term amounts related to pensions that are included in the change in net position.

| | |
|--|-------------|
| Deferred outflows of resources – OPEB plan deferments | 33,071 |
| Deferred outflows of resources – pension plan deferments | (1,140,490) |
| Deferred inflows of resources – pension plan deferments | 288,251 |

Change in net position – governmental activities \$ (133,274)

CITY OF ROBBINSDALE

Statement of Revenue, Expenditures, and Changes in Fund Balances
 Budget and Actual
 General Fund
 Year Ended December 31, 2018

| | Budgeted Amounts | | Actual | Over (Under) Final Budget |
|---|------------------|------------------|------------------|------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Property taxes | | | | |
| Current ad valorem | \$ 4,223,000 | \$ 4,223,000 | \$ 4,193,485 | \$ (29,515) |
| Delinquent ad valorem (refunds) | — | — | (14,986) | (14,986) |
| Other tax levy revenue | — | — | 21,170 | 21,170 |
| Fiscal disparities | 1,326,735 | 1,326,735 | 1,312,166 | (14,569) |
| Tax increment excess | — | — | 49,238 | 49,238 |
| Total property taxes | <u>5,549,735</u> | <u>5,549,735</u> | <u>5,561,073</u> | <u>11,338</u> |
| Special assessments | — | — | 21,433 | 21,433 |
| Licenses and permits | | | | |
| Business | 73,500 | 73,500 | 88,208 | 14,708 |
| Nonbusiness | 345,500 | 345,500 | 588,918 | 243,418 |
| Total licenses and permits | <u>419,000</u> | <u>419,000</u> | <u>677,126</u> | <u>258,126</u> |
| Intergovernmental | | | | |
| Federal grants | 7,500 | 7,500 | 2,732 | (4,768) |
| State aids and grants | | | | |
| Local government aid | 1,822,775 | 1,822,775 | 1,822,775 | — |
| Police and fire pension | 259,785 | 259,785 | 268,975 | 9,190 |
| PERA aid | 15,819 | 15,819 | 15,819 | — |
| Other state aids and grants | 15,750 | 277,990 | 333,500 | 55,510 |
| Total state aid | <u>2,114,129</u> | <u>2,376,369</u> | <u>2,441,069</u> | <u>64,700</u> |
| Total intergovernmental | 2,121,629 | 2,383,869 | 2,443,801 | 59,932 |
| Charges for services | | | | |
| General government | 406,380 | 406,380 | 401,428 | (4,952) |
| Public safety | 97,000 | 97,000 | 87,602 | (9,398) |
| Recreation | 109,000 | 109,000 | 106,113 | (2,887) |
| Total charges for services | <u>612,380</u> | <u>612,380</u> | <u>595,143</u> | <u>(17,237)</u> |
| Fines and forfeitures | 231,500 | 231,500 | 186,560 | (44,940) |
| Franchise fee tax | 276,872 | 276,872 | 320,171 | 43,299 |
| Interest and dividends | 40,000 | 40,000 | 84,475 | 44,475 |
| Net change in fair value of investments | — | — | (8,431) | (8,431) |
| Miscellaneous | 7,500 | 7,500 | 9,808 | 2,308 |
| Total revenues | <u>9,258,616</u> | <u>9,520,856</u> | <u>9,891,159</u> | <u>370,303</u> |

CITY OF ROBBINSDALE

Statement of Revenue, Expenditures, and Changes in Fund Balances
 Budget and Actual (continued)
 General Fund
 Year Ended December 31, 2018

| | Budgeted Amounts | | Actual | Over (Under) Final Budget |
|---|---------------------|---------------------|---------------------|------------------------------|
| | Original | Final | | |
| Expenditures | | | | |
| General government | | | | |
| Personal services | 1,019,622 | 1,019,622 | 983,906 | (35,716) |
| Supplies | 17,315 | 17,315 | 13,981 | (3,334) |
| Other services and charges | 636,357 | 636,357 | 610,784 | (25,573) |
| Amounts charged to other funds | (595,094) | (595,094) | (595,032) | 62 |
| Total general government | 1,078,200 | 1,078,200 | 1,013,639 | (64,561) |
| Community development | | | | |
| Personal services | 392,952 | 392,952 | 410,907 | 17,955 |
| Supplies | 1,550 | 1,550 | 793 | (757) |
| Other services and charges | 44,662 | 306,902 | 318,872 | 11,970 |
| Total community development | 439,164 | 701,404 | 730,572 | 29,168 |
| Public safety | | | | |
| Personal services | 3,839,893 | 3,839,893 | 3,869,142 | 29,249 |
| Supplies | 122,075 | 122,075 | 126,254 | 4,179 |
| Other services and charges | 1,356,168 | 1,356,168 | 1,308,837 | (47,331) |
| Capital outlay | 22,500 | 22,500 | 5,902 | (16,598) |
| Amounts charged to other funds | (96,442) | (96,442) | (96,444) | (2) |
| Total public safety | 5,244,194 | 5,244,194 | 5,213,691 | (30,503) |
| Recreation | | | | |
| Personal services | 777,802 | 777,802 | 769,886 | (7,916) |
| Supplies | 83,650 | 83,650 | 57,258 | (26,392) |
| Other services and charges | 280,486 | 280,486 | 295,358 | 14,872 |
| Capital outlay | 35,063 | 35,063 | — | (35,063) |
| Total recreation | 1,177,001 | 1,177,001 | 1,122,502 | (54,499) |
| Public works | | | | |
| Personal services | 1,055,604 | 1,055,604 | 1,066,508 | 10,904 |
| Supplies | 178,225 | 178,225 | 103,072 | (75,153) |
| Other services and charges | 849,605 | 849,605 | 731,652 | (117,953) |
| Amounts charged to other funds | (86,233) | (86,233) | (86,232) | 1 |
| Capital outlay | 30,000 | 30,000 | 29,943 | (57) |
| Total public works | 2,027,201 | 2,027,201 | 1,844,943 | (182,258) |
| Total expenditures | 9,965,760 | 10,228,000 | 9,925,347 | (302,653) |
| Excess (deficiency) of revenue over expenditures | (707,144) | (707,144) | (34,188) | 672,956 |
| Other financing sources (uses) | | | | |
| Transfers in | 282,170 | 282,170 | 270,995 | (11,175) |
| Transfers (out) | — | (24,579) | (24,579) | — |
| Total other financing sources (uses) | 282,170 | 257,591 | 246,416 | (11,175) |
| Net change in fund balances | \$ (424,974) | \$ (449,553) | 212,228 | \$ 661,781 |
| Fund balances | | | | |
| Beginning of year | | | <u>5,348,760</u> | |
| End of year | | | <u>\$ 5,560,988</u> | |

CITY OF ROBBINSDALE

Statement of Revenue, Expenditures, and Changes in Fund Balances
 Budget and Actual
 Robbinsdale Economic Development Authority
 General Development Special Revenue Fund
 Year Ended December 31, 2018

| | Budgeted Amounts | | Actual Amounts | Over (Under) Final Budget |
|---|--------------------|------------------|---------------------|------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Property taxes | | | | |
| Current ad valorem | \$ 179,789 | \$ 179,789 | \$ 138,869 | \$ (40,920) |
| Delinquent ad valorem (refunds) | – | – | (463) | (463) |
| Other tax levy revenue | – | – | 367 | 367 |
| Fiscal disparities | – | – | 38,927 | 38,927 |
| Total property taxes | <u>179,789</u> | <u>179,789</u> | <u>177,700</u> | <u>(2,089)</u> |
| Intergovernmental | | | | |
| Local grants | 400,000 | 421,487 | 585,487 | 164,000 |
| Charges for services | | | | |
| Community development | | | | |
| Loan repayments and rents | 84,464 | 84,464 | 253,903 | 169,439 |
| Land sales | 84,500 | 78,500 | 78,500 | – |
| Interest and dividends | 1,731 | 1,731 | 43,765 | 42,034 |
| Net change in fair value of investments | 15,000 | 15,000 | (4,375) | (19,375) |
| Miscellaneous | 177,500 | 177,500 | 2,530 | (174,970) |
| Total revenues | <u>942,984</u> | <u>958,471</u> | <u>1,137,510</u> | <u>179,039</u> |
| Expenditures | | | | |
| Community development | | | | |
| Personal services | 3,650 | 3,700 | 3,795 | 95 |
| Supplies | 500 | 300 | 1,191 | 891 |
| Project costs | 792,200 | 710,320 | 416,603 | (293,717) |
| Other services and charges | 167,999 | 152,374 | 312,243 | 159,869 |
| Total expenditures | <u>964,349</u> | <u>866,694</u> | <u>733,832</u> | <u>(132,862)</u> |
| Excess (deficiency) of revenue over expenditures | (21,365) | 91,777 | 403,678 | 311,901 |
| Other financing sources (uses) | | | | |
| Transfers (out) | – | – | (1,572) | (1,572) |
| Net change in fund balance | <u>\$ (21,365)</u> | <u>\$ 91,777</u> | 402,106 | <u>\$ 310,329</u> |
| Fund balances | | | | |
| Beginning of year | | | <u>7,567,667</u> | |
| End of year | | | <u>\$ 7,969,773</u> | |

CITY OF ROBBINSDALE

Statement of Revenue, Expenditures, and Changes in Fund Balances
 Budget and Actual
 Robbinsdale Economic Development Authority
 TIF Development Special Revenue Fund
 Year Ended December 31, 2018

| | Budgeted Amounts | | Actual Amounts | Over (Under) Final Budget |
|---|------------------|-----------------------|-----------------------|------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Tax increment | \$ 133,386 | \$ 152,364 | \$ 151,398 | \$ (966) |
| Charges for services | | | | |
| Loan repayments | 33,308 | 27,419 | 27,417 | (2) |
| Land sales | 80,000 | 79,000 | 79,000 | – |
| Interest and dividends | – | – | 133 | 133 |
| Net change in fair value of investments | – | – | (6) | (6) |
| Total revenues | <u>246,694</u> | <u>258,783</u> | <u>257,942</u> | <u>(841)</u> |
| Expenditures | | | | |
| Community development | | | | |
| Supplies | 50 | 20 | 31 | 11 |
| Other services and charges | 4,901 | 14,290 | 12,382 | (1,908) |
| Project costs | 9,450 | 7,112 | 110,259 | 103,147 |
| Increments returned to county | 4,600 | 10,391 | 10,374 | (17) |
| Payments on TIF pay-as-you-go notes | 27,635 | 29,978 | 28,400 | (1,578) |
| Interest and fiscal charges | <u>133,300</u> | <u>167,695</u> | <u>164,861</u> | <u>(2,834)</u> |
| Total expenditures | <u>179,936</u> | <u>229,486</u> | <u>326,307</u> | <u>96,821</u> |
| Excess (deficiency) of revenue over expenditures | 66,758 | 29,297 | (68,365) | (97,662) |
| Other financing sources (uses) | | | | |
| Transfers (out) | – | (1,208,427) | (1,208,427) | – |
| Net change in fund balance | <u>\$ 66,758</u> | <u>\$ (1,179,130)</u> | <u>(1,276,792)</u> | <u>\$ (97,662)</u> |
| Fund balances (deficits) | | | | |
| Beginning of year | | | <u>(3,009,001)</u> | |
| End of year | | | <u>\$ (4,285,793)</u> | |



READER'S NOTES:

PROPRIETARY FUNDS

Enterprise funds are established to account for the financing of self-supporting activities of governmental units, which render goods or services to the general public on a user charge basis.

MAJOR ENTERPRISE FUNDS

Below is a list of the major enterprise funds reported in the basic financial statements. These funds are included within the business-type activities section of the government-wide financial statements.

Water Utility Fund

The fund was established by the City Charter, Chapter 11, to account for the water system, owned and operated by the City.

Sanitary Sewer Utility Fund

The fund was established by the City Charter, Chapter 11, to account for the sanitary sewer system. The City is provided services, for a fee based on usage, by the Metropolitan Council Environmental Services (MCES). The City is responsible for all lateral lines, while the MCES is responsible for all trunk lines and the treatment and disposal of wastewater.

Storm Sewer Utility Fund

The City Council established the fund under provisions of the utility ordinance, to account for revenue collected and expenditures made to maintain the City's storm drainage system.

Solid Waste Removal Fund

The City Council established the fund, under provisions of the utility ordinance, to account for revenue collected and expenditures made to provide garbage removal on a city-wide basis.

Liquor Operations Fund

Minnesota Statutes allow municipalities to operate off-sale liquor establishments to control the sale of alcohol to minors. The City operates an off-sale liquor business to control this substance and as a source of revenue to the Capital Improvement Fund – Park Improvement Program.

Broadway Court Fund

This fund was established in 1999 to account for the rental operations of the Broadway Court Senior Housing Complex. Broadway Court is owned by the Robbinsdale Economic Development Authority (REDA), and operated by a management firm under contract with the REDA. The operations include rental of apartments to active seniors and the rental of retail space on the first level.

NONMAJOR ENTERPRISE FUND

Deputy Registrar Fund

The City Council established the fund in 1991 to segregate this self-supporting activity. The City has contractual agreements with the Minnesota Department of Vehicle Services and the Minnesota Department of Natural Resources to provide this service. The City collects a fee for each transaction processed. Excess earnings are generally used to support the General Fund.

CITY OF ROBBINSDALE

Statement of Net Position
Proprietary Funds
December 31, 2018

| | Business-Type Activities – Enterprise Funds | | | |
|--|---|--------------------------------------|-----------------------------------|--------------------------------|
| | Water Utility Fund | Sanitary Sewer Utility Fund | Storm Sewer Utility Fund | Solid Waste Removal Fund |
| Assets | | | | |
| Current assets | | | | |
| Cash and investments | \$ 4,770,546 | \$ 1,184,749 | \$ 848,768 | \$ 2,644,486 |
| Receivables | | | | |
| Accrued interest | 26,365 | 6,557 | 4,728 | 14,567 |
| Special assessments | 352,402 | – | – | – |
| Accounts | 346,296 | 400,474 | 203,018 | 356,435 |
| Due from other governments | – | – | 50,000 | – |
| Inventories | 7,266 | – | – | – |
| Prepaid items | – | – | 8,523 | – |
| Total current assets | <u>5,502,875</u> | <u>1,591,780</u> | <u>1,115,037</u> | <u>3,015,488</u> |
| Noncurrent assets | | | | |
| Capital assets | | | | |
| Land | 56,155 | 23,000 | 217,389 | – |
| Buildings and structures | 201,302 | 354,923 | – | – |
| Utility system | 13,103,207 | 12,113,172 | 9,605,134 | – |
| Other improvements | 762,476 | 421,851 | 1,762,503 | – |
| Leasehold improvements | – | – | – | – |
| Mobile equipment | – | 317,208 | 177,790 | – |
| Machinery and office equipment | 215,236 | 93,795 | 64,219 | – |
| Work in progress | 399,484 | 438,455 | 541,773 | – |
| Accumulated depreciation | (6,627,650) | (3,490,615) | (2,725,230) | – |
| Total capital assets, net of depreciation | <u>8,110,210</u> | <u>10,271,789</u> | <u>9,643,578</u> | <u>–</u> |
| Total assets | <u>13,613,085</u> | <u>11,863,569</u> | <u>10,758,615</u> | <u>3,015,488</u> |
| Deferred outflows of resources | | | | |
| Deferred charge on refunding | – | – | – | – |
| OPEB plan deferments | 1,420 | 945 | 475 | – |
| Pension plan deferments – PERA | 23,298 | 20,199 | 7,738 | – |
| Total deferred outflows of resources | <u>24,718</u> | <u>21,144</u> | <u>8,213</u> | <u>–</u> |
| Total assets and deferred outflows of resources | <u>\$ 13,637,803</u> | <u>\$ 11,884,713</u> | <u>\$ 10,766,828</u> | <u>\$ 3,015,488</u> |
| Liabilities | | | | |
| Current liabilities | | | | |
| Accounts payable | \$ 13,300 | \$ 31,318 | \$ 15,299 | \$ 91,514 |
| Accrued salaries and benefits | – | – | – | – |
| Contracts payable | 12,507 | 146,865 | 24,744 | – |
| Due to other governments | 686 | 20,101 | – | 20,667 |
| Accrued interest payable | 25,038 | 33,302 | 28,526 | – |
| Unearned revenue | – | – | – | – |
| Deposits | 571 | – | – | – |
| Compensated absences | – | – | – | – |
| Bonds payable | 315,000 | 420,000 | 250,000 | – |
| Total current liabilities | <u>367,102</u> | <u>651,586</u> | <u>318,569</u> | <u>112,181</u> |
| Noncurrent liabilities | | | | |
| Total OPEB liability | 20,651 | 14,093 | 7,769 | – |
| Net pension liability | 135,220 | 108,836 | 40,370 | – |
| Compensated absences | – | – | – | – |
| Bonds payable (net of unamortized discounts and premiums) | 2,439,662 | 3,149,524 | 2,770,477 | – |
| Total noncurrent liabilities | <u>2,595,533</u> | <u>3,272,453</u> | <u>2,818,616</u> | <u>–</u> |
| Total liabilities | <u>2,962,635</u> | <u>3,924,039</u> | <u>3,137,185</u> | <u>112,181</u> |
| Deferred inflows of resources | | | | |
| Pension plan deferments – PERA | 31,358 | 26,394 | 10,993 | – |
| Net position | | | | |
| Net investment in capital assets | 5,355,548 | 6,702,265 | 6,623,101 | – |
| Unrestricted | 5,288,262 | 1,232,015 | 995,549 | 2,903,307 |
| Total net position | <u>10,643,810</u> | <u>7,934,280</u> | <u>7,618,650</u> | <u>2,903,307</u> |
| Total liabilities, deferred inflows of resources, and net position | <u>\$ 13,637,803</u> | <u>\$ 11,884,713</u> | <u>\$ 10,766,828</u> | <u>\$ 3,015,488</u> |

| Liquor Operations Fund | Broadway Court Fund | Nonmajor Deputy Registrar Fund | Total Enterprise Funds | Governmental Activities Internal Service Funds |
|------------------------------|---------------------------|--------------------------------------|------------------------------|---|
| \$ 687,088 | \$ 1,832,317 | \$ 502,269 | \$ 12,470,223 | \$ 6,522,516 |
| 3,710 | 7,505 | 2,757 | 66,189 | 35,991 |
| - | - | - | 352,402 | - |
| 2 | 11 | 36,717 | 1,342,953 | 3,353 |
| - | - | - | 50,000 | - |
| 484,701 | - | - | 491,967 | - |
| 12,075 | - | - | 20,598 | 42,177 |
| <u>1,187,576</u> | <u>1,839,833</u> | <u>541,743</u> | <u>14,794,332</u> | <u>6,604,037</u> |
| - | 115,000 | - | 411,544 | 98,773 |
| - | 7,564,785 | - | 8,121,010 | 2,334,634 |
| - | - | - | 34,821,513 | - |
| - | - | - | 2,946,830 | 1,068,047 |
| 40,866 | 39,309 | - | 80,175 | - |
| - | - | - | 494,998 | 4,791,830 |
| 78,230 | 323,719 | 18,137 | 793,336 | 1,766,718 |
| - | - | - | 1,379,712 | 867,943 |
| (10,907) | (2,677,322) | (18,137) | (15,549,861) | (6,369,138) |
| <u>108,189</u> | <u>5,365,491</u> | <u>-</u> | <u>33,499,257</u> | <u>4,558,807</u> |
| 1,295,765 | 7,205,324 | 541,743 | 48,293,589 | 11,162,844 |
| - | 167,826 | - | 167,826 | - |
| 3,309 | - | 2,835 | 8,984 | 1,895 |
| 42,194 | - | 30,591 | 124,020 | 50,178 |
| <u>45,503</u> | <u>167,826</u> | <u>33,426</u> | <u>300,830</u> | <u>52,073</u> |
| <u>\$ 1,341,268</u> | <u>\$ 7,373,150</u> | <u>\$ 575,169</u> | <u>\$ 48,594,419</u> | <u>\$ 11,214,917</u> |
| \$ 182,170 | \$ 45,986 | \$ 268 | \$ 379,855 | \$ 101,498 |
| - | - | - | - | 422,255 |
| - | - | - | 184,116 | - |
| 38,046 | - | 114 | 79,614 | - |
| - | 27,261 | - | 114,127 | - |
| 1,597 | - | - | 1,597 | - |
| - | 70,965 | - | 71,536 | - |
| - | - | - | - | 33,500 |
| - | 240,000 | - | 1,225,000 | - |
| <u>221,813</u> | <u>384,212</u> | <u>382</u> | <u>2,055,845</u> | <u>557,253</u> |
| 27,340 | - | 30,693 | 100,546 | 5,495 |
| 241,321 | - | 185,357 | 711,104 | 263,455 |
| - | - | - | - | 621,139 |
| - | 2,763,783 | - | 11,123,446 | - |
| <u>268,661</u> | <u>2,763,783</u> | <u>216,050</u> | <u>11,935,096</u> | <u>890,089</u> |
| 490,474 | 3,147,995 | 216,432 | 13,990,941 | 1,447,342 |
| 64,574 | - | 48,118 | 181,437 | 64,272 |
| 108,189 | 2,529,534 | - | 21,318,637 | 4,558,807 |
| 678,031 | 1,695,621 | 310,619 | 13,103,404 | 5,144,496 |
| <u>786,220</u> | <u>4,225,155</u> | <u>310,619</u> | <u>34,422,041</u> | <u>9,703,303</u> |
| <u>\$ 1,341,268</u> | <u>\$ 7,373,150</u> | <u>\$ 575,169</u> | <u>\$ 48,594,419</u> | <u>\$ 11,214,917</u> |

CITY OF ROBBINSDALE

Statement of Revenue, Expenses, and Changes in Net Position
 Proprietary Funds
 Year Ended December 31, 2018

| | Business-Type Activities – Enterprise Funds | | | |
|--|---|--------------------------------------|--------------------------------|--------------------------------|
| | Water Utility Fund | Sanitary Sewer Utility Fund | Storm Sewer Utility Fund | Solid Waste Removal Fund |
| Sales and cost of sales | | | | |
| Net sales | \$ – | \$ – | \$ – | \$ – |
| Cost of sales | – | – | – | – |
| Gross profit | – | – | – | – |
| Operating revenues | | | | |
| Sales, fees, and charges | 2,268,565 | 2,188,787 | 1,160,673 | 1,768,835 |
| Total gross profit and operating revenues | 2,268,565 | 2,188,787 | 1,160,673 | 1,768,835 |
| Operating expenses | | | | |
| Personal services | 233,982 | 143,034 | 124,214 | – |
| Supplies | 76,310 | 8,645 | 82,409 | 1,084 |
| Other services and charges | 481,429 | 1,219,850 | 223,148 | 1,275,025 |
| Rental charges | – | – | – | – |
| Depreciation | 207,207 | 254,882 | 388,191 | – |
| Total operating expenses | 998,928 | 1,626,411 | 817,962 | 1,276,109 |
| Operating income (loss) | 1,269,637 | 562,376 | 342,711 | 492,726 |
| Nonoperating revenues (expenses) | | | | |
| Intergovernmental | 890 | 722 | 337 | 35,672 |
| Interest and dividends | 79,345 | 17,726 | 4,575 | 56,135 |
| Net change in fair value of investments | (7,886) | (1,730) | (457) | (5,603) |
| Gain on disposal of capital assets | – | – | – | – |
| Interest and fiscal charges | (55,185) | (71,939) | (63,120) | – |
| Total nonoperating revenues (expenses) | 17,164 | (55,221) | (58,665) | 86,204 |
| Income before transfers and special item | 1,286,801 | 507,155 | 284,046 | 578,930 |
| Transfers | | | | |
| Transfers in | – | – | – | – |
| Transfers (out) | (39,381) | (42,496) | (65,520) | (180,000) |
| Total transfers | (39,381) | (42,496) | (65,520) | (180,000) |
| Change in net position before special item | 1,247,420 | 464,659 | 218,526 | 398,930 |
| Special item – loss on liquor leasehold improvements | – | – | – | – |
| Change in net position | 1,247,420 | 464,659 | 218,526 | 398,930 |
| Net position | | | | |
| Beginning of year | 9,396,390 | 7,469,621 | 7,400,124 | 2,504,377 |
| End of year | \$ 10,643,810 | \$ 7,934,280 | \$ 7,618,650 | \$ 2,903,307 |

See notes to basic financial statements

| Liquor Operations Fund | Broadway Court Fund | Nonmajor Deputy Registrar Fund | Total Enterprise Funds | Governmental Activities Internal Service Funds |
|------------------------------|---------------------------|--------------------------------------|------------------------------|---|
| \$ 4,263,779 (3,152,967) | \$ - - | \$ - - | \$ 4,263,779 (3,152,967) | \$ - - |
| 1,110,812 | - | - | 1,110,812 | - |
| - | 841,942 | 514,447 | 8,743,249 | 2,470,691 |
| 1,110,812 | 841,942 | 514,447 | 9,854,061 | 2,470,691 |
| 510,208 | 95,389 | 376,351 | 1,483,178 | 407,305 |
| 23,889 | 6,634 | 5,538 | 204,509 | 508,644 |
| 207,349 | 339,357 | 73,624 | 3,819,782 | 1,434,561 |
| 138,251 | - | - | 138,251 | - |
| 56,579 | 174,682 | - | 1,081,541 | 453,990 |
| 936,276 | 616,062 | 455,513 | 6,727,261 | 2,804,500 |
| 174,536 | 225,880 | 58,934 | 3,126,800 | (333,809) |
| 2,143 | - | 1,637 | 41,401 | 11,466 |
| 16,011 | 17,948 | 10,093 | 201,833 | 111,474 |
| (1,598) | (1,755) | (1,007) | (20,036) | (11,124) |
| - | - | - | - | 53,686 |
| - | (76,249) | - | (266,493) | - |
| 16,556 | (60,056) | 10,723 | (43,295) | 165,502 |
| 191,092 | 165,824 | 69,657 | 3,083,505 | (168,307) |
| - | - | - | - | 1,327,178 |
| (150,000) | - | (50,000) | (527,397) | (231,871) |
| (150,000) | - | (50,000) | (527,397) | 1,095,307 |
| 41,092 | 165,824 | 19,657 | 2,556,108 | 927,000 |
| (221,769) | - | - | (221,769) | - |
| (180,677) | 165,824 | 19,657 | 2,334,339 | 927,000 |
| 966,897 | 4,059,331 | 290,962 | 32,087,702 | 8,776,303 |
| \$ 786,220 | \$ 4,225,155 | \$ 310,619 | \$ 34,422,041 | \$ 9,703,303 |

CITY OF ROBBINSDALE

Statement of Cash Flows
 Proprietary Funds
 Year Ended December 31, 2018

| | Business-Type Activities – Enterprise Funds | | | |
|---|---|--------------------------------------|--------------------------------|--------------------------------|
| | Water Utility Fund | Sanitary Sewer Utility Fund | Storm Sewer Utility Fund | Solid Waste Removal Fund |
| Cash flows from operating activities | | | | |
| Cash received from customers and users, including deposits | \$ 2,281,056 | \$ 2,269,712 | \$ 1,094,981 | \$ 1,753,861 |
| Cash payments to suppliers | (563,211) | (1,201,044) | (318,779) | (1,273,831) |
| Cash payments to employees | (232,111) | (141,909) | (123,625) | – |
| Net cash flows from operating activities | <u>1,485,734</u> | <u>926,759</u> | <u>652,577</u> | <u>480,030</u> |
| Cash flows from noncapital financing activities | | | | |
| Transfers (to) other funds | – | – | – | (180,000) |
| Intergovernmental | 890 | 722 | 326,292 | 35,672 |
| Net cash flows from noncapital financing activities | <u>890</u> | <u>722</u> | <u>326,292</u> | <u>(144,328)</u> |
| Cash flows from capital and related financing activities | | | | |
| Transfers from other funds | – | – | – | – |
| Transfers (to) other funds | (39,381) | (42,496) | (65,520) | – |
| Acquisition of property and equipment | (421,842) | (460,959) | (724,646) | – |
| Proceeds from the disposal of property and equipment | – | – | – | – |
| Proceeds from the sale of bonds | 327,202 | 386,503 | 544,258 | – |
| Principal payments on bonds | (255,000) | (355,000) | (165,000) | – |
| Interest and fiscal charges on bonds | (64,604) | (86,643) | (73,361) | – |
| Net cash flows from capital and related financing activities | <u>(453,625)</u> | <u>(558,595)</u> | <u>(484,269)</u> | <u>–</u> |
| Cash flows from investing activities | | | | |
| Interest on investments | <u>66,751</u> | <u>13,784</u> | <u>(610)</u> | <u>52,360</u> |
| Net change in cash and cash equivalents | 1,099,750 | 382,670 | 493,990 | 388,062 |
| Cash and cash equivalents at beginning of year | <u>3,670,796</u> | <u>802,079</u> | <u>354,778</u> | <u>2,256,424</u> |
| Cash and cash equivalents at end of year | <u>\$ 4,770,546</u> | <u>\$ 1,184,749</u> | <u>\$ 848,768</u> | <u>\$ 2,644,486</u> |

| Liquor Operations Fund | Broadway Court Fund | Nonmajor Deputy Registrar Fund | Total Enterprise Funds | Governmental Activities Internal Service Funds |
|------------------------------|---------------------------|---|------------------------------|---|
| \$ 4,263,243 | \$ 843,550 | \$ 504,556 | \$ 13,010,959 | \$ 2,586,849 |
| (3,518,184) | (360,673) | (79,108) | (7,314,830) | (1,913,189) |
| (505,906) | (95,389) | (372,482) | (1,471,422) | (405,294) |
| <u>239,153</u> | <u>387,488</u> | <u>52,966</u> | <u>4,224,707</u> | <u>268,366</u> |
| (150,000) | — | (50,000) | (380,000) | — |
| <u>2,143</u> | <u>—</u> | <u>1,637</u> | <u>367,356</u> | <u>11,466</u> |
| (147,857) | — | (48,363) | (12,644) | 11,466 |
| — | — | — | — | 1,327,178 |
| — | — | — | (147,397) | (231,871) |
| (104,934) | (200,408) | — | (1,912,789) | (1,491,104) |
| 2,000 | — | — | 2,000 | 143,085 |
| — | — | — | 1,257,963 | — |
| — | (240,000) | — | (1,015,000) | — |
| <u>—</u> | <u>(68,278)</u> | <u>—</u> | <u>(292,886)</u> | <u>—</u> |
| (102,934) | (508,686) | — | (2,108,109) | (252,712) |
| <u>14,274</u> | <u>14,982</u> | <u>9,282</u> | <u>170,823</u> | <u>102,882</u> |
| 2,636 | (106,216) | 13,885 | 2,274,777 | 130,002 |
| <u>684,452</u> | <u>1,938,533</u> | <u>488,384</u> | <u>10,195,446</u> | <u>6,392,514</u> |
| <u>\$ 687,088</u> | <u>\$ 1,832,317</u> | <u>\$ 502,269</u> | <u>\$ 12,470,223</u> | <u>\$ 6,522,516</u> |

CITY OF ROBBINSDALE

Statement of Cash Flows (continued)
 Proprietary Funds
 Year Ended December 31, 2018

| | Business-Type Activities – Enterprise Funds | | | |
|--|---|--------------------------------------|--------------------------------|--------------------------------|
| | Water Utility Fund | Sanitary Sewer Utility Fund | Storm Sewer Utility Fund | Solid Waste Removal Fund |
| Reconciliation of operating income (loss) to net cash flows from operating activities | | | | |
| Operating income (loss) | \$ 1,269,637 | \$ 562,376 | \$ 342,711 | \$ 492,726 |
| Adjustments to reconcile operating income (loss) to net cash flows from operating activities | | | | |
| Depreciation | 207,207 | 254,882 | 388,191 | – |
| (Increase) decrease in assets and deferred outflows of resources | | | | |
| Special assessments receivable | (6,705) | – | – | – |
| Accounts receivable | 18,599 | 80,821 | (15,913) | (14,974) |
| Due from other governments | 26 | 104 | (49,779) | – |
| Inventories | 639 | – | – | – |
| Prepaid items | – | – | (8,523) | – |
| Deferred outflows of resources for pensions | 12,626 | 10,237 | 4,777 | – |
| Deferred outflows of resources for OPEB | (1,420) | (945) | (475) | – |
| Increase (decrease) in liabilities and deferred inflows of resources | | | | |
| Accounts payable | (6,294) | 21,412 | (4,699) | 1,547 |
| Accrued salaries and benefits | – | – | – | – |
| Due to other governments | 183 | 6,039 | – | 731 |
| Unearned revenue | – | – | – | – |
| Deposits | 571 | – | – | – |
| Total OPEB liability | 4,118 | 2,741 | 1,377 | – |
| Compensated absences payable | – | – | – | – |
| Net pension liability | (17,073) | (13,843) | (6,460) | – |
| Deferred inflows of resources for pensions | 3,620 | 2,935 | 1,370 | – |
| Total adjustments | 216,097 | 364,383 | 309,866 | (12,696) |
| Net cash flows from operating activities | \$ 1,485,734 | \$ 926,759 | \$ 652,577 | \$ 480,030 |
| Noncash investing, capital, and financing activities | | | | |
| Capital assets purchased on account | \$ (19,076) | \$ (18,101) | \$ (50,255) | \$ – |
| Intergovernmental in receivables | \$ – | \$ – | \$ (325,955) | \$ – |
| Amortization of bond premium (discount) | \$ 11,121 | \$ 15,855 | \$ 14,912 | \$ – |
| Amortization of deferred charge on refunding | \$ – | \$ – | \$ – | \$ – |

| <u>Liquor Operations Fund</u> | <u>Broadway Court Fund</u> | <u>Nonmajor Deputy Registrar Fund</u> | <u>Total Enterprise Funds</u> | <u>Governmental Activities Internal Service Funds</u> |
|---------------------------------------|------------------------------------|---|---------------------------------------|---|
| \$ 174,536 | \$ 225,880 | \$ 58,934 | \$ 3,126,800 | \$ (333,809) |
| 56,579 | 174,682 | – | 1,081,541 | 453,990 |
| – | – | – | (6,705) | – |
| – | 85 | (9,891) | 58,727 | (380) |
| – | – | – | (49,649) | 253 |
| (23,627) | – | – | (22,988) | – |
| (3,180) | – | – | (11,703) | (8,445) |
| 30,370 | – | 23,204 | 81,214 | 24,227 |
| (3,309) | – | (2,835) | (8,984) | (1,895) |
| 26,084 | (14,682) | 7 | 23,375 | 38,341 |
| – | – | – | – | 47,280 |
| 4,995 | – | 47 | 11,995 | – |
| (536) | – | – | (536) | – |
| – | 1,523 | – | 2,094 | – |
| 9,601 | – | 8,224 | 26,061 | 5,495 |
| – | – | – | – | 69,125 |
| (41,068) | – | (31,378) | (109,822) | (32,762) |
| 8,708 | – | 6,654 | 23,287 | 6,946 |
| <u>64,617</u> | <u>161,608</u> | <u>(5,968)</u> | <u>1,097,907</u> | <u>602,175</u> |
| <u>\$ 239,153</u> | <u>\$ 387,488</u> | <u>\$ 52,966</u> | <u>\$ 4,224,707</u> | <u>\$ 268,366</u> |
| \$ – | \$ – | \$ – | \$ (87,432) | \$ (61,450) |
| \$ – | \$ – | \$ – | \$ (325,955) | \$ – |
| \$ – | \$ 5,287 | \$ – | \$ 47,175 | \$ – |
| \$ – | \$ 15,257 | \$ – | \$ 15,257 | \$ – |

CITY OF ROBBINSDALE

Statement of Net Position
Fiduciary Fund
December 31, 2018

| | <u>Agency Fund</u> |
|--------------------------|------------------------|
| Deputy Registrar | |
| Assets | |
| Cash and investments | <u>\$ 208,059</u> |
| Liabilities | |
| Due to other governments | <u>\$ 208,059</u> |

CITY OF ROBBINSDALE

Notes to Basic Financial Statements
December 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The City of Robbinsdale, Minnesota (the City) operates under the “Home Rule Charter” form of government pursuant to applicable Minnesota laws and statutes. The charter prescribes a manager-council form of organization. The governing body consists of a mayor and a four-member City Council. The City Council is elected by wards and the mayor is elected at large by voters of the City to serve four-year staggered terms.

The accounting policies of the City conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City’s more significant accounting policies are described below:

B. Reporting Entity

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

The City is considered financially accountable for a component unit if it appoints a voting majority of the organization’s governing body and it is able to impose its will on the organization by significantly influencing the programs, projects, activities, or level of services performed or provided by the organization, or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City.

As a result of applying the component unit definition criteria above, certain organizations are presented in this report as blended component units (which are reported as if they were a part of the City) or related and jointly governed organizations (in which the relationship of the City with the entity is disclosed).

- 1. Blended Component Unit** – The Robbinsdale Economic Development Authority (REDA), which is governed by a five-member board consisting of the City Council with management of the City having operational responsibility for the REDA activities, is reported as a blended component unit. Although it is a legally separate entity from the City, it is reported as if it were a part of the City. This represents the only financial statements prepared for the REDA.
- 2. Related Organization** – The Robbinsdale Fire Department Relief Association (the Association) is organized as a nonprofit organization, legally separate from the City, to provide pension benefits to its members pursuant with Minnesota laws and statutes. Its Board of Directors is appointed by the membership of the Association, and the Association issues its own set of financial statements. All funding is conducted in accordance with applicable Minnesota Statutes, whereby state aids flow to the Association, the City’s contributions are determined by the Association, and the Association pays benefits to its members. Because the Association is fiscally independent of the City, the financial statements of the Association have not been included within the City’s reporting entity.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- 3. Jointly Governed Organizations** – Local Government Information Systems (LOGIS) is a consortium of approximately 20 entities that provides computerized data processing and support services to its members. LOGIS is legally separate from the City, as the City does not appoint a voting majority of the Board and the consortium is fiscally independent of the City.

LOGIS Insurance Group provides cooperative purchasing of health and life insurance benefits for approximately 45 government entities.

C. Government-Wide Financial Statement Presentation

The government-wide financial statements (Statement of Net Position and Statement of Activities) display information about the reporting government as a whole, except for fiduciary activities. These statements include all of the financial activities of the City. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which significantly rely upon sales, fees, and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other internally directed revenues are reported as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes and special assessments are recognized as revenues in the fiscal year for which they are certified for levy. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, charges between the City's enterprise funds and other functions are not eliminated, as that would distort the direct costs and program revenues reported in those functions. Depreciation expense is included in the direct expenses of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

D. Fund Financial Statement Presentation

Separate fund financial statements are provided for governmental, proprietary, and fiduciary funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements. Aggregated information for the remaining nonmajor funds is reported in a single column in the fund financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis of accounting, transactions are recorded in the following manner:

- 1. Revenue Recognition** – Revenue is recognized when it becomes measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days after year-end. 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. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met. Proceeds of long-term debt are reported as other financing sources.

Major revenue that is susceptible to accrual includes property taxes, special assessments, intergovernmental revenue, charges for services, and interest earned on investments. Major revenue that is not susceptible to accrual includes licenses and permits, fees, and miscellaneous revenue. Such revenue is recorded only when received because it is not measurable until collected.

- 2. Recording of Expenditures** – Expenditures are generally recorded when a liability is incurred, except for principal and interest on long-term debt and other long-term liabilities, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as capital outlay expenditures in the governmental funds.

Proprietary fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting, similar to the government-wide financial statements. 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’s enterprise funds and internal service funds are charges to customers for sales and services. The operating expenses for the enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses that do not meet this definition are reported as nonoperating revenues and expenses.

Aggregated information for the internal service funds is reported in a single column in the proprietary fund financial statements. Because the principal user of the internal services is the City’s governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. The cost of these services is reported in the appropriate functional activity.

The Agency Fund has no measurement focus, but utilizes the accrual basis of accounting for reporting assets and liabilities.

Description of Funds

The City reports the following major governmental funds:

General Fund – This 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.

REDA General Development Fund – This is a special revenue fund that accounts for all the general community development activities of the REDA that are not related to TIF. The most significant sources of revenues in this special revenue fund include property taxes and charges for services.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

REDA TIF Development Fund – This is a special revenue fund that accounts for all the general community development activities of the REDA that are related to TIF. The most significant sources of revenues in this special revenue fund include tax increments and land sales.

REDA Tax Increment Fund – This is a debt service fund that accounts for all the activity associated with the REDA’s repayment of debt on outstanding TIF bonds issued through the City.

General Debt Service Fund – This is a debt service fund that was established to account for the repayment of principal and interest on obligations backed by the full faith and credit of the City, other than those accounted for in enterprise funds.

Permanent Improvement Revolving (PIR) Fund – This is a capital projects fund that accounts for the resources used related to the construction of traffic and transportation infrastructure (alleys, streets, sidewalks, street lights, and traffic lights).

The City reports the following major proprietary funds:

Water Utility Fund – This fund accounts for all financial resources relating to the City’s operations of its water distribution system. Services are on a user charge basis to all owners of property located within the City.

Sanitary Sewer Utility Fund – This fund accounts for all financial resources relating to the City’s operations of its sanitary sewer collection system. Services are on a user charge basis to all owners of property located within the City.

Storm Sewer Utility Fund – This fund accounts for all financial resources relating to the City’s operations of its storm water collection system. Services are on a user charge basis to all owners of property located within the City.

Solid Waste Removal Fund – This fund accounts for all financial resources relating to the City’s operations for garbage and recycling services to the residential properties of the City. Services are on a user charge basis to all residential property owners.

Liquor Operations Fund – This fund accounts for all financial resources relating to the operations of the City’s municipal off-sale liquor store.

Broadway Court Fund – This fund accounts for all financial resources relating to the rental operations of the Broadway Court Senior Housing Complex, which is owned by the REDA.

Additionally, the City also reports the following fund types:

Internal Service Funds – These funds account for the City’s central garage (fleet repair and maintenance), central services (general office, information technology, government building costs), equipment replacement, risk insurance costs, and the employee benefit accrual requirements. All services are provided to other departments on a cost-reimbursement basis.

Agency Funds – These funds are custodial in nature and do not involve measurement of results of operations. The City maintains one Agency Fund (Deputy Registrar – Minnesota License Fees).

E. Cash and Investments

The City’s cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash balances from all funds are combined and invested to the extent available in commercial paper, insured certificates of deposit, and various government-backed securities. Earnings from such investments are allocated to the respective funds based on the average quarterly cash balance of each fund. Investments are stated at fair value, which is determined based on quoted market prices at year-end.

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

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

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

F. Interfund Receivables and Payables

In the fund financial statements, activity between funds that is representative of lending or borrowing arrangements is reported as either "due to/from other funds" (current portion) or "advances to/from other funds." 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."

G. Receivables

Utility and miscellaneous accounts receivable are reported at gross. Since the City is generally able to certify delinquent amounts to the county for collection as special assessments, no allowance for uncollectible accounts has been provided on current receivables. The City does record an allowance for the amount of utility receivables that remain delinquent after having been certified to the county. The only receivables not expected to be collected within one year are property taxes and special assessments receivable.

H. Property Taxes

Property tax levies are set by the City Council in December of each year, and are certified to Hennepin County for collection in the following year. In Minnesota, counties act as collection agents for all property taxes. The county spreads the levies over all taxable property. Such taxes become a lien on January 1 and are recorded as receivables by the City on that date. Real property taxes may be paid by taxpayers in two equal installments on May 15 and October 15. Personal property taxes are due in full on May 15. The county provides tax settlements to cities and other taxing districts three times a year; in July, December, and January.

Property taxes are recognized as revenue in the year levied in the government-wide financial statements and proprietary fund financial statements. In the governmental fund financial statements, taxes are recognized as revenue when received in cash or within 60 days after year-end. Taxes which remain unpaid on December 31 are classified as delinquent taxes receivable, and are offset by deferred inflows of resources in the governmental fund financial statements, because they are not available to finance current expenditures. No allowance for uncollectible taxes has been provided because such amounts are not expected to be material.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Special Assessments Receivable

Special assessments are levied against the benefited properties for the assessable costs of special assessment improvement projects in accordance with state statutes. The City usually adopts the assessment rolls when the individual projects are complete or substantially complete, except for road reconstruction projects. The county handles collection of annual installments (including interest) in the same manner as property taxes. Property owners are allowed to prepay total future installments without interest or prepayment penalties. Special assessments are recorded as receivables upon certification to the county. Special assessments are recognized as revenue in the year levied in the government-wide financial statements and proprietary fund financial statements. In the governmental fund financial statements, special assessments are recognized as revenue when received in cash or within 60 days after year-end. Governmental fund special assessments receivable which remain unpaid on December 31 are offset by a deferred inflow of resources in the governmental fund financial statements.

J. Inventories and Prepaid Items

Inventories are valued at the lower of cost or market value, on a first-in, first-out method. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of inventories and prepaid items is recorded as expenses/expenditures when consumed rather than when purchased.

K. Property Held for Resale

Property is acquired by the REDA for redevelopment purposes. Property held for resale is reported as an asset in the government-wide and fund financial statements. These assets are reported at the lower of cost or acquisition value.

L. Capital Assets

Capital asset acquisition costs are recorded as expenditures in the City's governmental fund financial statements, which use the modified accrual basis of accounting. Capital assets are capitalized within the City's government-wide financial statements and proprietary fund financial statements, which use the full accrual basis of accounting. Infrastructure assets reported by governmental activities include assets placed in service in 1980 or later.

The City defines capital assets as assets with an initial, individual cost of more than \$5,000, and an estimated useful life in excess of two years. All capital assets are recorded at historical cost or estimated historical cost if actual cost was not available. Donated capital assets are valued at the acquisition value as of the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Land and work in progress are not depreciated.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The capital assets of the City are depreciated using the straight-line method over the following estimated useful lives:

| Assets | Years |
|---|-------|
| Buildings and structures | 25–40 |
| Utility system infrastructure | 5–100 |
| Traffic and transportation infrastructure | 5–40 |
| Park system infrastructure | 5–40 |
| Other improvements | 5–30 |
| Leasehold improvements | 10 |
| Mobile equipment | 3–25 |
| Machinery and office equipment | 3–15 |

M. Compensated Absences

The City compensates employees upon termination for all unused vacation and unused sick leave up to 960 hours based on years of service criteria as follows:

- After 2 years – 15 percent of accumulated sick leave
- After 8 years – 25 percent of accumulated sick leave
- After 13 years – 35 percent of accumulated sick leave
- After 17 years – 40 percent of accumulated sick leave
- After 20 years – 50 percent of accumulated sick leave

Employees are compensated for unused sick leave in excess of 960 hours at the rate of one-half time. Vacation and sick leave earnings and the corresponding liability are recorded in the Benefit Accrual Internal Service Fund, which charges the General Fund and other city funds. The liability is reported within governmental activities of the government-wide Statement of Net Position as a long-term liability.

N. Long-Term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, if material, are deferred and amortized over the life of the bonds using the straight-line method. Bond issuance costs are expensed in the period incurred.

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

O. Deferred Outflows/Inflows of Resources

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The City reports deferred outflows of resources related to the deferred charge on refunding reported in the government-wide and proprietary fund Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

The City also reports deferred outflows and inflows of resources related to pensions and other post-employment benefits (OPEB) in the government-wide and proprietary fund Statement of Net Position. These deferred outflows and inflows result from differences between expected and actual experience, changes in proportion, changes of assumptions, differences between projected and actual investment earnings, and contributions to the plan subsequent to the measurement date and before the end of the reporting period. These amounts are deferred and amortized as required under pension and OPEB standards.

Unavailable revenue, arises only under the modified accrual basis of accounting and, therefore, is reported only in the governmental funds Balance Sheet. The governmental funds report unavailable revenue from three sources: property taxes, special assessments, and notes receivable not collected within 60 days of year-end. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

P. Pension Plans

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

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

Q. Net Position Classifications and Flow Assumptions

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

- **Net Investment in Capital Assets** – Consists of capital assets, net of accumulated depreciation, reduced by any outstanding debt attributable to acquire capital assets.
- **Restricted Net Position** – Consists of net position restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments, or enabling legislation.
- **Unrestricted Net Position** – All remaining net position that does not meet the definition of “restricted” or “net investment in capital assets.”

The City applies restricted resources first when an expense is incurred for which both restricted and unrestricted resources are available.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Fund Balance Classifications and Flow Assumptions

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

- **Nonspendable** – Consists of amounts that are not in spendable form, such as prepaid items, inventory, and other long-term assets.
- **Restricted** – Consists of amounts where there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments, or enabling legislation.
- **Committed** – Consists of internally imposed constraints that are established by resolution of the City Council. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.
- **Assigned** – Consists of internally imposed constraints. These constraints consist of amounts intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, assigned amounts represent intended uses established by the governing body itself or by an official to which the governing body delegates the authority. Pursuant to City Council resolution, the city manager or finance director are authorized to establish assignments of fund balance.
- **Unassigned** – The residual classification for the General Fund, which also reflects 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.

S. Use of Estimates

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 the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

T. Statement of Cash Flows

For purposes of the Statement of Cash Flows, the City considers all highly liquid debt instruments with an original maturity from the time of purchase by the City of three months or less to be cash equivalents. The proprietary funds' portion in the government-wide cash and investment management pool is considered to be cash equivalent.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

U. Special Item

During the year ended December 31, 2018, the City reported a special item, reducing net position in business-type activities in the Statement of Activities and in the Liquor Operations Fund in the Statement of Revenue, Expenses, and Changes in Net Position by \$221,769 in the current year. The City's liquor store operation moved into a new location in 2018. The special item reported represents the City's write-off of leasehold improvements and closure of the previous location.

V. Change in Accounting Principle

During the year ended December 31, 2018, the City implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement established standards for employer recognition and measurement of liabilities, deferred outflows of resources, deferred inflows of resources, and expense for OPEB. Certain amounts necessary to fully restate fiscal year 2017 financial information are not determinable; therefore, prior year comparative amounts have not been restated. The impact on beginning balances in the current year was immaterial and, therefore, a change to beginning equity was not required.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Budgets are legally adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund and the REDA special revenue funds. The City follows the following procedures in establishing the budgetary data reflected in the basic financial statements:

- The city manager submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budgets include proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- The budgets are legally enacted through the passage of resolutions.
- The City Council may authorize transfers of budgeted amounts between departments, at the budgetary control level.

Expenditures in the REDA TIF Development Special Revenue Fund exceeded budgeted appropriations by \$96,821, for the year ended December 31, 2018.

B. Deficit Fund Equity

The following fund had a deficit fund balance as of December 31, 2018:

REDA TIF Development Special Revenue Fund – \$4,285,793

The deficit for the REDA TIF Development Special Revenue Fund is expected to be eliminated over time through the collection of tax increment revenues, which will reduce the advances from other funds.

NOTE 3 – DEPOSITS AND INVESTMENTS

A. Components of Cash and Investments

Cash and investments at year-end consist of the following:

| | |
|--------------|----------------------|
| Deposits | \$ 2,063,263 |
| Investments | 33,890,750 |
| Cash on hand | <u>9,245</u> |
| Total | <u>\$ 35,963,258</u> |

Cash and investments are presented in the financial statements as follows:

| | |
|--|----------------------|
| Statement of Net Position | |
| Cash and investments | \$ 35,755,199 |
| Statement of Net Position – Fiduciary Fund | |
| Cash and investments | <u>208,059</u> |
| Total | <u>\$ 35,963,258</u> |

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

B. Deposits

In accordance with applicable Minnesota Statutes, the City maintains deposits at depository banks authorized by the City Council, including checking and savings accounts.

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

Custodial Credit Risk – In the case of deposits, this is the risk that in the event of a bank failure, the City’s deposits may be lost.

Minnesota Statutes require that all deposits be protected by federal deposit insurance, corporate surety bond, or collateral. The market value of collateral pledged must equal 110 percent of the deposits not covered by federal deposit insurance or corporate surety bonds. Authorized collateral includes treasury bills, notes, and bonds; issued of U.S. governmental agencies; general obligations rate “A” or better; revenue obligations rate “AA” or better; irrevocable standard letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota Statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The City has no additional deposit policies addressing custodial credit risk.

At year-end, the carrying amount of the City’s deposits was \$2,063,263, while the balance on the bank records was \$2,059,588. At December 31, 2018, all deposits were fully covered by federal deposit insurance, surety bonds, or by collateral held by the City’s agent in the City’s name.

C. Investments

The City has the following investments at year-end:

| Investment Type | Credit Risk | | Fair Value Measurement Using | Interest Risk – Maturity Duration in Years | | | Total |
|------------------------------------|-------------|---------|------------------------------------|--|----------------------|-------------------|----------------------|
| | Rating | Agency | | Less Than 1 | 1 to 5 | More Than 5 | |
| U.S. government agency securities | AA | S&P | Level 2 | \$ 2,593,455 | \$ 5,718,512 | \$ – | \$ 8,311,967 |
| Negotiable certificates of deposit | N/A | N/A | Level 2 | 5,387,974 | 3,178,919 | – | 8,566,893 |
| State and local obligations | AAA | S&P | Level 2 | – | 1,209,555 | 260,238 | 1,469,793 |
| State and local obligations | AA | S&P | Level 2 | 2,984,785 | 3,973,846 | 141,981 | 7,100,612 |
| State and local obligations | AA | Moody’s | Level 2 | 649,129 | 3,064,300 | 368,662 | 4,082,091 |
| | | | | <u>\$ 11,615,343</u> | <u>\$ 17,145,132</u> | <u>\$ 770,881</u> | 29,531,356 |
| Investment pools/mutual funds | | | | | | | |
| First American Government | AAA | S&P | Level 2 | N/A | N/A | N/A | 4,359,394 |
| Total | | | | | | | <u>\$ 33,890,750</u> |

N/A – Not Applicable

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

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

Custodial Credit Risk – For investments, this is the risk that in the event of a failure of the counterparty to any investment transaction (typically a broker-dealer) the City would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City’s investment policies do not further address this risk, but the City limits its exposure by holding the majority of its investments in a trust account with a major bank’s corporate trust department. Under this scenario, investments are delivered to the City’s Trust Account and then payment is released to the broker-dealer.

Credit Risk – This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Minnesota Statutes limit the City’s investments to direct obligations or obligations guaranteed by the United States or its agencies; shares of investment companies registered under the Federal Investment Company Act of 1940 that receive the highest credit rating, are rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of 13 months or less; general obligations rated “A” or better; revenue obligations rated “AA” or better; general obligations of the Minnesota Housing Finance Agency rated “A” or better; bankers’ acceptances of United States banks eligible for purchase by the Federal Reserve System; commercial paper issued by United States corporations or their Canadian subsidiaries, rated of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less; Guaranteed Investment Contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, and with a credit quality in one of the top two highest categories; repurchase or reverse purchase 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, that are a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities brokers-dealers. The City’s investment policies do not further address credit risk.

Concentration Risk – This is the risk associated with investing a significant portion of the City’s investments (considered 5.0 percent or more) in the securities of a single issuer, excluding U.S. guaranteed investments (such as treasuries), investment pools, and mutual funds. The City’s investment policies do not limit the concentration of investments. At year-end, the City’s investment portfolio includes investments in the Federal Home Loan Mortgage Corporation at 8.0 percent of the total portfolio and the Federal National Mortgage Association at 7.3 percent of the total portfolio.

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

NOTE 4 – NOTES RECEIVABLE

A. Industrial Development Revenue Bond Fees Receivable

Since 1983, the City has issued industrial development revenue bonds on behalf of qualified entities. The bond agreements require the qualified entities to pay an issuance fee to the City that is spread over the life of the bonds. The issuance fee payments are structured as follows:

- One half of one percent of the principal amount of the bonds issued paid at the time of issuance and the first anniversary date.

NOTE 4 – NOTES RECEIVABLE (CONTINUED)

- Beginning in year three, one-eighth percent of the outstanding principal of the bonds paid annually to the City (this relates to all bonds issued after January 1, 2003).
- Beginning in year three, one-tenth percent of the outstanding principal of the bonds paid annually to the City (this relates to all bonds issued prior to January 1, 2003 and includes any refinancing of bonds issued prior to January 1, 2003).

As of December 31, 2018, the City had \$579,253 in outstanding receivables related to the issuance of industrial development revenue bonds.

B. Robbinsdale Economic Development Authority (REDA) – Notes Receivable

Periodically, the REDA issues loans to qualified entities to be used in the redevelopment of their property. As of December 31, 2018, the REDA had \$132,834 in outstanding notes.

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year was as follows:

| | Beginning Balance | Additions | Retirements | Transfers and Completed Construction | Ending Balance |
|---------------------------------------|----------------------|--------------|-------------|--|-------------------|
| Governmental activities | | | | | |
| Capital assets, not depreciated | | | | | |
| Land | \$ 1,053,033 | \$ – | \$ – | \$ – | \$ 1,053,033 |
| Work in progress | 1,277,086 | 2,228,714 | – | (1,676,147) | 1,829,653 |
| Total capital assets, not depreciated | 2,330,119 | 2,228,714 | – | (1,676,147) | 2,882,686 |
| Capital assets, depreciated | | | | | |
| Buildings and structures | 6,651,404 | 54,040 | – | – | 6,705,444 |
| Traffic and transportation | 33,795,630 | – | – | – | 33,795,630 |
| Park system infrastructure | 5,888,022 | 49,090 | – | – | 5,937,112 |
| Other improvements | 1,323,714 | 26,446 | (6,272) | 1,676,147 | 3,020,035 |
| Mobile equipment | 4,942,389 | 424,542 | (486,975) | – | 4,879,956 |
| Machinery and office equipment | 3,016,040 | 104,243 | (854,242) | – | 2,266,041 |
| Total capital assets, depreciated | 55,617,199 | 658,361 | (1,347,489) | 1,676,147 | 56,604,218 |
| Less accumulated depreciation for | | | | | |
| Buildings and structures | (3,832,027) | (196,003) | – | – | (4,028,030) |
| Traffic and transportation | (11,381,188) | (880,229) | – | – | (12,261,417) |
| Park system infrastructure | (2,684,889) | (388,951) | – | – | (3,073,840) |
| Other improvements | (928,031) | (37,730) | 6,272 | – | (959,489) |
| Mobile equipment | (3,044,279) | (292,663) | 401,001 | – | (2,935,941) |
| Machinery and office equipment | (2,482,222) | (88,541) | 850,817 | – | (1,719,946) |
| Total accumulated depreciation | (24,352,636) | (1,884,117) | 1,258,090 | – | (24,978,663) |
| Net capital assets, depreciated | 31,264,563 | (1,225,756) | (89,399) | 1,676,147 | 31,625,555 |
| Total capital assets, net | \$ 33,594,682 | \$ 1,002,958 | \$ (89,399) | \$ – | \$ 34,508,241 |

NOTE 5 – CAPITAL ASSETS (CONTINUED)

| | Beginning Balance | Additions | Retirements | Transfers and Completed Construction | Ending Balance |
|---------------------------------------|----------------------|-------------|--------------|--|-------------------|
| Business-type activities | | | | | |
| Capital assets, not depreciated | | | | | |
| Land | \$ 411,544 | \$ – | \$ – | \$ – | \$ 411,544 |
| Work in progress | 3,129,996 | 1,400,184 | – | (3,150,468) | 1,379,712 |
| Total capital assets, not depreciated | 3,541,540 | 1,400,184 | – | (3,150,468) | 1,791,256 |
| Capital assets, depreciated | | | | | |
| Buildings and structures | 7,933,948 | 187,062 | – | – | 8,121,010 |
| Utility system | 31,571,486 | 111,537 | – | 3,138,490 | 34,821,513 |
| Other improvements | 2,934,852 | – | – | 11,978 | 2,946,830 |
| Leasehold improvements | 538,340 | 40,867 | (499,032) | – | 80,175 |
| Mobile equipment | 494,998 | – | – | – | 494,998 |
| Machinery and office equipment | 829,721 | 85,707 | (122,092) | – | 793,336 |
| Total capital assets, depreciated | 44,303,345 | 425,173 | (621,124) | 3,150,468 | 47,257,862 |
| Less accumulated depreciation for | | | | | |
| Buildings and structures | (2,759,509) | (183,453) | – | – | (2,942,962) |
| Utility system | (8,468,015) | (486,794) | – | – | (8,954,809) |
| Other improvements | (2,395,148) | (272,411) | – | – | (2,667,559) |
| Leasehold improvements | (304,036) | (48,663) | 320,128 | – | (32,571) |
| Mobile equipment | (306,245) | (55,036) | – | – | (361,281) |
| Machinery and office equipment | (632,722) | (35,184) | 77,227 | – | (590,679) |
| Total accumulated depreciation | (14,865,675) | (1,081,541) | 397,355 | – | (15,549,861) |
| Net capital assets, depreciated | 29,437,670 | (656,368) | (223,769) | 3,150,468 | 31,708,001 |
| Total capital assets, net | \$ 32,979,210 | \$ 743,816 | \$ (223,769) | \$ – | \$ 33,499,257 |

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

| | |
|--|---------------------|
| Governmental activities | |
| General government | \$ 53,183 |
| Community development | 5,614 |
| Public safety | 73,656 |
| Recreation | 400,950 |
| Public works | 896,724 |
| Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets | 453,990 |
| Total depreciation expense – governmental activities | <u>\$ 1,884,117</u> |
| Business-type activities | |
| Water utility | \$ 207,207 |
| Sanitary sewer utility | 254,882 |
| Storm sewer utility | 388,191 |
| Liquor operations | 56,579 |
| Broadway Court | 174,682 |
| Total depreciation expense – business-type activities | <u>\$ 1,081,541</u> |

NOTE 6 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. In order to protect against these risks of loss, the City purchases commercial insurance through the League of Minnesota Cities Insurance Trust (LMCIT), a public entity risk pool. This pool currently operates common risk management and insurance programs for municipal entities. The City pays an annual premium to the LMCIT for its insurance coverage. The LMCIT is self-sustaining through commercial companies for excess claims. The City is covered through the pool for any claim incurred but unreported; however, it retains risk for the deductible portion of its insurance policies.

The Risk Insurance Fund was established to account for deductibles and other costs associated with the risk-of-loss that the City is unable to insure for because of restrictions or exclusions on the policies. It has also been established to fund any potential liability that may be assessed to it by the LMCIT Program. The fund is accounted for as an internal service fund where assets are set aside for risk management, insurance, administration, and claims settlement.

Fund liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities will include an amount for claims that have been incurred, but not reported (IBNR).

The Risk Insurance Fund collects a service charge from user funds/departments and pays insurance premiums and claims. Charges for services during 2018 were \$539,004. At December 31, 2018, 2017, and 2016, there were no significant IBNR claims.

The City's workers' compensation insurance policy is retrospectively rated. With this type of policy, final premiums are determined after loss experience workers' compensation rates and salaries for the year are known. The City also purchases fidelity bonds for employees in key positions.

During the year ended December 31, 2018, there were no significant reductions in insurance coverage from the prior year. Settled claims have not exceeded the City's commercial coverage in any of the past three years.

NOTE 7 – OPERATING LEASES

The City leases space for the Robbinsdale Wine & Spirits Liquor Store. The store relocated in September 2018. For the months of January through September, the store was located in Robin Center. The lease provided for minimum annual lease payments and sharing of common expenses.

In July 2017, the City entered into a lease with Hy-Vee, Inc. for new space in Robbinsdale Hy-Vee Food and Drug beginning the day the store opened for business with the public. The store was relocated and opened September 18, 2018. The agreement for the new space calls for minimum annual lease payments of \$144,900 and sharing of common expenses and expires 10 years following the commencement of the term. The lease has an option for two additional 5-year terms.

The rent expense for both leases for the year ended December 31, 2018 was \$136,685.

NOTE 8 – LONG-TERM DEBT

The City's long-term debt issues and transactions were as follows:

General Obligation Bonds and Certificates – The City periodically issues bonds and certificates in accordance with Minnesota Statutes and they are backed by their full faith, credit, and taxing powers.

Governmental Activities

- **2010 General Obligation Tax Increment Bonds** – In 2010, the City issued \$5,255,000 in General Obligation Tax Increment Bonds to redeem the 2007 Taxable General Obligation Temporary Tax Increment Bonds on their maturity date that had been used for the acquisition and demolition of a school for housing redevelopment purposes. The bonds mature in February 2032 and have a net interest cost of 3.58 percent.
- **2012 General Obligation Street Improvement Bonds** – In 2012, the City issued \$1,470,000 in General Obligation Improvement Bonds to finance the cost of street reconstruction within the City. The bonds mature in February 2023 and have a net interest cost of 1.38 percent.
- **2013 General Obligation Street Reconstruction Bonds** – In 2013, the City issued \$1,585,000 in General Obligation Improvement Bonds to finance the cost of street reconstruction within the City. The bonds mature in February 2024 and have a net interest cost of 1.85 percent.
- **2015 General Obligation Street Improvement Bonds** – In 2015, the City issued \$3,630,000 in General Obligation Improvement Bonds to finance the cost of street reconstruction within the City. The bonds mature in February 2026 and have a net interest cost of 1.49 percent.
- **2017 General Obligation Street Improvement Bonds** – In 2017, the City issued \$720,000 in General Obligation Improvement Bonds to finance the cost of street reconstruction within the City. The bonds mature in February 2028 and have a net interest cost of 1.78 percent.
- **2018 General Obligation Street Improvement Bonds** – In 2018, the City issued \$760,000 in General Obligation Improvement Bonds to finance the cost of street reconstruction within the City. The bonds mature in February 2029 and have a net interest cost of 2.95 percent.
- **2018 General Obligation Equipment Certificates** – In 2018, the City issued \$1,000,000 in General Obligation Equipment Certificates to finance the cost of capital equipment for the City. The certificates mature in February 2028 and have a net interest cost of 2.95 percent.

NOTE 8 – LONG-TERM DEBT (CONTINUED)

Business-Type Activities

- **2012 General Obligation Utility Revenue Bonds** – In 2012, the City issued \$2,560,000 in General Obligation Utility Revenue Bonds to finance a variety of utility system improvements and equipment costs. The bonds mature in February 2023 and have a net interest of 1.38 percent. These bonds are payable from the net revenues of the water utility, sanitary sewer utility, and storm sewer utility enterprise activities.
- **2013 General Obligation Utility Revenue Bonds** – In 2013, the City issued \$2,815,000 in General Obligation Utility Revenue Bonds to finance a variety of utility system improvements and equipment costs. The bonds mature in February 2024 and have a net interest of 1.85 percent. These bonds are payable from the net revenues of the water utility, sanitary sewer utility, and storm sewer utility enterprise activities.
- **2015 General Obligation Utility Revenue Bonds** – In 2015, the City issued \$2,805,000 in General Obligation Utility Revenue Bonds to finance a variety of utility system improvements and equipment costs. The bonds mature in February 2026 and have a net interest of 1.49 percent. These bonds are payable from the net revenues of the water utility, sanitary sewer utility, and storm sewer utility enterprise activities.
- **2017 General Obligation Utility Revenue Bonds** – In 2017, the City issued \$2,390,000 in General Obligation Utility Revenue Bonds to finance a variety of utility system improvements and equipment costs. The bonds mature in February 2028 and have a net interest of 1.78 percent. These bonds are payable from the net revenues of the water utility, sanitary sewer utility, and storm sewer utility enterprise activities.
- **2018 General Obligation Utility Revenue Bonds** – In 2018, the City issued \$1,155,000 in General Obligation Utility Revenue Bonds to finance a variety of utility system improvements and equipment costs. The bonds mature in February 2029 and have a net interest of 2.95 percent. These bonds are payable from the net revenues of the water utility, sanitary sewer utility, and storm sewer utility enterprise activities.

The REDA periodically issues bonds in accordance with Minnesota Statutes and they are backed by the City's full faith, credit, and taxing power.

- **2015 Housing Revenue Refunding Bonds** – In 2015, the REDA issued \$3,670,000 in Housing Revenue Refunding Bonds, which are being serviced by the Broadway Court Enterprise Operation of the REDA. The refunding bonds were issued to refund the 2006A Housing Revenue Refunding Bonds (\$4,730,000). The bonds mature in February 2029 and have a net interest of 2.09 percent.

NOTE 8 – LONG-TERM DEBT (CONTINUED)

SUMMARIES OF LONG-TERM DEBT ISSUES

A. Governmental Activities

| Issue | Interest Rates | Date Issued | Date Matures | Original Amount | Outstanding Balance |
|--|----------------|-------------|--------------|-----------------|----------------------|
| General obligation tax increment bonds | 2.00%–4.00% | 2010 | 2032 | \$ 5,255,000 | \$ 4,105,000 |
| General obligation street improvement bonds | 0.40%–2.00% | 2012 | 2023 | \$ 1,470,000 | 765,000 |
| General obligation street reconstruction bonds | 2.13%–3.00% | 2013 | 2024 | \$ 1,585,000 | 1,040,000 |
| General obligation street improvement bonds | 2.00%–3.00% | 2015 | 2026 | \$ 3,630,000 | 2,985,000 |
| General obligation street improvement bonds | 2.00%–3.00% | 2017 | 2028 | \$ 720,000 | 720,000 |
| General obligation street improvement bonds | 3.00%–5.00% | 2018 | 2029 | \$ 760,000 | 760,000 |
| General obligation equipment certificates | 4.00%–5.00% | 2018 | 2028 | \$ 1,000,000 | 1,000,000 |
| Debt issuance premium (discount) | | | | | 352,616 |
| Compensated absences | | | | | 654,639 |
| Total governmental activities | | | | | <u>\$ 12,382,255</u> |

Changes in long-term debt during 2018 for debt serviced through governmental activities are as follows:

| | Beginning Balance | Additions | Retirements | Ending Balance | Due In One Year |
|--|----------------------|---------------------|---------------------|----------------------|-------------------|
| General obligation tax increment bonds | \$ 4,270,000 | \$ – | \$ 165,000 | \$ 4,105,000 | \$ 180,000 |
| General obligation street improvement bonds | 4,940,000 | 760,000 | 470,000 | 5,230,000 | 540,000 |
| General obligation street reconstruction bonds | 1,200,000 | – | 160,000 | 1,040,000 | 160,000 |
| General obligation equipment certificates | – | 1,000,000 | – | 1,000,000 | – |
| Debt issuance premium (discount) | 233,232 | 151,095 | 31,711 | 352,616 | – |
| Total bonds and certificates payable | <u>10,643,232</u> | <u>1,911,095</u> | <u>826,711</u> | <u>11,727,616</u> | <u>880,000</u> |
| Compensated absences | 585,514 | 733,465 | 664,340 | 654,639 | 33,500 |
| Governmental activity long-term liabilities | <u>\$ 11,228,746</u> | <u>\$ 2,644,560</u> | <u>\$ 1,491,051</u> | <u>\$ 12,382,255</u> | <u>\$ 913,500</u> |

B. Business-Type Activities

| Issue | Interest Rates | Date Issued | Date Matures | Original Amount | Outstanding Balance |
|--|----------------|-------------|--------------|-----------------|----------------------|
| General obligation utility revenue bonds | 0.40%–2.00% | 2012 | 2023 | \$ 2,560,000 | \$ 1,330,000 |
| General obligation utility revenue bonds | 2.13%–3.00% | 2013 | 2024 | \$ 2,815,000 | 1,790,000 |
| General obligation utility revenue bonds | 2.00%–3.00% | 2015 | 2026 | \$ 2,805,000 | 2,305,000 |
| General obligation housing refunding bonds | 2.00%–2.75% | 2015 | 2029 | \$ 3,670,000 | 2,945,000 |
| General obligation utility revenue bonds | 2.00%–3.00% | 2017 | 2028 | \$ 2,390,000 | 2,390,000 |
| General obligation utility revenue bonds | 3.00%–5.00% | 2018 | 2029 | \$ 1,155,000 | 1,155,000 |
| Debt issuance premium (discount) | | | | | 433,446 |
| Total business-type activities | | | | | <u>\$ 12,348,446</u> |

NOTE 8 – LONG-TERM DEBT (CONTINUED)

Changes in long-term debt during 2018 for debt serviced through business-type activities are as follows:

| | Beginning Balance | Additions | Retirements | Ending Balance | Due In One Year |
|--|----------------------|---------------------|---------------------|----------------------|---------------------|
| General obligation utility revenue bonds | \$ 8,590,000 | \$ 1,155,000 | \$ 775,000 | \$ 8,970,000 | \$ 985,000 |
| General obligation housing refunding bonds | 3,185,000 | – | 240,000 | 2,945,000 | 240,000 |
| Debt issuance premium (discount) | 377,658 | 102,963 | 47,175 | 433,446 | – |
| Business-type activity long-term liabilities | <u>\$ 12,152,658</u> | <u>\$ 1,257,963</u> | <u>\$ 1,062,175</u> | <u>\$ 12,348,446</u> | <u>\$ 1,225,000</u> |

MINIMUM DEBT PAYMENTS

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

| Year Ending December 31, | Governmental Activities | | Business-Type Activities | | Totals |
|-----------------------------|-------------------------|---------------------|--------------------------|---------------------|----------------------|
| | Principal | Interest | Principal | Interest | |
| 2019 | \$ 880,000 | \$ 327,734 | \$ 1,225,000 | \$ 280,658 | \$ 2,713,392 |
| 2020 | 1,105,000 | 322,503 | 1,360,000 | 263,199 | 3,050,702 |
| 2021 | 1,170,000 | 288,640 | 1,415,000 | 227,149 | 3,100,789 |
| 2022 | 1,220,000 | 253,356 | 1,440,000 | 190,658 | 3,104,014 |
| 2023 | 1,260,000 | 215,625 | 1,490,000 | 153,176 | 3,118,801 |
| 2024–2028 | 4,050,000 | 620,926 | 4,545,000 | 334,021 | 9,549,947 |
| 2029–2032 | 1,690,000 | 134,325 | 440,000 | 6,225 | 2,270,550 |
| Total | <u>\$ 11,375,000</u> | <u>\$ 2,163,109</u> | <u>\$ 11,915,000</u> | <u>\$ 1,455,086</u> | <u>\$ 26,908,195</u> |

REVENUE PLEDGED

Future revenue pledged for the payment of long-term debt is as follows:

| Bond Issue | Use of Proceeds | Revenue Pledged | | | Remaining Principal and Interest | Current Year | |
|-----------------------|----------------------|-----------------|-------------------------------|-------------------|--|-----------------------------------|--------------------------------|
| | | Type | Percent of Debt Service | Term of Pledge | | Principal and Interest Paid | Pledged Revenue Received |
| Tax increment bonds | Redevelopment | Tax increments | 100% | 2010–2032 | \$ 5,359,137 | \$ 314,094 | \$ 370,860 |
| Utility revenue bonds | Utility improvements | Utility charges | 100% | | | | |
| Series 2012 | | | | 2012–2023 | \$ 1,389,055 | \$ 277,245 | \$ 5,618,025 |
| Series 2013 | | | | 2013–2024 | \$ 1,926,535 | \$ 321,181 | \$ 5,618,025 |
| Series 2015 | | | | 2015–2026 | \$ 2,531,175 | \$ 313,700 | \$ 5,618,025 |
| Series 2017 | | | | 2017–2028 | \$ 2,719,085 | \$ 57,908 | \$ 5,618,025 |
| Series 2018 | | | | 2018–2029 | \$ 1,462,274 | \$ – | \$ 5,618,025 |
| Housing revenue bonds | Affordable housing | Rental charges | 100% | 2015–2029 | \$ 3,341,962 | \$ 307,825 | \$ 841,942 |

CONDUIT DEBT OBLIGATIONS

On occasion, the City has issued industrial revenue bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. The City is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

NOTE 8 – LONG-TERM DEBT (CONTINUED)

The bonds and interest are payable solely out of the mortgage loan proceeds, certain fees, revenues, and other amounts derived from mortgage loans and certain reserve funds. The bonds do not constitute any indebtedness, liability, general or moral obligation, or pledge of the faith or loan of credit of the City, state of Minnesota, or any political subdivision of either thereof.

As of December 31, 2018, the City had authorized the issuance of industrial revenue bonds as shown in the following schedule:

| Description of Issue | Issue Date | Maturity Date | Outstanding December 31, 2018 |
|---|------------|---------------|-------------------------------------|
| Healthcare Facilities Revenue Bonds North Memorial Health Care – Series 2017 | 12/05/2017 | 05/01/2026 | \$ 44,395,000 |

NOTE 9 – COMPONENTS OF FUND BALANCE

A. Classifications

At December 31, 2018, a summary of the City’s governmental fund balance classifications are as follows:

| | General | Special Revenue | | Debt Service | Debt Service | Capital Project | Nonmajor | Total |
|-----------------------------|---------------------|--------------------------------|----------------------------|--------------------------|----------------------------|---------------------------------------|---------------------|----------------------|
| | | REDA General Development | REDA TIF Development | REDA Tax Increment | General Debt Service | Permanent Improvement Revolving | | |
| Nonspendable | | | | | | | | |
| Prepaid items | \$ 4,870 | \$ – | \$ – | \$ – | \$ – | \$ 3,240 | \$ – | \$ 8,110 |
| Restricted | | | | | | | | |
| Community development | – | 7,969,773 | – | – | – | – | – | 7,969,773 |
| Debt service | – | – | – | 291,386 | 1,470,779 | – | – | 1,762,165 |
| Public safety equipment | – | – | – | – | – | – | 21,736 | 21,736 |
| Total restricted | – | 7,969,773 | – | 291,386 | 1,470,779 | – | 21,736 | 9,753,674 |
| Committed | | | | | | | | |
| Street improvement projects | – | – | – | – | – | 32,178 | – | 32,178 |
| City code compliance | – | – | – | – | – | – | 339,036 | 339,036 |
| Cable improvements | – | – | – | – | – | – | 405,941 | 405,941 |
| Building improvements | – | – | – | – | – | – | 76,240 | 76,240 |
| Park capital improvements | – | – | – | – | – | – | 863,071 | 863,071 |
| Total committed | – | – | – | – | – | 32,178 | 1,684,288 | 1,716,466 |
| Assigned | | | | | | | | |
| Subsequent year’s budget | 285,322 | – | – | – | – | – | – | 285,322 |
| Senior programs | 2,289 | – | – | – | – | – | – | 2,289 |
| Street capital projects | – | – | – | – | – | 5,315,694 | – | 5,315,694 |
| Public safety equipment | – | – | – | – | – | – | 6,735 | 6,735 |
| Total assigned | 287,611 | – | – | – | – | 5,315,694 | 6,735 | 5,610,040 |
| Unassigned | | | | | | | | |
| | 5,268,507 | – | (4,285,793) | – | – | – | – | 982,714 |
| Total | <u>\$ 5,560,988</u> | <u>\$ 7,969,773</u> | <u>\$ (4,285,793)</u> | <u>\$ 291,386</u> | <u>\$ 1,470,779</u> | <u>\$ 5,351,112</u> | <u>\$ 1,712,759</u> | <u>\$ 18,071,004</u> |

B. Minimum Unassigned Fund Balance Policy

The City Council has formally adopted a fund balance policy regarding the minimum unassigned fund balance for the General Fund. The policy establishes a minimum unassigned General Fund balance of 40.0– 50.0 percent of the subsequent year’s General Fund budgeted expenditures. At December 31, 2018, the unassigned fund balance of the General Fund was 50.7 percent of the subsequent year’s General Fund budgeted expenditures.

NOTE 10 – INTERFUND TRANSACTIONS

A. Interfund Transfers

During 2018, the following interfund transfers took place:

| Transfers Out | Transfers In | | | | | Total |
|--------------------------|-------------------|---------------------|---------------------------------|-----------------------|------------------------|---------------------|
| | General | REDA Tax Increment | Permanent Improvement Revolving | Nonmajor Governmental | Internal Service Funds | |
| General | \$ – | \$ – | \$ – | \$ – | a \$ 24,579 | \$ 24,579 |
| REDA General Development | a 1,572 | – | – | – | – | 1,572 |
| REDA TIF Development | – | a 1,208,427 | – | – | – | 1,208,427 |
| General Debt Service | – | – | a 116,587 | – | – | 116,587 |
| Permanent Improvement | | | | | | |
| Revolving | a 93,087 | – | – | – | – | 93,087 |
| Nonmajor governmental | a 10,349 | – | – | – | a 1,059,318 | 1,069,667 |
| Water Utility | a 39,381 | – | – | – | – | 39,381 |
| Sanitary Sewer Utility | a 42,496 | – | – | – | – | 42,496 |
| Storm Sewer Utility | a 54,110 | – | – | – | a 11,410 | 65,520 |
| Solid Waste Removal | b 30,000 | – | b 150,000 | – | – | 180,000 |
| Liquor Operations | – | – | – | b 150,000 | – | 150,000 |
| Deputy Registrar | – | – | – | b 50,000 | – | 50,000 |
| Internal Service | – | – | – | – | a 231,871 | 231,871 |
| Total transfers | <u>\$ 270,995</u> | <u>\$ 1,208,427</u> | <u>\$ 266,587</u> | <u>\$ 200,000</u> | <u>\$ 1,327,178</u> | <u>\$ 3,273,187</u> |

Transfers were completed for the following reasons:

- a – Transfer resources for capital and debt service-related spending
- b – Budgeted transfers using excess earnings to fund operating and capital needs

B. Advances To and From Other Funds

The REDA General Development Fund has advanced \$4,285,280 to the REDA TIF Development Fund and \$2,036 to the REDA Tax Increment Fund for redevelopment of blighted housing stock within the City. The advances will be paid back over 20 years through the collection of TIF property tax revenues from the redeveloped properties. A 4.0 percent interest rate was charged on advances in 2018.

To the extent possible, interfund transactions are eliminated in the government-wide financial statements.

NOTE 11 – PENSION PLANS SUMMARY

The City has reported the following balances for defined benefit pension plans of the City:

| | PERA Plans | | | FRA | City Total |
|--|--------------|--------------|--------------|------------|--------------|
| | GERF | PEPFF | Subtotal | | |
| Net pension asset | \$ – | \$ – | \$ – | \$ 440,301 | \$ 440,301 |
| Deferred outflows of pension resources | \$ 542,472 | \$ 2,922,610 | \$ 3,465,082 | \$ 167,045 | \$ 3,632,127 |
| Net pension liability | \$ 3,145,482 | \$ 2,088,092 | \$ 5,233,574 | \$ – | \$ 5,233,574 |
| Deferred inflows of pension resources | \$ 779,271 | \$ 4,061,469 | \$ 4,840,740 | \$ 301,731 | \$ 5,142,471 |
| Pension revenue | \$ 24,077 | \$ 17,631 | \$ 41,708 | \$ 76,334 | \$ 118,042 |
| Pension expense | \$ 300,523 | \$ 248,441 | \$ 548,964 | \$ 66,177 | \$ 615,141 |

NOTE 12 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE

A. Plan Description

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

1. General Employees Retirement Fund (GERF)

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

2. Public Employees Police and Fire Fund (PEPFF)

The Public Employees Police and Fire Fund (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 local relief associations that elected to merge with and transfer assets and administration to the PERA.

B. Benefits Provided

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

1. GERF Benefits

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

Benefit increases are provided to benefit recipients each January. Increases are related to the funding ratio of the plan. If the GERF is at least 90.0 percent funded for two consecutive years, benefit recipients are given a 2.5 percent increase. If the plan has not exceeded 90.0 percent funded, or has fallen below 80.0 percent, benefit recipients are given a one percent increase. A benefit recipient who has been receiving a benefit for at least 12 full months as of June 30 will receive a full increase. Members receiving benefits for at least one month, but less than 12 full months as of June 30, will receive a pro rata increase.

NOTE 12 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

2. 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 10 years of credited service. Benefits for the PEPFF members first hired after June 30, 2014 vest on a prorated basis from 50 percent after 10 years, up to 100 percent after 20 years of credited service. The annuity accrual rate is 3 percent of average salary for each year of service. A full, unreduced pension is earned when members are age 55 and vested, or for members who were first hired prior to July 1, 1989, when age plus years of service equal at least 90.

Benefit increases are provided to benefit recipients each January. PEPFF benefit recipients receive a future annual 1.0 percent increase. An annual adjustment will equal 2.5 percent any time the plan exceeds a 90.0 percent funded ratio for two consecutive years. If the adjustment is increased to 2.5 percent and the funded ratio falls below 80.0 percent for one year or 85.0 percent for two consecutive years, the post-retirement benefit increase will be lowered to one percent. A benefit recipient who has been receiving a benefit for at least 12 full months as of June 30 will receive a full increase. Members receiving benefits for at least one month but less than 12 full months as of June 30 will receive a pro rata increase. For retirements after May 31, 2014, the first increase will be delayed two years.

C. Contributions

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

1. GERF Contributions

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2018. The City was required to contribute 7.50 percent for Coordinated Plan members. The City's contributions to the GERF for the year ended December 31, 2018 were \$298,495. The City's contributions were equal to the required contributions as set by state statutes.

2. PEPFF Contributions

Plan members were required to contribute 10.80 percent of their annual covered salary in fiscal year 2018. The City was required to contribute 16.20 percent of pay for members. The City's contributions to the PEPFF for the year ended December 31, 2018 were \$348,923. The City's contributions were equal to the required contributions as set by state statutes.

NOTE 12 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

D. Pension Costs

1. GERF Pension Costs

At December 31, 2018, the City reported a liability of \$3,145,482g for its proportionate share of the GERF’s net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City’s proportion of the net pension liability was based on the City’s contributions received by the PERA during the measurement period for employer payroll paid dates from July 1, 2017 through June 30, 2018, relative to the total employer contributions received from all of the PERA’s participating employers. The City’s proportionate share was 0.0567 percent at the end of the measurement period and 0.0565 percent for the beginning of the period.

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

| | |
|---|--------------|
| City’s proportionate share of the net pension liability | \$ 3,145,482 |
| State’s proportionate share of the net pension liability associated with the City | \$ 103,248 |

For the year ended December 31, 2018, the City recognized pension expense of \$276,446 for its proportionate share of the GERF’s pension expense. In addition, the City recognized an additional \$24,077 as pension expense (and grant revenue) for its proportionate share of the state of Minnesota’s contribution of \$16 million to the GERF.

At December 31, 2018, the City reported its proportionate share of the GERF’s deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| | <u> </u> | <u> </u> |
| Differences between expected and actual economic experience | \$ 82,975 | \$ 91,740 |
| Changes in actuarial assumptions | 300,473 | 352,580 |
| Differences between projected and actual investment earnings | – | 319,057 |
| Changes in proportion | 9,576 | 15,894 |
| Contributions paid to the PERA subsequent to the measurement date | 149,448 | – |
| | <u> </u> | <u> </u> |
| Total | <u>\$ 542,472</u> | <u>\$ 779,271</u> |

NOTE 12 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Deferred outflows of resources reported \$149,448 related to pensions resulting from city contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ending December 31, 2019. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ending December 31, | Pension Expense Amount |
|-----------------------------|------------------------------|
| 2019 | \$ 101,072 |
| 2020 | \$ (170,166) |
| 2021 | \$ (251,496) |
| 2022 | \$ (65,657) |

2. PEPFF Pension Costs

At December 31, 2018, the City reported a liability of \$2,088,092 for its proportionate share of the PEPFF’s net pension liability. The net pension liability was measured as of June 30, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City’s proportion of the net pension liability was based on the City’s contributions received by the PERA during the measurement period for employer payroll paid dates from July 1, 2017 through June 30, 2018, relative to the total employer contributions received from all of the PERA’s participating employers. The City’s proportionate share was 0.1959 percent at the end of the measurement period and 0.1960 percent for the beginning of the period.

For the year ended December 31, 2018, the City recognized pension expense of \$230,810 for its proportionate share of the PEPFF’s pension expense. The City also recognized \$17,631 for the year ended December 31, 2018 as revenue and an offsetting reduction of net pension liability 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, 2018, the City reported its proportionate share of the PEPFF’s deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Differences between expected and actual economic experience | \$ 84,187 | \$ 502,871 |
| Changes in actuarial assumptions | 2,570,840 | 3,075,477 |
| Difference between projected and actual investment earnings | – | 445,995 |
| Changes in proportion | 87,596 | 37,126 |
| Contributions paid to the PERA subsequent to the measurement date | <u>179,987</u> | <u>–</u> |
| Total | <u>\$ 2,922,610</u> | <u>\$ 4,061,469</u> |

NOTE 12 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Deferred outflows of resources reported \$179,987 related to pensions resulting from city contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ending December 31, 2019. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ending December 31, | Pension Expense Amount |
|-----------------------------|------------------------------|
| 2019 | \$ (55,043) |
| 2020 | \$ (148,089) |
| 2021 | \$ (285,827) |
| 2022 | \$ (822,778) |
| 2023 | \$ (7,109) |

E. Actuarial Assumptions

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

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

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors, and disabilitants for all plans were based on RP-2014 tables for males and females, as appropriate, with slight adjustments to fit the PERA's experience. Cost of living benefit increases after retirement for retirees are assumed to be 1.25 percent per year for the GERF, and 1.00 percent per year for the PEPFF.

Actuarial assumptions used in the June 30, 2018 valuation were based on the results of actuarial experience studies. The most recent six-year experience study in the GERF was completed in 2015. The most recent four-year experience study for PEPFF was completed in 2016. Economic assumptions were updated in 2017 based on a review of inflation and investment return assumptions.

The following changes in actuarial assumptions occurred in 2018:

1. GERF

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

2. PEPFF

- The mortality projection scale was changed from MP-2016 to MP-2017.
- As set by statutes, the assumed post-retirement benefit increase was changed from 1.0 percent per year through 2064, and 2.5 percent per year thereafter, to 1.0 percent for all years with no trigger.

NOTE 12 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

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

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|----------------------|------------------------------|---|
| Domestic stocks | 36 % | 5.10 % |
| International stocks | 17 | 5.30 % |
| Bonds | 20 | 0.75 % |
| Alternative assets | 25 | 5.90 % |
| Cash | <u>2</u> | – % |
| Total | <u><u>100 %</u></u> | |

F. Discount Rate

The discount rate used to measure the total pension liability in 2018 was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net positions of the GERP and the PEPFF were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

G. Pension Liability Sensitivity

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

| | <u>1% Decrease in Discount Rate 6.50%</u> | <u>Discount Rate 7.50%</u> | <u>1% Increase in Discount Rate 8.50%</u> |
|---|---|--------------------------------|---|
| The City's proportionate share of the GERP net pension liability | \$ 5,111,813 | \$ 3,145,482 | \$ 1,522,334 |
| The City's proportionate share of the PEPFF net pension liability | \$ 4,477,001 | \$ 2,088,092 | \$ 112,564 |

H. Pension Plan Fiduciary Net Position

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

NOTE 13 – DEFINED CONTRIBUTION PLAN

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

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. Minnesota Statutes, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5 percent of salary, which is matched by the elected official’s employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees, contributions must be a fixed percentage of salary. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, the PERA receives 2 percent of employer contributions and twenty-five hundredths of 1 percent (0.0025) of the assets in each member’s account annually.

| | Contribution Amount | | Percentage of Covered Payroll | | Required Rate for Employees and Employers |
|------|---------------------|----------|-------------------------------|----------|---|
| | Employee | Employer | Employee | Employer | |
| 2018 | \$ 1,368 | \$ 1,368 | 5% | 5% | 5% |
| 2017 | \$ 1,344 | \$ 1,344 | 5% | 5% | 5% |
| 2016 | \$ 1,341 | \$ 1,341 | 5% | 5% | 5% |

NOTE 14 – DEFINED BENEFIT PENSION PLAN – FIRE RELIEF ASSOCIATION

A. Plan Description

Volunteer firefighters of the Robbinsdale Fire Department (the Department) are members of the Association, which administers a single-employer defined benefit pension plan established to provide benefits for its members. The plan is established and administered in accordance with Minnesota Statutes, Chapter 424A. The Association is governed by a Board of nine trustees; six voting trustees elected by the members of the Association, and the City’s mayor, city clerk, and fire chief as ex officio members. As of the measurement date, the plan covered 27 active firefighters, 3 inactive members entitled to future benefits, and 7 surviving spouses/beneficiaries. The plan is a single-employer retirement plan and is established and administered in accordance with Minnesota Statutes, Chapter 69.

The Association maintains a separate Special Fund to accumulate assets to fund the retirement benefits earned by the Department’s membership. Funding for the Association is derived from an insurance premium tax in accordance with the Volunteer Firefighter’s Relief Association Financing Guidelines Act of 1971 (Chapter 261 as amended by Chapter 509 of Minnesota Statutes 1980). Funds are also derived from investment income.

**NOTE 14 – DEFINED BENEFIT PENSION PLAN – FIRE RELIEF ASSOCIATION
(CONTINUED)**

B. Benefits Provided

A firefighter who completes at least 20 years as an active member of the Department is entitled, after age 50, to a full service pension upon retirement. Upon retirement, an irrevocable election for a monthly or lump sum pension must be made. Members accepted after January 1, 1989 are only eligible for a lump sum pension.

The bylaws of the Association also provide for an early vested service pension for a retiring member who has completed fewer than 20 years of service. The reduced pension, available to members with 10 years of service, shall be equal to 60 percent of the pension as described by the bylaws. This percentage increases 4 percent per year so that at 20 years of service, the full amount prescribed is paid. Members who retire with less than 20 years of service, have reached the age of 50 years, and have completed at least 10 years of active membership, are entitled to a reduced service pension not to exceed the amount calculated by multiplying the member's service pension for the completed years of service times the applicable nonforfeitable percentage of pension.

C. Contributions

Minnesota Statutes, Chapters 424 and 424A authorize pension benefits for volunteer fire relief associations. The plan is funded by fire state aid, investment earnings, and, if necessary, employer contributions as specified in Minnesota Statutes and voluntary city contributions (if applicable). Required employer contributions are calculated annually based on an actuarial valuation using statutory provisions. The state of Minnesota contributed \$76,848 in fire state aid to the plan on behalf of the Department for the year ended December 31, 2018. The City contributed \$58,936 in accordance with state statutes requirements for the year ended December 31, 2018. Furthermore, the firefighters have no obligation to contribute to the plan.

D. Pension Costs

At year-end, the City reported a net pension asset of \$440,301 for the plan. The net pension asset was measured as of December 31, 2017. The total pension liability used to calculate the net pension asset in accordance with GASB Statement No. 68 was determined by applying an actuarial formula to specific census data certified by the Department as of December 31, 2017.

For the year ended December 31, 2018, the City recognized pension revenue of \$76,334 and pension expense of \$66,177.

**NOTE 14 – DEFINED BENEFIT PENSION PLAN – FIRE RELIEF ASSOCIATION
(CONTINUED)**

The following table presents the changes in net pension liability (asset) during the year:

| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (Asset) (a-b) |
|--|-----------------------------------|---------------------------------------|---|
| Beginning balance | \$ 1,452,492 | \$ 1,697,131 | \$ (244,639) |
| Changes for the year | | | |
| Service cost | 82,258 | – | 82,258 |
| Interest on pension liability (asset) | 111,963 | – | 111,963 |
| Differences between expected and actual experience | (54,939) | – | (54,939) |
| Change in assumptions | 35,452 | – | 35,452 |
| Contributions (state and local) | – | 128,495 | (128,495) |
| Net investment income | – | 256,522 | (256,522) |
| Benefit payments | (180,135) | (180,135) | – |
| Administrative costs | – | (14,621) | 14,621 |
| Total net changes | <u>(5,401)</u> | <u>190,261</u> | <u>(195,662)</u> |
| Ending balance | <u>\$ 1,447,091</u> | <u>\$ 1,887,392</u> | <u>\$ (440,301)</u> |

At December 31, 2018, the City reported deferred inflows of resources and deferred outflows of resources related to pension from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Differences between expected and actual economic experience | \$ – | \$ 105,363 |
| Changes in actuarial assumptions | 31,261 | 59,672 |
| Difference between projected and actual investment earnings | – | 59,848 |
| City contributions subsequent to the measurement date | 58,936 | – |
| State aid to the City subsequent to the measurement date | <u>76,848</u> | <u>76,848</u> |
| Total | <u>\$ 167,045</u> | <u>\$ 301,731</u> |

Deferred outflows of resources totaling \$135,784 related to pensions resulting from city contributions and state aid received subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2019. Deferred inflows of resources totaling \$76,848 related to state aid received subsequent to the measurement date will be recognized for its impact on the net pension liability in the year ending December 31, 2019. Other amounts reported as deferred outflows and inflows of resources related to the plan will be recognized in pension expense as follows:

| Year Ending December 31, | Pension Expense Amount |
|-----------------------------|------------------------------|
| 2019 | \$ (24,233) |
| 2020 | \$ (24,232) |
| 2021 | \$ (55,918) |
| 2022 | \$ (50,869) |
| 2023 | \$ (23,851) |
| Thereafter | \$ (14,519) |

**NOTE 14 – DEFINED BENEFIT PENSION PLAN – FIRE RELIEF ASSOCIATION
(CONTINUED)**

E. Actuarial Assumptions

The total pension liability at December 31, 2017 was determined using the entry age normal actuarial cost method and the following actuarial assumptions:

Retirement eligibility at 100 percent service pension at age 50 with 20 years of service, early vested retirement at age 50 with 10 years of service vested at 60 percent and increased by 4 percent for each additional year of service up to 20 and eligibility for deferred service pension payable at age 50 with 20 years of service

| | |
|------------------------------|----------------|
| Inflation rate | 2.75% per year |
| Investment rate of return | 7.00% |
| 20-year municipal bond yield | 3.31% |

The changes in actuarial assumptions since the prior valuation included:

- The assumed investment return was changed from 7.75 percent to 7.00 percent. The single discount rate changed from 7.75 percent to 7.00 percent.
- The mortality and withdrawal assumptions were updated from the rates used in the July 1, 2016 Minnesota PERA Police and Fire Plan actuarial valuation to the rates used in the July 1, 2017 Minnesota PERA Police and Fire Plan actuarial valuations.

The 7.00 percent long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates for expected future real rates of return (expected returns, net of inflation) were developed for each asset class using the plan’s target investment allocation, along with long-term return expectations by asset class. Inflation expectations were applied to derive the nominal rate of return for the portfolio.

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 | Long-Term Expected Nominal Rate of Return |
|----------------------|-------------------|--|---|
| Domestic equity | 62.58 % | 5.39 % | 8.14 % |
| International equity | 5.79 | 5.20 | 7.95 |
| Fixed income | 8.69 | 1.98 | 4.73 |
| Cash and equivalents | 22.94 | 0.79 | 3.54 |
| Total | 100.00 % | | 7.00 % |

F. Discount Rate

The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions to the plan will be made as specified in state statutes. Based on that assumption and considering the funding ratio of the plan, the fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**NOTE 14 – DEFINED BENEFIT PENSION PLAN – FIRE RELIEF ASSOCIATION
(CONTINUED)**

G. Pension Liability (Asset) Sensitivity

The following presents the City’s net pension liability (asset) for the plan, calculated using the discount rate disclosed in the preceding section, as well as what the City’s net pension liability (asset) would be if it were calculated using a discount rate 1 percent lower or 1 percent higher than the current discount rate:

| | 1% Decrease in Discount Rate (6.00%) | Current Discount Rate (7.00%) | 1% Increase in Discount Rate (8.00%) |
|----------------------|--|-------------------------------------|--|
| Defined benefit plan | \$ (387,420) | \$ (440,301) | \$ (490,704) |

H. Pension Plan Fiduciary Net Position

The Association issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by writing to the City of Robbinsdale, Attention: Finance Department, 4100 Lakeview Avenue North, Robbinsdale, Minnesota 55422; or by calling (763) 537-4534.

NOTE 15 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN

A. Plan Description

The City provides post-employment benefits to certain eligible employees through the City’s OPEB plan, a single-employer defined benefit plan administered by the City. All post-employment benefits are based on contractual agreements with employee groups. These contractual agreements do not include any specific contribution or funding requirements. The plan does not issue a publicly available financial report. No plan assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

B. Benefits Provided

All retirees of the City have the option under state law to continue their medical insurance coverage through the City from the time of retirement until the employee reaches the age of eligibility for Medicare. For members of all employee groups, the retiree must pay the full premium to continue coverage for medical and dental insurance. Per state statutes, the City is also required to contribute towards the cost of continued health insurance coverage for officers and firefighters disabled or killed in the line of duty.

The City is legally required to include any retirees for whom it provides health insurance coverage in the same insurance pool as its active employees until the retiree reaches Medicare eligibility, whether the premiums are paid by the City or the retiree. Consequently, participating retirees are considered to receive a secondary benefit known as an “implicit rate subsidy.” This benefit relates to the assumption that the retiree is receiving a more favorable premium rate than they would otherwise be able to obtain if purchasing insurance on their own, due to being included in the same pool with the City’s younger and statistically healthier active employees.

C. Contributions

The required contribution is based on projected pay-as-you-go financing requirements, with additional amounts to prefund benefits as determined periodically by the City. The City’s current year required pay-as-you-go contributions to finance the benefits described in the previous section totaled \$25,772.

NOTE 15 – OTHER POST-EMPLOYMENT BENEFITS PLAN (CONTINUED)

D. Membership

Membership in the plan consisted of the following as of the latest actuarial valuation:

| | |
|---|------------------|
| Retirees and beneficiaries receiving benefits | 10 |
| Active plan members | <u>84</u> |
| Total members | <u><u>94</u></u> |

E. Total OPEB Liability of the City

The City's total OPEB liability of \$699,597 as of year-end was measured as of December 31, 2017, and was determined by an actuarial valuation as of that date.

F. Actuarial Methods and Assumptions

The total OPEB liability was determined by an actuarial valuation as of December 31, 2017, using the entry age normal level percent of pay method. The following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

| | |
|------------------------------|---------------------------------------|
| Discount rate | 3.44% |
| 20-year municipal bond yield | 3.44% |
| Inflation rate | 2.75% |
| Salary increases | 3.50% |
| Medical trend rate | 10.00%, grading to 5.00% over 10 year |

Since the plan is not funded by an irrevocable trust, the discount rate is equal to the 20-year municipal bond yield.

Mortality rates were based on the RP-2014 mortality tables used in the PERA plan of which the employee, retiree, or beneficiary is a participant.

G. Changes in the Total OPEB Liability

| | <u>Total OPEB Liability</u> |
|------------------------|---------------------------------|
| Beginning balance | \$ 618,014 |
| Changes for the year | |
| Service cost | 60,777 |
| Interest | 25,189 |
| Changes in assumptions | 20,450 |
| Benefit payments | <u>(24,833)</u> |
| Total net changes | <u>81,583</u> |
| Ending balance | <u><u>\$ 699,597</u></u> |

Assumption changes since the prior measurement date include the following:

- The discount rate was changed from 3.78 percent to 3.44 percent.

NOTE 15 – OTHER POST-EMPLOYMENT BENEFITS PLAN (CONTINUED)

H. Total OPEB Liability Sensitivity to Discount and Healthcare Cost Trend Rate Changes

The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

| | <u>1% Decrease in Discount Rate</u> | <u>Discount Rate</u> | <u>1% Increase in Discount Rate</u> |
|----------------------|---|--------------------------|---|
| OPEB discount rate | 2.44% | 3.44% | 4.44% |
| Total OPEB liability | \$ 762,589 | \$ 699,597 | \$ 640,946 |

The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

| | <u>1% Decrease in Healthcare Trend Rate</u> | <u>Healthcare Trend Rate</u> | <u>1% Increase in Healthcare Trend Rate</u> |
|----------------------------|---|--|---|
| OPEB healthcare trend rate | 9.00%, decreasing to 4.00% over 10 years | 10.00%, decreasing to 5.00% over 10 years | 11.00%, decreasing to 6.00% over 10 years |
| Total OPEB liability | \$ 609,171 | \$ 699,597 | \$ 809,285 |

I. OPEB Expense and Related Deferred Outflows of Resources and Deferred Inflows of Resources

For the current year ended, the City recognized OPEB expense of \$88,238. As of year-end, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|---|--|
| Changes of assumptions | \$ 18,178 | \$ – |
| City contributions subsequent to the measurement date | <u>25,772</u> | <u>–</u> |
| Total | <u>\$ 43,950</u> | <u>\$ –</u> |

A total of \$25,772 reported as deferred outflows of resources related to OPEB resulting from city contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending December 31, 2019. Other amounts reported as deferred outflows and inflows of resources related to the plan will be recognized in pension expense as follows:

| <u>Year Ending June 30,</u> | <u>OPEB Expense Amount</u> |
|---------------------------------|------------------------------------|
| 2019 | \$ 2,272 |
| 2020 | \$ 2,272 |
| 2021 | \$ 2,272 |
| 2022 | \$ 2,272 |
| 2023 | \$ 2,272 |
| Thereafter | \$ 6,818 |

NOTE 16 – COMMITMENTS AND CONTINGENCIES

A. Contingent Liabilities

The City has the usual and customary type of miscellaneous legal claims pending at year-end. Although the outcome of these lawsuits is not presently determinable, the City's management believes that the City will not incur any material monetary loss resulting from these claims. No loss has been recorded on the City's financial statements relating to these claims.

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

B. Federal and State Funding

Amounts recorded or receivable from federal and state agencies are subject to agency audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of claims which may be disallowed by the grantor agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

C. Construction Commitments

At December 31, 2018, the City is committed to various construction contracts for the improvement of city property. The City's remaining commitment under these contracts is \$161,662.

D. Tax Abatement Agreements

The City, in order to spur economic development and redevelopment, will enter into private development and redevelopment agreements to encourage a developer to construct, expand, or improve new or existing properties and buildings, or clean-up and redevelop blighted areas. These agreements may, in substance, be a tax abatement, but will depend on their individual circumstances.

The City is authorized to create a TIF plan under Minnesota Statutes, Chapter 469.175. The criteria that must be met under the statutes are that, in the opinion of the municipality:

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

The City currently has one agreement that would be considered a tax abatement under GASB Statement No. 77. The City rebated \$28,400 of property tax increment in the current year. The remaining commitment on this agreement was \$350,000 as of year-end.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ROBBINSDALE

PERA – General Employees Retirement Fund
 Schedule of City’s and Nonemployer Proportionate Share of Net Pension Liability
 Year Ended December 31, 2018

| City Fiscal Year-End Date | PERA Fiscal Year-End Date (Measurement Date) | City’s Proportion of the Net Pension Liability | City’s Proportionate Share of the Net Pension Liability | City’s Proportionate Share of the State of Minnesota’s Proportionate Share of the Net Pension Liability | Proportionate Share of the Net Pension Liability and the City’s Share of the State of Minnesota’s Share of the Net Pension Liability | City’s Covered Payroll | City’s Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|------------------------------|---|--|---|---|--|------------------------------|---|--|
| 12/31/2015 | 06/30/2015 | 0.0573% | \$ 2,969,582 | \$ – | \$ 2,969,582 | \$ 3,369,638 | 88.13% | 78.20% |
| 12/31/2016 | 06/30/2016 | 0.0567% | \$ 4,603,757 | \$ 60,189 | \$ 4,663,946 | \$ 3,519,962 | 130.79% | 68.90% |
| 12/31/2017 | 06/30/2017 | 0.0565% | \$ 3,606,921 | \$ 45,387 | \$ 3,652,308 | \$ 3,642,531 | 99.02% | 75.90% |
| 12/31/2018 | 06/30/2018 | 0.0567% | \$ 3,145,482 | \$ 103,248 | \$ 3,248,730 | \$ 3,813,605 | 82.48% | 79.50% |

PERA – General Employees Retirement Fund
 Schedule of City Contributions
 Year Ended December 31, 2018

| City Fiscal Year-End Date | Statutorily Required Contributions | Contributions in Relation to the Statutorily Required Contributions | Contribution Deficiency (Excess) | Covered Payroll | Contributions as a Percentage of Covered Payroll |
|------------------------------|--|---|--|--------------------|--|
| 12/31/2015 | \$ 259,687 | \$ 259,687 | \$ – | \$ 3,462,493 | 7.50% |
| 12/31/2016 | \$ 267,770 | \$ 267,770 | \$ – | \$ 3,566,711 | 7.51% |
| 12/31/2017 | \$ 275,443 | \$ 275,443 | \$ – | \$ 3,672,567 | 7.50% |
| 12/31/2018 | \$ 298,495 | \$ 298,495 | \$ – | \$ 3,982,298 | 7.50% |

Note: The City implemented GASB Statement No. 68 in fiscal 2015 (using a June 30, 2015 measurement date). This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

CITY OF ROBBINSDALE

PERA – Public Employees Police and Fire Fund
 Schedule of City's Proportionate Share of Net Pension Liability
 Year Ended December 31, 2018

| City Fiscal Year-End Date | PERA Fiscal Year-End Date (Measurement Date) | City's Proportion of the Net Pension Liability | City's Proportionate Share of the Net Pension Liability | City's Covered Payroll | City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|------------------------------|---|---|---|---------------------------|--|---|
| 12/31/2015 | 06/30/2015 | 0.1880% | \$ 2,316,120 | \$ 1,711,094 | 135.36% | 86.60% |
| 12/31/2016 | 06/30/2016 | 0.1940% | \$ 7,785,558 | \$ 1,866,125 | 417.20% | 63.90% |
| 12/31/2017 | 06/30/2017 | 0.1960% | \$ 2,646,233 | \$ 2,007,751 | 131.80% | 85.40% |
| 12/31/2018 | 06/30/2018 | 0.1959% | \$ 2,088,092 | \$ 2,064,385 | 101.15% | 88.80% |

PERA – Public Employees Police and Fire Fund
 Schedule of City Contributions
 Year Ended December 31, 2018

| City Fiscal Year-End Date | PERA Fiscal Year-End Date (Measurement Date) | Statutorily Required Contributions | Contributions in Relation to the Statutorily Required Contributions | Contribution Deficiency (Excess) | Covered Payroll | Contributions as a Percentage of Covered Payroll |
|------------------------------|---|--|---|--|-----------------|--|
| 12/31/2015 | 06/30/2015 | \$ 295,913 | \$ 295,913 | \$ – | \$ 1,826,623 | 16.20% |
| 12/31/2016 | 06/30/2016 | \$ 311,776 | \$ 311,776 | \$ – | \$ 1,924,574 | 16.20% |
| 12/31/2017 | 06/30/2017 | \$ 330,297 | \$ 330,297 | \$ – | \$ 2,038,874 | 16.20% |
| 12/31/2018 | 06/30/2018 | \$ 348,923 | \$ 348,923 | \$ – | \$ 2,153,844 | 16.20% |

Note: The City implemented GASB Statement No. 68 in fiscal 2015 (using a June 30, 2015 measurement date). This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

CITY OF ROBBINSDALE

Robbinsdale Fire Department Relief Association
 Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios
 Year Ended December 31, 2018

| City fiscal year-end date Measurement date | December 31, | | | |
|---|---------------------|---------------------|---------------------|---------------------|
| | 2018 | 2017 (1) | 2016 | 2015 |
| | 2017 | 2016 | 2016 | 2015 |
| Total pension liability | | | | |
| Service cost | \$ 82,258 | \$ 82,441 | \$ 82,441 | \$ 65,993 |
| Interest on pension liability (asset) | 111,963 | 121,916 | 121,916 | 161,021 |
| Difference between expected and actual experience | (54,939) | – | – | (88,598) |
| Change in assumptions | 35,452 | (11,359) | (11,359) | (79,800) |
| Benefit payments | (180,135) | (567,243) | (567,243) | (625,655) |
| Net change in total pension liability | (5,401) | (374,245) | (374,245) | (567,039) |
| Total pension liability – beginning of year | 1,452,492 | 1,826,737 | 1,826,737 | 2,393,776 |
| Total pension liability – end of year | <u>\$ 1,447,091</u> | <u>\$ 1,452,492</u> | <u>\$ 1,452,492</u> | <u>\$ 1,826,737</u> |
| Plan fiduciary net position | | | | |
| Contributions (state and local) | \$ 128,495 | \$ 141,780 | \$ 141,780 | \$ 154,715 |
| Net investment income | 256,522 | 155,774 | 155,774 | 6,417 |
| Benefit payments | (180,135) | (567,243) | (567,243) | (625,655) |
| Administrative costs | (14,621) | (19,681) | (19,681) | (15,547) |
| Net change in plan fiduciary net position | 190,261 | (289,370) | (289,370) | (480,070) |
| Plan fiduciary net position – beginning of year | 1,697,131 | 1,986,501 | 1,986,501 | 2,466,571 |
| Plan fiduciary net position – end of year | <u>\$ 1,887,392</u> | <u>\$ 1,697,131</u> | <u>\$ 1,697,131</u> | <u>\$ 1,986,501</u> |
| Net pension liability (asset) – ending | <u>\$ (440,301)</u> | <u>\$ (244,639)</u> | <u>\$ (244,639)</u> | <u>\$ (159,764)</u> |
| Plan fiduciary net position as a percentage of the total pension liability | <u>130.43%</u> | <u>116.84%</u> | <u>116.84%</u> | <u>108.75%</u> |

(1) The City made a change in accounting principle to utilize the look-back period as the measurement date. This is an accepted practice and allows the City to complete its CAFR in a more timely manner. This change required the use of the same actuary study and pension report for the 2016 and 2017 fiscal years.

Note: The City implemented GASB Statement No. 68 in fiscal 2015 (using a December 31, 2015 measurement date). This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

CITY OF ROBBINSDALE

Robbinsdale Fire Department Relief Association
 Schedule of City Contributions
 Year Ended December 31, 2018

| City Fiscal Year-End Date | Actuarially Determined Contribution | Contributions in Relation to the Actuarially Determined Contributions | Contribution Deficiency (Excess) |
|------------------------------|---|---|--|
| 12/31/2015 | \$ 124,590 | \$ 154,715 | \$ (30,125) |
| 12/31/2016 | \$ 124,590 | \$ 141,780 | \$ (17,190) |
| 12/31/2017 | \$ 132,456 | \$ 128,495 | \$ 3,961 |
| 12/31/2018 | \$ 136,735 | \$ 135,784 | \$ 951 |

Notes to schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of December 31, up to two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

| | |
|---------------------------|---|
| Actuarial cost method | Entry age normal actuarial cost method |
| Amortization method | Straight-line amortization over a closed period |
| Asset valuation method | Market value of assets as of the measurement date |
| Inflation | 2.75% |
| Salary increases | N/A – volunteer fire relief association plan |
| Investment rate of return | 7.00%, net of pension plan investment expense, including inflation |
| Retirement age | Assumed 50% of active members will retire when reaching retirement eligibility; then 50% retire each subsequent year until 100% retirement at the earlier of age 65 or 30 years of service. |
| Mortality | Rates used in the July 1, 2017 Minnesota PERA Police and Fire Plan valuation using the RP-2014 Mortality Table. |

Note: The City implemented GASB Statement No. 68 in fiscal 2015. This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

CITY OF ROBBINSDALE

Other Post-Employment Benefits Plan
 Schedule of Changes in the City's Total
 OPEB Liability and Related Ratios
 Year Ended December 31, 2018

| | <u>2018</u> |
|---|---------------------|
| Total OPEB liability | |
| Service cost | \$ 60,777 |
| Interest | 25,189 |
| Changes of assumptions | 20,450 |
| Benefit payments | <u>(24,833)</u> |
| Net change in total OPEB liability | 81,583 |
| Total OPEB liability – beginning of year | <u>618,014</u> |
| Total OPEB liability – end of year | <u>\$ 699,597</u> |
| Covered payroll | <u>\$ 5,700,000</u> |
| Total OPEB liability as a percentage of covered payroll | <u>12.27%</u> |

Note: The City implemented GASB Statement No. 75 in fiscal 2018. This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

CITY OF ROBBINSDALE

Notes to Required Supplementary Information
December 31, 2018

PERA – GENERAL EMPLOYEES RETIREMENT FUND

2018 CHANGES IN ACTUARIAL ASSUMPTIONS:

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

The assumed benefit increase was changed from 1.00 percent per year through 2044, and 2.50 percent per year thereafter, to 1.25 percent per year.

2017 CHANGES IN PLAN PROVISIONS:

The state's special funding contribution increased from \$6 million to \$16 million.

2017 CHANGES IN ACTUARIAL ASSUMPTIONS:

The Combined Service Annuity (CSA) loads were changed from 0.80 percent for active members and 60.00 percent for vested and nonvested deferred members. The revised CSA loads are now zero percent for active member liability, 15.00 percent for vested deferred member liability, and 3.00 percent for nonvested deferred member liability.

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

2016 CHANGES IN ACTUARIAL ASSUMPTIONS:

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

The assumed investment return was changed from 7.90 percent to 7.50 percent. The single discount rate was changed from 7.90 percent to 7.50 percent.

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

2015 CHANGES IN PLAN PROVISIONS:

On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Retirement Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised.

2015 CHANGES IN ACTUARIAL ASSUMPTIONS:

The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2030, and 2.50 percent per year thereafter, to 1.00 percent per year through 2035, and 2.50 percent per year thereafter.

CITY OF ROBBINSDALE

Notes to Required Supplementary Information (continued)
December 31, 2018

PERA – PUBLIC EMPLOYEES POLICE AND FIRE FUND

2018 CHANGES IN ACTUARIAL ASSUMPTIONS:

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

As set by state statutes, the assumed post-retirement benefit increase was changed from 1.00 percent per year through 2064, and 2.50 percent per year thereafter, to 1.00 percent for all years with no trigger.

2017 CHANGES IN ACTUARIAL ASSUMPTIONS:

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

Assumed rates of retirement were changed, resulting in fewer retirements.

The CSA load was 30.00 percent for vested and nonvested deferred members. The CSA has been changed to 33.00 percent for vested members, and 2.00 percent for nonvested members.

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

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

Assumed percentage of married female members was decreased from 65.00 percent to 60.00 percent.

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

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

The assumed post-retirement benefit increase rate was changed from 1.00 percent for all years, to 1.00 percent per year through 2064, and 2.50 percent thereafter.

The single discount rate changed from 5.60 percent to 7.50 percent.

CITY OF ROBBINSDALE

Notes to Required Supplementary Information (continued)
December 31, 2018

PERA – PUBLIC EMPLOYEES POLICE AND FIRE FUND (CONTINUED)

2016 CHANGES IN ACTUARIAL ASSUMPTIONS:

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

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

The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth, and 2.50 percent for inflation.

2015 CHANGES IN PLAN PROVISIONS:

The post-retirement benefit increase to be paid after attainment of the 90.00 percent funding threshold was changed from inflation up to 2.50 percent, to a fixed rate of 2.50 percent.

2015 CHANGES IN ACTUARIAL ASSUMPTIONS:

The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2030, and 2.50 percent per year thereafter, to 1.00 percent per year through 2037, and 2.50 percent per year thereafter.

CITY OF ROBBINSDALE

Notes to Required Supplementary Information (continued)
December 31, 2018

ROBBINSDALE FIRE DEPARTMENT RELIEF ASSOCIATION

2018 CHANGES IN ACTUARIAL ASSUMPTIONS:

The assumed investment return was changed from 7.75 percent to 7.00 percent. The single discount rate changed from 7.75 percent to 7.00 percent.

The mortality and withdrawal assumptions were updated from the rates used in the July 1, 2016 Minnesota PERA Public Employees Police and Fire Fund plan actuarial valuation to the rates used in the July 1, 2017 Minnesota PERA Public Employees Police and Fire Fund plan actuarial valuations.

2017/2016 CHANGES

The City made a change in accounting principle to utilize the look-back period as the measurement date. This is an accepted practice and allows the City to complete its CAFR in a timelier manner. This change required the use of the same actuary study and pension report for the 2016 and 2017 fiscal years.

2017/2016 CHANGES IN ACTUARIAL ASSUMPTIONS:

The assumed investment return was changed from 7.50 percent to 7.75 percent. The single discount rate changed from 7.50 percent to 7.75 percent.

2015 CHANGES IN ACTUARIAL ASSUMPTIONS:

The retirement rates were updated to reflect plan experience and expectations.

OTHER POST-EMPLOYMENT BENEFITS PLAN

2018 CHANGES IN ACTUARIAL ASSUMPTIONS:

The discount rate was changed from 3.78 percent to 3.44 percent.

SUPPLEMENTAL INFORMATION



READER'S NOTES:

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Forfeiture Fund

This fund was established to account for the costs and proceeds associated with confiscating vehicles involved in DWI cases and other forfeiture situations. The proceeds from the sale of forfeited items offsets the legal, repair and maintenance, licensing, and disposal costs.

City Code Compliance Fund

This fund was established to account for programs funded by special assessments to comply with city code and emergency issues related to private property, which promotes the safety and welfare of the citizens.

CAPITAL PROJECT FUND

Capital Improvement Fund

This fund was established to account for construction and/or improvements related to the following programs: cable grant, government buildings, park improvements, and capital equipment notes. Funding is generally provided through grants from other governments or organizations and transfers from other funds.

CITY OF ROBBINSDALE

Nonmajor Governmental Funds
 Combining Balance Sheet
 December 31, 2018

| | Special Revenue Funds | | | Total Nonmajor Funds |
|--|-----------------------|---------------------------------|---|----------------------------|
| | Forfeiture Fund | City Code Compliance Fund | Capital Improvement Capital Project Fund | |
| Assets | | | | |
| Cash and investments | \$ 31,863 | \$ 333,782 | \$ 1,332,927 | \$ 1,698,572 |
| Receivables | | | | |
| Accrued interest | 175 | 1,843 | 7,368 | 9,386 |
| Special assessments | — | 168,143 | — | 168,143 |
| Accounts | — | 10,675 | 2,237 | 12,912 |
| Due from other governments | — | — | 3,547 | 3,547 |
| Notes | — | — | 388,478 | 388,478 |
| Total assets | \$ 32,038 | \$ 514,443 | \$ 1,734,557 | \$ 2,281,038 |
| Liabilities | | | | |
| Accounts payable | \$ 3,567 | \$ 7,958 | \$ — | \$ 11,525 |
| Contract payable | — | — | 827 | 827 |
| Unearned revenue | — | — | 388,478 | 388,478 |
| Total liabilities | 3,567 | 7,958 | 389,305 | 400,830 |
| Deferred inflows of resources | | | | |
| Unavailable revenue – special assessments | — | 167,449 | — | 167,449 |
| Fund balances | | | | |
| Restricted | 21,736 | — | — | 21,736 |
| Committed | — | 339,036 | 1,345,252 | 1,684,288 |
| Assigned | 6,735 | — | — | 6,735 |
| Total fund balances | 28,471 | 339,036 | 1,345,252 | 1,712,759 |
| Total liabilities, deferred inflows of resources, and fund balances | \$ 32,038 | \$ 514,443 | \$ 1,734,557 | \$ 2,281,038 |

CITY OF ROBBINSDALE

Nonmajor Governmental Funds
 Combining Statement of Revenue, Expenditures, and Changes in Fund Balances
 Year Ended December 31, 2018

| | Special Revenue Funds | | | Total Nonmajor Funds |
|--|-----------------------|---------------------------------|---|----------------------------|
| | Forfeiture Fund | City Code Compliance Fund | Capital Improvement Capital Project Fund | |
| Revenues | | | | |
| Special assessments | \$ - | \$ 48,901 | \$ - | \$ 48,901 |
| Intergovernmental | - | - | 50,849 | 50,849 |
| Charges for services | - | 20,161 | 37,118 | 57,279 |
| Interest and dividends | 739 | 5,926 | 21,729 | 28,394 |
| Net change in fair value of investments | (74) | (592) | (2,168) | (2,834) |
| Miscellaneous | 22,833 | - | 17,888 | 40,721 |
| Total revenues | <u>23,498</u> | <u>74,396</u> | <u>125,416</u> | <u>223,310</u> |
| Expenditures | | | | |
| Current | | | | |
| General government | - | - | 14,001 | 14,001 |
| Public safety | 35,197 | 43,648 | - | 78,845 |
| Recreation | - | - | 15,713 | 15,713 |
| Capital outlay and improvements | - | - | 61,108 | 61,108 |
| Total expenditures | <u>35,197</u> | <u>43,648</u> | <u>90,822</u> | <u>169,667</u> |
| Excess (deficiency) of revenues over (under) expenditures | (11,699) | 30,748 | 34,594 | 53,643 |
| Other financing sources (uses) | | | | |
| Issuance of debt | - | - | 1,000,000 | 1,000,000 |
| Premium on debt issuance | - | - | 59,318 | 59,318 |
| Transfers in | - | - | 200,000 | 200,000 |
| Transfers (out) | - | - | (1,069,667) | (1,069,667) |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>189,651</u> | <u>189,651</u> |
| Net change in fund balances | (11,699) | 30,748 | 224,245 | 243,294 |
| Fund balances | | | | |
| Beginning of year | <u>40,170</u> | <u>308,288</u> | <u>1,121,007</u> | <u>1,469,465</u> |
| End of year | <u>\$ 28,471</u> | <u>\$ 339,036</u> | <u>\$ 1,345,252</u> | <u>\$ 1,712,759</u> |



READER'S NOTES:

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department to other departments on a cost-reimbursement basis.

Central Garage Fund

This fund was established to account for the cost of operating a maintenance facility for mobile equipment used by other city departments. Such costs are billed to other departments at cost plus a charge to replace the equipment.

Central Services Fund

This fund was established to account for the cost of operating the Information Technology Department, Central Services (phone system, postage, copier, and general supplies), and Government Building Operations (includes City Hall and the Police and Fire Station). Costs are recouped through charges to other departments based upon a systematic measure (estimate) of resources used.

Equipment Replacement Fund

This fund was established to provide for the systematic replacement of equipment as required.

Risk Insurance Fund

The City Council established this fund to provide for the deductible portion of insurance coverage that the City carries. Through this action, charges are made to all departments to recoup the costs of the insurance over a five-year period, and the amount of potential risk assumed by the City through the deductible portion of the coverage.

Benefit Accrual Fund

The City Council established this fund to eliminate the fragmentation of vacation and sick leave among the General Fund and enterprise funds for administrative purposes.

CITY OF ROBBINSDALE

Internal Service Funds
 Combining Statement of Net Position
 December 31, 2018

| | Central Garage Fund | Central Services Fund | Equipment Replacement Fund |
|--|---------------------------|-----------------------------|----------------------------------|
| Assets | | | |
| Current assets | | | |
| Cash and investments | \$ 1,583,528 | \$ 924,111 | \$ 824,793 |
| Receivables | | | |
| Accrued interest | 8,771 | 5,098 | 4,533 |
| Accounts | - | - | - |
| Prepaid items | - | 14,994 | - |
| Total current assets | <u>1,592,299</u> | <u>944,203</u> | <u>829,326</u> |
| Noncurrent assets | | | |
| Capital assets | | | |
| Land | 29,388 | - | 69,385 |
| Buildings and structures | 744,657 | 846,094 | 743,883 |
| Other improvements | - | 261,895 | 806,152 |
| Mobile equipment | 4,582,180 | - | 209,650 |
| Machinery and office equipment | 334,108 | 390,671 | 1,041,939 |
| Work in progress | 867,943 | - | - |
| Accumulated depreciation | <u>(3,401,841)</u> | <u>(592,526)</u> | <u>(2,374,771)</u> |
| Total capital assets, net of depreciation | <u>3,156,435</u> | <u>906,134</u> | <u>496,238</u> |
| Total assets | 4,748,734 | 1,850,337 | 1,325,564 |
| Deferred outflows of resources | | | |
| OPEB plan deferments | 1,420 | 475 | - |
| Pension plan deferments – PERA | 26,989 | 23,189 | - |
| Total deferred outflows of resources | <u>28,409</u> | <u>23,664</u> | <u>-</u> |
| Total assets and deferred outflows of resources | <u>\$ 4,777,143</u> | <u>\$ 1,874,001</u> | <u>\$ 1,325,564</u> |
| Liabilities | | | |
| Current liabilities | | | |
| Accounts payable | \$ 36,942 | \$ 64,059 | \$ - |
| Accrued salaries and benefits | - | - | - |
| Compensated absences | - | - | - |
| Total current liabilities | <u>36,942</u> | <u>64,059</u> | <u>-</u> |
| Noncurrent liabilities | | | |
| Total OPEB liability | 4,118 | 1,377 | - |
| Net pension liability | 152,025 | 111,430 | - |
| Compensated absences | - | - | - |
| Total noncurrent liabilities | <u>156,143</u> | <u>112,807</u> | <u>-</u> |
| Total liabilities | 193,085 | 176,866 | - |
| Deferred inflows of resources | | | |
| Pension plan deferments – PERA | 38,118 | 26,154 | - |
| Net position | | | |
| Investment in capital assets | 3,156,435 | 906,134 | 496,238 |
| Unrestricted | <u>1,389,505</u> | <u>764,847</u> | <u>829,326</u> |
| Total net position | <u>4,545,940</u> | <u>1,670,981</u> | <u>1,325,564</u> |
| Total liabilities, deferred inflows of resources, and net position | <u>\$ 4,777,143</u> | <u>\$ 1,874,001</u> | <u>\$ 1,325,564</u> |

| Risk Insurance Fund | Benefit Accrual Fund | Total |
|---------------------------|----------------------------|----------------------|
| \$ 1,500,441 | \$ 1,689,643 | \$ 6,522,516 |
| 8,287 | 9,302 | 35,991 |
| – | 3,353 | 3,353 |
| 21,901 | 5,282 | 42,177 |
| <u>1,530,629</u> | <u>1,707,580</u> | <u>6,604,037</u> |
| – | – | 98,773 |
| – | – | 2,334,634 |
| – | – | 1,068,047 |
| – | – | 4,791,830 |
| – | – | 1,766,718 |
| – | – | 867,943 |
| – | – | (6,369,138) |
| <u>–</u> | <u>–</u> | <u>4,558,807</u> |
| 1,530,629 | 1,707,580 | 11,162,844 |
| – | – | 1,895 |
| <u>–</u> | <u>–</u> | <u>50,178</u> |
| <u>–</u> | <u>–</u> | <u>52,073</u> |
| <u>\$ 1,530,629</u> | <u>\$ 1,707,580</u> | <u>\$ 11,214,917</u> |
| \$ 497 | \$ – | \$ 101,498 |
| – | 422,255 | 422,255 |
| – | 33,500 | 33,500 |
| <u>497</u> | <u>455,755</u> | <u>557,253</u> |
| – | – | 5,495 |
| – | – | 263,455 |
| – | 621,139 | 621,139 |
| <u>–</u> | <u>621,139</u> | <u>890,089</u> |
| 497 | 1,076,894 | 1,447,342 |
| – | – | 64,272 |
| – | – | 4,558,807 |
| <u>1,530,132</u> | <u>630,686</u> | <u>5,144,496</u> |
| <u>1,530,132</u> | <u>630,686</u> | <u>9,703,303</u> |
| <u>\$ 1,530,629</u> | <u>\$ 1,707,580</u> | <u>\$ 11,214,917</u> |

CITY OF ROBBINSDALE

Internal Service Funds
 Combining Statement of Revenue, Expenses,
 and Changes in Net Position
 Year Ended December 31, 2018

| | Central Garage Fund | Central Services Fund | Equipment Replacement Fund |
|---|---------------------------|-----------------------------|----------------------------------|
| Operating revenues | | | |
| Sales, fees, and charges | \$ 881,760 | \$ 1,049,486 | \$ - |
| Operating expenses | | | |
| Personal services | 243,439 | 163,866 | - |
| Supplies | 232,117 | 69,216 | 207,311 |
| Other services and charges | 194,493 | 730,870 | 4,176 |
| Depreciation | 311,661 | 72,714 | 69,615 |
| Total operating expenses | <u>981,710</u> | <u>1,036,666</u> | <u>281,102</u> |
| Operating income (loss) | (99,950) | 12,820 | (281,102) |
| Nonoperating revenues (expenses) | | | |
| Intergovernmental | 1,156 | 554 | - |
| Interest and dividends | 21,221 | 17,708 | 20,115 |
| Net change in fair value of investments | (2,118) | (1,767) | (2,008) |
| Gain (loss) on disposal of capital assets | 53,686 | - | - |
| Total nonoperating revenues (expenses) | <u>73,945</u> | <u>16,495</u> | <u>18,107</u> |
| Income (loss) before transfers | (26,005) | 29,315 | (262,995) |
| Transfers | | | |
| Transfers in | 1,327,178 | - | - |
| Transfers (out) | - | - | (231,871) |
| Total transfers | <u>1,327,178</u> | <u>-</u> | <u>(231,871)</u> |
| Change in net position | 1,301,173 | 29,315 | (494,866) |
| Net position | | | |
| Beginning of year | <u>3,244,767</u> | <u>1,641,666</u> | <u>1,820,430</u> |
| End of year | <u>\$ 4,545,940</u> | <u>\$ 1,670,981</u> | <u>\$ 1,325,564</u> |

| Risk Insurance Fund | Benefit Accrual Fund | Total |
|---------------------------|----------------------------|---------------------|
| \$ 539,004 | \$ 441 | \$ 2,470,691 |
| - | - | 407,305 |
| - | - | 508,644 |
| 495,853 | 9,169 | 1,434,561 |
| - | - | 453,990 |
| <u>495,853</u> | <u>9,169</u> | <u>2,804,500</u> |
| 43,151 | (8,728) | (333,809) |
| 9,756 | - | 11,466 |
| 26,365 | 26,065 | 111,474 |
| (2,631) | (2,600) | (11,124) |
| - | - | 53,686 |
| <u>33,490</u> | <u>23,465</u> | <u>165,502</u> |
| 76,641 | 14,737 | (168,307) |
| - | - | 1,327,178 |
| - | - | (231,871) |
| <u>-</u> | <u>-</u> | <u>1,095,307</u> |
| 76,641 | 14,737 | 927,000 |
| <u>1,453,491</u> | <u>615,949</u> | <u>8,776,303</u> |
| <u>\$ 1,530,132</u> | <u>\$ 630,686</u> | <u>\$ 9,703,303</u> |

CITY OF ROBBINSDALE

Internal Service Funds
 Combining Statement of Cash Flows
 Year Ended December 31, 2018

| | Central Garage Fund | Central Services Fund | Equipment Replacement Fund |
|--|---------------------------|-----------------------------|----------------------------------|
| Cash flows from operating activities | | | |
| Cash received from customers and users, including deposits | \$ 881,965 | \$ 1,049,534 | \$ - |
| Cash payments to suppliers | (397,570) | (791,370) | (211,487) |
| Cash payments to employees | (241,815) | (163,479) | - |
| Net cash flows from operating activities | <u>242,580</u> | <u>94,685</u> | <u>(211,487)</u> |
| Cash flows from noncapital financing activities | | | |
| Intergovernmental | 1,156 | 554 | - |
| Cash flows from capital and related financing activities | | | |
| Transfers from other funds | 1,327,178 | - | - |
| Transfers (to) other funds | - | - | (231,871) |
| Acquisition of property and equipment | (1,329,645) | (130,221) | (31,238) |
| Proceeds from the disposal of property and equipment | 143,085 | - | - |
| Net cash flows from capital and related financing activities | <u>140,618</u> | <u>(130,221)</u> | <u>(263,109)</u> |
| Cash flows from investing activities | | | |
| Interest on investments | 17,482 | 16,419 | 21,297 |
| Net change in cash and cash equivalents | 401,836 | (18,563) | (453,299) |
| Cash and cash equivalents at beginning of year | <u>1,181,692</u> | <u>942,674</u> | <u>1,278,092</u> |
| Cash and cash equivalents at end of year | <u>\$ 1,583,528</u> | <u>\$ 924,111</u> | <u>\$ 824,793</u> |
| Reconciliation of operating income (loss) to net cash flows from operating activities | | | |
| Operating income (loss) | \$ (99,950) | \$ 12,820 | \$ (281,102) |
| Adjustments to reconcile operating income (loss) to net cash flows from operating activities | | | |
| Depreciation | 311,661 | 72,714 | 69,615 |
| (Increase) decrease in assets and deferred outflows | | | |
| Accounts receivable | - | - | - |
| Due from other governments | 205 | 48 | - |
| Prepaid items | - | (8,405) | - |
| Deferred outflows for pensions | 16,379 | 7,848 | - |
| Deferred outflows for OPEB | (1,420) | (475) | - |
| Increase (decrease) in liabilities and deferred inflows | | | |
| Accounts payable | 29,040 | 17,121 | - |
| Accrued salaries and benefits | - | - | - |
| Total OPEB liability | 4,118 | 1,377 | - |
| Compensated absences payable | - | - | - |
| Net pension liability | (22,149) | (10,613) | - |
| Deferred inflows for pensions | 4,696 | 2,250 | - |
| Total adjustments | <u>342,530</u> | <u>81,865</u> | <u>69,615</u> |
| Net cash flows from operating activities | <u>\$ 242,580</u> | <u>\$ 94,685</u> | <u>\$ (211,487)</u> |
| Noncash investing, capital, and financing activities | | | |
| Capital assets purchased on account | \$ - | \$ (61,450) | \$ - |

| Risk Insurance Fund | Benefit Accrual Fund | Total |
|---------------------------|----------------------------|---------------------|
| \$ 539,004 | \$ 116,346 | \$ 2,586,849 |
| (502,502) | (10,260) | (1,913,189) |
| — | — | (405,294) |
| <u>36,502</u> | <u>106,086</u> | <u>268,366</u> |
| 9,756 | — | 11,466 |
| — | — | 1,327,178 |
| — | — | (231,871) |
| — | — | (1,491,104) |
| — | — | 143,085 |
| <u>—</u> | <u>—</u> | <u>(252,712)</u> |
| 24,152 | 23,532 | 102,882 |
| 70,410 | 129,618 | 130,002 |
| <u>1,430,031</u> | <u>1,560,025</u> | <u>6,392,514</u> |
| <u>\$ 1,500,441</u> | <u>\$ 1,689,643</u> | <u>\$ 6,522,516</u> |
| \$ 43,151 | \$ (8,728) | \$ (333,809) |
| — | — | 453,990 |
| — | (380) | (380) |
| — | — | 253 |
| 80 | (120) | (8,445) |
| — | — | 24,227 |
| — | — | (1,895) |
| (6,729) | (1,091) | 38,341 |
| — | 47,280 | 47,280 |
| — | — | 5,495 |
| — | 69,125 | 69,125 |
| — | — | (32,762) |
| — | — | 6,946 |
| <u>(6,649)</u> | <u>114,814</u> | <u>602,175</u> |
| <u>\$ 36,502</u> | <u>\$ 106,086</u> | <u>\$ 268,366</u> |
| \$ — | \$ — | \$ (61,450) |



READER'S NOTES:

AGENCY FUND

Deputy Registrar – Minnesota License Fees

The City collects license fees for the state of Minnesota and remits these fees daily, along with a transaction report.



READER'S NOTES:

CITY OF ROBBINSDALE

Agency Fund
Statement of Changes in Assets and Liabilities
Year Ended December 31, 2018

| | Balance January 1, 2018 | Additions | Deductions | Balance December 31, 2018 |
|--------------------------|-------------------------------|-----------------------------|-----------------------------|---------------------------------|
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Deputy Registrar | | | | |
| Assets | | | | |
| Cash and investments | \$ 239,268 | \$ 14,255,091 | \$ 14,286,300 | \$ 208,059 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Liabilities | | | | |
| Due to other governments | \$ 239,268 | \$ 14,255,091 | \$ 14,286,300 | \$ 208,059 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |



READER'S NOTES:

SUPPLEMENTARY FINANCIAL INFORMATION

Individual Account Schedules and Other Schedule

The following schedules are provided to provide our financial statement readers further details of individual accounts (not funds) that are combined and presented as individual funds, and a schedule detailing certain long-term debt issues payable.

CITY OF ROBBINSDALE

Special Revenue Fund
 REDA TIF Development Fund Accounts
 Balance Sheet by Account
 December 31, 2018

| | <u>TIF District No. 2000-1</u> | <u>TIF District No. 2000-4</u> | <u>TIF District No. 2000-5</u> | <u>TIF District No. 2000-6</u> | <u>TIF District No. 2000-7</u> | <u>TIF District No. 2000-8</u> |
|-------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Assets | | | | | | |
| Cash and investments | \$ 4,162 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Receivables | | | | | | |
| Accrued interest | 23 | - | - | - | - | - |
| Taxes | 989 | - | - | - | - | - |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total assets | <u>\$ 5,174</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Liabilities | | | | | | |
| Accounts payable | \$ 559 | \$ 584 | \$ 577 | \$ 557 | \$ 580 | \$ 565 |
| Advance from other funds | - | 374,964 | 329,876 | 339,535 | 887,291 | 311,496 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total liabilities | <u>559</u> | <u>375,548</u> | <u>330,453</u> | <u>340,092</u> | <u>887,871</u> | <u>312,061</u> |
| Fund balances (deficits) | | | | | | |
| Unassigned | <u>4,615</u> | <u>(375,548)</u> | <u>(330,453)</u> | <u>(340,092)</u> | <u>(887,871)</u> | <u>(312,061)</u> |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total liabilities and fund balances | <u>\$ 5,174</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

| TIF District No. 2000-9 | TIF District Project 8-42nd & Regent | TIF District Project 8-A Krantz | TIF District Project 9 | TIF District Project 10 | TIF District Project 11 | TIF District Project 12 | Total |
|----------------------------|--|---------------------------------------|---------------------------|----------------------------|----------------------------|----------------------------|------------------|
| \$ - | \$ - | \$ - | \$ - | \$ 873 | \$ 14,200 | \$ - | \$ 19,235 |
| - | - | - | - | - | - | - | 23 |
| - | - | - | - | - | - | - | 989 |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 873</u> | <u>\$ 14,200</u> | <u>\$ -</u> | <u>\$ 20,247</u> |
| \$ - | \$ - | \$ 577 | \$ - | \$ 1,445 | \$ 14,778 | \$ 538 | \$ 20,760 |
| 163,244 | 1,256,764 | 31,690 | - | 571,323 | 18,732 | 365 | 4,285,280 |
| <u>163,244</u> | <u>1,256,764</u> | <u>32,267</u> | <u>-</u> | <u>572,768</u> | <u>33,510</u> | <u>903</u> | <u>4,306,040</u> |
| (163,244) | (1,256,764) | (32,267) | - | (571,895) | (19,310) | (903) | (4,285,793) |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 873</u> | <u>\$ 14,200</u> | <u>\$ -</u> | <u>\$ 20,247</u> |

CITY OF ROBBINSDALE

Special Revenue Fund
 REDA TIF Development Fund Accounts
 Schedule of Revenue, Expenditures, and Changes in Fund Balances by Account
 Year Ended December 31, 2018

| | TIF District No. 2000-1 | TIF District No. 2000-4 | TIF District No. 2000-5 | TIF District No. 2000-6 | TIF District No. 2000-7 | TIF District No. 2000-8 |
|--|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Revenues | | | | | | |
| Tax increments | \$ 8,276 | \$ 17,938 | \$ 17,660 | \$ 3,877 | \$ 14,678 | \$ 10,894 |
| Charges for services | — | — | — | — | — | — |
| Land sales | — | — | — | — | — | — |
| Interest and dividends | 107 | — | — | — | — | — |
| Net change in fair value of investments | (6) | — | — | — | — | — |
| Total revenues | <u>8,377</u> | <u>17,938</u> | <u>17,660</u> | <u>3,877</u> | <u>14,678</u> | <u>10,894</u> |
| Expenditures | | | | | | |
| Current | | | | | | |
| Community development | <u>8,413</u> | <u>15,483</u> | <u>12,738</u> | <u>13,708</u> | <u>35,112</u> | <u>13,400</u> |
| Excess (deficiency) of revenues over (under) expenditures | (36) | 2,455 | 4,922 | (9,831) | (20,434) | (2,506) |
| Other financing sources (uses) | | | | | | |
| Transfer (out) | <u>—</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>—</u> |
| Net change in fund balance | (36) | 2,455 | 4,922 | (9,831) | (20,434) | (2,506) |
| Fund balances (deficits) | | | | | | |
| Beginning of year | <u>4,651</u> | <u>(378,003)</u> | <u>(335,375)</u> | <u>(330,261)</u> | <u>(867,437)</u> | <u>(309,555)</u> |
| End of year | <u>\$ 4,615</u> | <u>\$ (375,548)</u> | <u>\$ (330,453)</u> | <u>\$ (340,092)</u> | <u>\$ (887,871)</u> | <u>\$ (312,061)</u> |

| <u>TIF District No. 2000-9</u> | <u>TIF District Project 8-42nd & Regent</u> | <u>TIF District Project 8-A Krantz</u> | <u>TIF District Project 9</u> | <u>TIF District Project 10</u> | <u>TIF District Project 11</u> | <u>TIF District Project 12</u> | <u>Total</u> |
|------------------------------------|---|--|-----------------------------------|------------------------------------|------------------------------------|------------------------------------|-----------------------|
| \$ - | \$ - | \$ 17,798 | \$ - | \$ 28,721 | \$ 31,556 | \$ - | \$ 151,398 |
| - | - | - | - | 27,417 | - | - | 27,417 |
| 79,000 | - | - | - | - | - | - | 79,000 |
| - | - | - | 26 | - | - | - | 133 |
| - | - | - | - | - | - | - | (6) |
| <u>79,000</u> | <u>-</u> | <u>17,798</u> | <u>26</u> | <u>56,138</u> | <u>31,556</u> | <u>-</u> | <u>257,942</u> |
| | | | | | | | |
| <u>114,305</u> | <u>48,337</u> | <u>602</u> | <u>2,520</u> | <u>30,986</u> | <u>29,800</u> | <u>903</u> | <u>326,307</u> |
| | | | | | | | |
| (35,305) | (48,337) | 17,196 | (2,494) | 25,152 | 1,756 | (903) | (68,365) |
| | | | | | | | |
| <u>-</u> | <u>(1,208,427)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(1,208,427)</u> |
| | | | | | | | |
| (35,305) | (1,256,764) | 17,196 | (2,494) | 25,152 | 1,756 | (903) | (1,276,792) |
| | | | | | | | |
| <u>(127,939)</u> | <u>-</u> | <u>(49,463)</u> | <u>2,494</u> | <u>(597,047)</u> | <u>(21,066)</u> | <u>-</u> | <u>(3,009,001)</u> |
| | | | | | | | |
| <u>\$ (163,244)</u> | <u>\$ (1,256,764)</u> | <u>\$ (32,267)</u> | <u>\$ -</u> | <u>\$ (571,895)</u> | <u>\$ (19,310)</u> | <u>\$ (903)</u> | <u>\$ (4,285,793)</u> |

CITY OF ROBBINSDALE

Debt Service Fund
 General Debt Service Fund Accounts
 Balance Sheet by Account
 December 31, 2018

| | 2006 G.O. Street Reconstruction Bonds | 2013 G.O. Street Reconstruction Bonds | 2018 G.O. Equipment Certificates |
|--|---|---|--|
| | <u> </u> | <u> </u> | <u> </u> |
| Assets | | | |
| Cash and investments | \$ – | \$ 220,183 | \$ 774 |
| Receivables | | | |
| Accrued interest | – | 1,223 | 4 |
| Taxes | – | 1,124 | – |
| Special assessments | – | – | – |
| | <u> </u> | <u> </u> | <u> </u> |
| Total assets | <u>\$ –</u> | <u>\$ 222,530</u> | <u>\$ 778</u> |
| Deferred inflows of resources | | | |
| Unavailable revenue – special assessments | \$ – | \$ – | \$ – |
| Fund balances | | | |
| Restricted | <u> </u> | <u> 222,530</u> | <u> 778</u> |
| Total deferred inflows of resources and fund balances | <u>\$ –</u> | <u>\$ 222,530</u> | <u>\$ 778</u> |

Special Assessment

| 2010 G.O. Refunding Street Improvement Bonds | 2012 G.O. Street Improvement Bonds | 2015 G.O. Street Improvement Bonds | 2017 G.O. Street Improvement Bonds | 2018 G.O. Street Improvement Bonds | Total |
|---|--|--|--|--|---------------------|
| \$ - | \$ 200,763 | \$ 709,184 | \$ 269,339 | \$ 57,180 | \$ 1,457,423 |
| - | 1,118 | 3,935 | 1,490 | 318 | 8,088 |
| - | 304 | 1,836 | 23 | - | 3,287 |
| - | 244,116 | 366,129 | 362,756 | 194,769 | 1,167,770 |
| <u>\$ -</u> | <u>\$ 446,301</u> | <u>\$ 1,081,084</u> | <u>\$ 633,608</u> | <u>\$ 252,267</u> | <u>\$ 2,636,568</u> |
| \$ - | \$ 243,079 | \$ 365,186 | \$ 362,755 | \$ 194,769 | \$ 1,165,789 |
| - | 203,222 | 715,898 | 270,853 | 57,498 | 1,470,779 |
| <u>\$ -</u> | <u>\$ 446,301</u> | <u>\$ 1,081,084</u> | <u>\$ 633,608</u> | <u>\$ 252,267</u> | <u>\$ 2,636,568</u> |

CITY OF ROBBINSDALE

Debt Service Fund
 General Debt Service Fund Accounts
 Schedule of Revenue, Expenditures, and Changes in Fund Balances by Account
 Year Ended December 31, 2018

| | 2006 G.O. Street Reconstruction Bonds | 2013 G.O. Street Reconstruction Bonds | 2018 G.O. Equipment Certificates |
|--|---|---|--|
| Revenues | | | |
| Property taxes | \$ - | \$ 196,718 | \$ - |
| Special assessments | - | - | - |
| Interest and dividends | - | 2,039 | 4 |
| Net change in fair value of investments | - | (203) | - |
| Total revenues | <u>-</u> | <u>198,554</u> | <u>4</u> |
| Expenditures | | | |
| Debt service | | | |
| Principal | - | 160,000 | - |
| Interest and fees | - | 30,707 | 24,262 |
| Total expenditures | <u>-</u> | <u>190,707</u> | <u>24,262</u> |
| Excess (deficiency) of revenues over (under) expenditures | - | 7,847 | (24,258) |
| Other financing sources (uses) | | | |
| Premium on debt issuance | - | - | 25,036 |
| Transfer (out) | (102,035) | - | - |
| Total other financing sources (uses) | <u>(102,035)</u> | <u>-</u> | <u>25,036</u> |
| Net change in fund balances | (102,035) | 7,847 | 778 |
| Fund balances | | | |
| Beginning of year | <u>102,035</u> | <u>214,683</u> | <u>-</u> |
| End of year | <u>\$ -</u> | <u>\$ 222,530</u> | <u>\$ 778</u> |

Special Assessment

| 2010 G.O. Refunding Street Improvement Bonds | 2012 G.O. Street Improvement Bonds | 2015 G.O. Street Improvement Bonds | 2017 G.O. Street Improvement Bonds | 2018 G.O. Street Improvement Bonds | Total |
|---|--|--|--|--|----------------|
| \$ — | \$ 53,143 | \$ 321,348 | \$ 4,082 | \$ — | \$ 575,291 |
| — | 83,536 | 88,477 | 85,196 | 57,307 | 314,516 |
| — | 2,528 | 9,203 | 4,329 | 277 | 18,380 |
| — | (252) | (919) | (432) | (28) | (1,834) |
| — | 138,955 | 418,109 | 93,175 | 57,556 | 906,353 |
| — | 145,000 | 325,000 | — | — | 630,000 |
| — | 13,597 | 84,484 | 18,489 | 18,498 | 190,037 |
| — | 158,597 | 409,484 | 18,489 | 18,498 | 820,037 |
| — | (19,642) | 8,625 | 74,686 | 39,058 | 86,316 |
| — | — | — | — | 18,440 | 43,476 |
| (14,552) | — | — | — | — | (116,587) |
| (14,552) | — | — | — | 18,440 | (73,111) |
| (14,552) | (19,642) | 8,625 | 74,686 | 57,498 | 13,205 |
| 14,552 | 222,864 | 707,273 | 196,167 | — | 1,457,574 |
| \$ — | \$ 203,222 | \$ 715,898 | \$ 270,853 | \$ 57,498 | \$ 1,470,779 |

CITY OF ROBBINSDALE

Special Revenue Fund
 Forfeiture Fund Accounts
 Balance Sheet by Account
 December 31, 2018

| | <u>DWI Forfeiture</u> | <u>Other Forfeiture</u> | <u>Total</u> |
|-------------------------------------|-----------------------|-------------------------|------------------|
| Assets | | | |
| Cash and investments | \$ 25,165 | \$ 6,698 | \$ 31,863 |
| Receivables | | | |
| Accrued interest | <u>138</u> | <u>37</u> | <u>175</u> |
| Total assets | <u>\$ 25,303</u> | <u>\$ 6,735</u> | <u>\$ 32,038</u> |
| Liabilities | | | |
| Accounts payable | \$ 3,567 | \$ - | \$ 3,567 |
| Fund balances | | | |
| Restricted | 21,736 | - | 21,736 |
| Assigned | <u>-</u> | <u>6,735</u> | <u>6,735</u> |
| Total fund balances | <u>21,736</u> | <u>6,735</u> | <u>28,471</u> |
| Total liabilities and fund balances | <u>\$ 25,303</u> | <u>\$ 6,735</u> | <u>\$ 32,038</u> |

CITY OF ROBBINSDALE

Special Revenue Fund
Forfeiture Fund Accounts

Schedule of Revenue, Expenditures, and Changes in Fund Balances by Account
Year Ended December 31, 2018

| | <u>DWI Forfeiture</u> | <u>Other Forfeiture</u> | <u>Total</u> |
|---|-----------------------|-------------------------|------------------|
| Revenues | | | |
| Interest and dividends | \$ 611 | \$ 128 | \$ 739 |
| Net change in fair value of investments | (61) | (13) | (74) |
| Miscellaneous | <u>22,038</u> | <u>795</u> | <u>22,833</u> |
| Total revenues | 22,588 | 910 | 23,498 |
| Expenditures | | | |
| Current | | | |
| Public safety | <u>34,933</u> | <u>264</u> | <u>35,197</u> |
| Net change in fund balances | (12,345) | 646 | (11,699) |
| Fund balances | | | |
| Beginning of year | <u>34,081</u> | <u>6,089</u> | <u>40,170</u> |
| End of year | <u>\$ 21,736</u> | <u>\$ 6,735</u> | <u>\$ 28,471</u> |

CITY OF ROBBINSDALE

Special Revenue Fund
 City Code Compliance Fund Accounts
 Balance Sheet by Account
 December 31, 2018

| | Emergency Sewer and Water | Forced Tree Removal | Nuisance Abatements | Total |
|--|---------------------------------|---------------------------|------------------------|-------------------|
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Assets | | | | |
| Cash and investments | \$ 145,137 | \$ 38,563 | \$ 150,082 | \$ 333,782 |
| Receivables | | | | |
| Accrued interest | 802 | 213 | 828 | 1,843 |
| Special assessments | 164,080 | 4,063 | - | 168,143 |
| Accounts | <u>9,900</u> | <u>775</u> | <u>-</u> | <u>10,675</u> |
| Total assets | <u>\$ 319,919</u> | <u>\$ 43,614</u> | <u>\$ 150,910</u> | <u>\$ 514,443</u> |
| Liabilities | | | | |
| Accounts payable | \$ 7,958 | \$ - | \$ - | \$ 7,958 |
| Deferred inflows of resources | | | | |
| Unavailable revenue – special assessments | 163,758 | 3,691 | - | 167,449 |
| Fund balances | | | | |
| Committed | <u>148,203</u> | <u>39,923</u> | <u>150,910</u> | <u>339,036</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 319,919</u> | <u>\$ 43,614</u> | <u>\$ 150,910</u> | <u>\$ 514,443</u> |

CITY OF ROBBINSDALE

Special Revenue Fund
 City Code Compliance Fund Accounts
 Schedule of Revenue, Expenditures, and Changes in Fund Balances by Account
 Year Ended December 31, 2018

| | Emergency Sewer and Water | Forced Tree Removal | Nuisance Abatements | Total |
|---|---------------------------------|---------------------------|------------------------|-------------------|
| Revenues | | | | |
| Special assessments | \$ 39,467 | \$ 1,342 | \$ 8,092 | \$ 48,901 |
| Charges for services | 13,930 | 775 | 5,456 | 20,161 |
| Interest and dividends | 2,416 | 738 | 2,772 | 5,926 |
| Net change in fair value of investments | (241) | (74) | (277) | (592) |
| Total revenues | <u>55,572</u> | <u>2,781</u> | <u>16,043</u> | <u>74,396</u> |
| Expenditures | | | | |
| Current | | | | |
| Public safety | <u>37,516</u> | <u>859</u> | <u>5,273</u> | <u>43,648</u> |
| Net change in fund balances | 18,056 | 1,922 | 10,770 | 30,748 |
| Fund balances | | | | |
| Beginning of year | <u>130,147</u> | <u>38,001</u> | <u>140,140</u> | <u>308,288</u> |
| End of year | <u>\$ 148,203</u> | <u>\$ 39,923</u> | <u>\$ 150,910</u> | <u>\$ 339,036</u> |

CITY OF ROBBINSDALE

Capital Project Fund
 Capital Improvement Fund Accounts
 Balance Sheet by Account
 December 31, 2018

| | Cable Grant | Government Building Improvements | Park Capital Improvements | Capital Equipment | Total |
|--|-------------------|--|---------------------------------|----------------------|---------------------|
| Assets | | | | | |
| Cash and investments | \$ 400,185 | \$ 75,822 | \$ 856,920 | \$ - | \$ 1,332,927 |
| Receivables | | | | | |
| Accrued interest | 2,209 | 418 | 4,741 | - | 7,368 |
| Accounts | - | - | 2,237 | - | 2,237 |
| Due from other governments | 3,547 | - | - | - | 3,547 |
| Notes | - | - | 388,478 | - | 388,478 |
| Total assets | <u>\$ 405,941</u> | <u>\$ 76,240</u> | <u>\$ 1,252,376</u> | <u>\$ -</u> | <u>\$ 1,734,557</u> |
| Liabilities | | | | | |
| Contracts payable | \$ - | \$ - | \$ 827 | \$ - | \$ 827 |
| Unearned revenue | - | - | 388,478 | - | 388,478 |
| Total liabilities | <u>-</u> | <u>-</u> | <u>389,305</u> | <u>-</u> | <u>389,305</u> |
| Fund balances | | | | | |
| Committed | <u>405,941</u> | <u>76,240</u> | <u>863,071</u> | <u>-</u> | <u>1,345,252</u> |
| Total liabilities and fund balances | <u>\$ 405,941</u> | <u>\$ 76,240</u> | <u>\$ 1,252,376</u> | <u>\$ -</u> | <u>\$ 1,734,557</u> |

CITY OF ROBBINSDALE

Capital Project Fund
 Capital Improvement Fund Accounts
 Schedule of Revenue, Expenditures, and Changes in Fund Balances by Account
 Year Ended December 31, 2018

| | Cable Grant | Government Building Improvements | Park Capital Improvements | Capital Equipment | Total |
|--|-------------------|--|---------------------------------|----------------------|---------------------|
| Revenues | | | | | |
| Intergovernmental | \$ 36,074 | \$ — | \$ 14,775 | \$ — | \$ 50,849 |
| Charges for services | — | — | 37,118 | — | 37,118 |
| Interest and dividends | 7,437 | 1,492 | 12,800 | — | 21,729 |
| Net change in fair value of investments | (742) | (149) | (1,277) | — | (2,168) |
| Miscellaneous | — | — | 17,888 | — | 17,888 |
| Total revenues | <u>42,769</u> | <u>1,343</u> | <u>81,304</u> | <u>—</u> | <u>125,416</u> |
| Expenditures | | | | | |
| Current | | | | | |
| General government | 1,542 | 3,025 | 9,434 | — | 14,001 |
| Recreation | — | — | 15,713 | — | 15,713 |
| Capital outlay and improvements | — | — | 61,108 | — | 61,108 |
| Total expenditures | <u>1,542</u> | <u>3,025</u> | <u>86,255</u> | <u>—</u> | <u>90,822</u> |
| Excess (deficiency) of revenues over (under) expenditures | 41,227 | (1,682) | (4,951) | — | 34,594 |
| Other financing sources (uses) | | | | | |
| Issuance of debt | — | — | — | 1,000,000 | 1,000,000 |
| Premium on debt issuance | — | — | — | 59,318 | 59,318 |
| Transfer in | — | — | 200,000 | — | 200,000 |
| Transfer (out) | — | — | (10,349) | (1,059,318) | (1,069,667) |
| Total other financing sources (uses) | <u>—</u> | <u>—</u> | <u>189,651</u> | <u>—</u> | <u>189,651</u> |
| Net change in fund balances | 41,227 | (1,682) | 184,700 | — | 224,245 |
| Fund balances | | | | | |
| Beginning of year | <u>364,714</u> | <u>77,922</u> | <u>678,371</u> | <u>—</u> | <u>1,121,007</u> |
| End of year | <u>\$ 405,941</u> | <u>\$ 76,240</u> | <u>\$ 863,071</u> | <u>\$ —</u> | <u>\$ 1,345,252</u> |



READER'S NOTES:

CITY OF ROBBINSDALE

Schedule of Long-Term Debt Issues Payable
December 31, 2018

| | Year | Interest Rate | Principal | Interest | Total |
|---|------|------------------|--------------|--------------|--------------|
| General Obligation Tax Increment Bonds | | | | | |
| General Obligation Tax Increment | | | | | |
| Bonds of 2010A | | | | | |
| | 2019 | 2.75% | \$ 180,000 | \$ 144,350 | \$ 324,350 |
| | 2020 | 3.00% | 190,000 | 139,025 | 329,025 |
| | 2021 | 3.00% | 205,000 | 133,100 | 338,100 |
| | 2022 | 3.00% | 220,000 | 126,725 | 346,725 |
| | 2023 | 3.25% | 240,000 | 119,525 | 359,525 |
| | 2024 | 3.25% | 255,000 | 111,481 | 366,481 |
| | 2025 | 3.50% | 275,000 | 102,525 | 377,525 |
| | 2026 | 3.50% | 295,000 | 92,550 | 387,550 |
| | 2027 | 3.50% | 315,000 | 81,875 | 396,875 |
| | 2028 | 3.75% | 335,000 | 70,081 | 405,081 |
| | 2029 | 4.00% | 360,000 | 56,600 | 416,600 |
| | 2030 | 4.00% | 385,000 | 41,700 | 426,700 |
| | 2031 | 4.00% | 410,000 | 25,800 | 435,800 |
| | 2032 | 4.00% | 440,000 | 8,800 | 448,800 |
| | | | \$ 4,105,000 | \$ 1,254,137 | \$ 5,359,137 |
| Total General Obligation Tax Increment Bonds | | | \$ 4,105,000 | \$ 1,254,137 | \$ 5,359,137 |

CITY OF ROBBINSDALE

Schedule of Long-Term Debt Issues Payable (continued)
December 31, 2018

| | Year | Interest Rate | Principal | Interest | Total |
|--|------|------------------|---------------------|-------------------|---------------------|
| General Obligation Street Bonds | | | | | |
| General Obligation Street Improvement Bonds of 2018A | | | | | |
| | 2019 | 4.00% | \$ — | \$ 23,680 | \$ 23,680 |
| | 2020 | 4.00% | 55,000 | 32,200 | 87,200 |
| | 2021 | 4.00% | 65,000 | 29,800 | 94,800 |
| | 2022 | 4.00% | 70,000 | 27,100 | 97,100 |
| | 2023 | 5.00% | 70,000 | 23,950 | 93,950 |
| | 2024 | 5.00% | 75,000 | 20,325 | 95,325 |
| | 2025 | 5.00% | 75,000 | 16,575 | 91,575 |
| | 2026 | 5.00% | 80,000 | 12,700 | 92,700 |
| | 2027 | 5.00% | 85,000 | 8,575 | 93,575 |
| | 2028 | 4.00% | 90,000 | 4,650 | 94,650 |
| | 2029 | 3.00% | 95,000 | 1,425 | 96,425 |
| Subtotal | | | <u>760,000</u> | <u>200,980</u> | <u>960,980</u> |
| General Obligation Street Improvement Bonds of 2017A | | | | | |
| | 2019 | 3.00% | 55,000 | 18,975 | 73,975 |
| | 2020 | 3.00% | 65,000 | 17,175 | 82,175 |
| | 2021 | 3.00% | 70,000 | 15,150 | 85,150 |
| | 2022 | 3.00% | 70,000 | 13,050 | 83,050 |
| | 2023 | 3.00% | 70,000 | 10,950 | 80,950 |
| | 2024 | 3.00% | 75,000 | 8,775 | 83,775 |
| | 2025 | 3.00% | 75,000 | 6,525 | 81,525 |
| | 2026 | 2.00% | 80,000 | 4,600 | 84,600 |
| | 2027 | 2.25% | 80,000 | 2,900 | 82,900 |
| | 2028 | 2.50% | 80,000 | 1,000 | 81,000 |
| Subtotal | | | <u>720,000</u> | <u>99,100</u> | <u>819,100</u> |
| General Obligation Street Improvement Bonds of 2015A | | | | | |
| | 2019 | 3.00% | 335,000 | 72,575 | 407,575 |
| | 2020 | 3.00% | 345,000 | 62,375 | 407,375 |
| | 2021 | 3.00% | 360,000 | 51,800 | 411,800 |
| | 2022 | 3.00% | 370,000 | 40,849 | 410,849 |
| | 2023 | 3.00% | 380,000 | 29,600 | 409,600 |
| | 2024 | 2.00% | 390,000 | 20,000 | 410,000 |
| | 2025 | 2.00% | 400,000 | 12,100 | 412,100 |
| | 2026 | 2.00% | 405,000 | 4,050 | 409,050 |
| Subtotal | | | <u>2,985,000</u> | <u>293,349</u> | <u>3,278,349</u> |
| General Obligation Street Reconstruction Bonds of 2013A | | | | | |
| | 2019 | 3.00% | 160,000 | 24,950 | 184,950 |
| | 2020 | 3.00% | 165,000 | 20,075 | 185,075 |
| | 2021 | 3.00% | 170,000 | 15,050 | 185,050 |
| | 2022 | 2.13% | 180,000 | 10,587 | 190,587 |
| | 2023 | 2.25% | 180,000 | 6,650 | 186,650 |
| | 2024 | 2.50% | 185,000 | 2,314 | 187,314 |
| Subtotal | | | <u>1,040,000</u> | <u>79,626</u> | <u>1,119,626</u> |
| General Obligation Street Improvement Bonds of 2012A | | | | | |
| | 2019 | 1.10% | 150,000 | 11,240 | 161,240 |
| | 2020 | 1.35% | 150,000 | 9,403 | 159,403 |
| | 2021 | 1.60% | 150,000 | 7,190 | 157,190 |
| | 2022 | 1.80% | 155,000 | 4,595 | 159,595 |
| | 2023 | 2.00% | 160,000 | 1,600 | 161,600 |
| Subtotal | | | <u>765,000</u> | <u>34,028</u> | <u>799,028</u> |
| Total General Obligation Street Bonds | | | <u>\$ 6,270,000</u> | <u>\$ 707,083</u> | <u>\$ 6,977,083</u> |

CITY OF ROBBINSDALE

Schedule of Long-Term Debt Issues Payable (continued)
December 31, 2018

| | <u>Year</u> | <u>Interest Rate</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---|-------------|--------------------------|---------------------|-------------------|---------------------|
| General Obligation Equipment Certificates | | | | | |
| General Obligation Equipment Certificates of 2018A | 2019 | 4.00% | \$ - | \$ 31,964 | \$ 31,964 |
| | 2020 | 4.00% | 135,000 | 42,250 | 177,250 |
| | 2021 | 4.00% | 150,000 | 36,550 | 186,550 |
| | 2022 | 4.00% | 155,000 | 30,450 | 185,450 |
| | 2023 | 5.00% | 160,000 | 23,350 | 183,350 |
| | 2024 | 5.00% | 165,000 | 15,225 | 180,225 |
| | 2025 | 5.00% | 55,000 | 9,725 | 64,725 |
| | 2026 | 5.00% | 55,000 | 6,975 | 61,975 |
| | 2027 | 5.00% | 60,000 | 4,100 | 64,100 |
| | 2028 | 4.00% | 65,000 | 1,300 | 66,300 |
| Total General Obligation Equipment Certificates | | | <u>\$ 1,000,000</u> | <u>\$ 201,889</u> | <u>\$ 1,201,889</u> |

CITY OF ROBBINSDALE

Schedule of Long-Term Debt Issues Payable (continued)
December 31, 2018

| | Year | Interest Rate | Principal | Interest | Total |
|---|------|---------------|---------------------|---------------------|----------------------|
| General Obligation Utility Revenue Bonds | | | | | |
| General Obligation Utility Revenue | | | | | |
| Bonds of 2018A | | | | | |
| | 2019 | 4.00% | \$ - | \$ 36,124 | \$ 36,124 |
| | 2020 | 4.00% | 80,000 | 49,200 | 129,200 |
| | 2021 | 4.00% | 100,000 | 45,600 | 145,600 |
| | 2022 | 4.00% | 100,000 | 41,600 | 141,600 |
| | 2023 | 5.00% | 110,000 | 36,850 | 146,850 |
| | 2024 | 5.00% | 115,000 | 31,225 | 146,225 |
| | 2025 | 5.00% | 115,000 | 25,475 | 140,475 |
| | 2026 | 5.00% | 130,000 | 19,350 | 149,350 |
| | 2027 | 5.00% | 130,000 | 12,850 | 142,850 |
| | 2028 | 4.00% | 135,000 | 6,900 | 141,900 |
| | 2029 | 3.00% | 140,000 | 2,100 | 142,100 |
| Subtotal | | | 1,155,000 | 307,274 | 1,462,274 |
| General Obligation Utility Revenue | | | | | |
| Bonds of 2017A | | | | | |
| | 2019 | 3.00% | 185,000 | 62,988 | 247,988 |
| | 2020 | 3.00% | 220,000 | 56,913 | 276,913 |
| | 2021 | 3.00% | 225,000 | 50,238 | 275,238 |
| | 2022 | 3.00% | 230,000 | 43,413 | 273,413 |
| | 2023 | 3.00% | 240,000 | 36,363 | 276,363 |
| | 2024 | 3.00% | 245,000 | 29,088 | 274,088 |
| | 2025 | 3.00% | 250,000 | 21,663 | 271,663 |
| | 2026 | 2.00% | 260,000 | 15,313 | 275,313 |
| | 2027 | 2.25% | 265,000 | 9,731 | 274,731 |
| | 2028 | 2.50% | 270,000 | 3,375 | 273,375 |
| Subtotal | | | 2,390,000 | 329,085 | 2,719,085 |
| General Obligation Utility Revenue | | | | | |
| Bonds of 2015A | | | | | |
| | 2019 | 3.00% | 260,000 | 56,050 | 316,050 |
| | 2020 | 3.00% | 270,000 | 48,100 | 318,100 |
| | 2021 | 3.00% | 280,000 | 39,850 | 319,850 |
| | 2022 | 3.00% | 280,000 | 31,450 | 311,450 |
| | 2023 | 3.00% | 295,000 | 22,825 | 317,825 |
| | 2024 | 2.00% | 300,000 | 15,400 | 315,400 |
| | 2025 | 2.00% | 305,000 | 9,350 | 314,350 |
| | 2026 | 2.00% | 315,000 | 3,150 | 318,150 |
| Subtotal | | | 2,305,000 | 226,175 | 2,531,175 |
| General Obligation Utility Revenue | | | | | |
| Bonds of 2013A | | | | | |
| | 2019 | 3.00% | 280,000 | 42,931 | 322,931 |
| | 2020 | 3.00% | 285,000 | 34,456 | 319,456 |
| | 2021 | 3.00% | 295,000 | 25,756 | 320,756 |
| | 2022 | 2.13% | 305,000 | 18,091 | 323,091 |
| | 2023 | 2.25% | 310,000 | 11,363 | 321,363 |
| | 2024 | 2.50% | 315,000 | 3,938 | 318,938 |
| Subtotal | | | 1,790,000 | 136,535 | 1,926,535 |
| General Obligation Utility Revenue | | | | | |
| Bonds of 2012A | | | | | |
| | 2019 | 1.10% | 260,000 | 19,540 | 279,540 |
| | 2020 | 1.35% | 260,000 | 16,355 | 276,355 |
| | 2021 | 1.60% | 265,000 | 12,480 | 277,480 |
| | 2022 | 1.80% | 270,000 | 7,930 | 277,930 |
| | 2023 | 2.00% | 275,000 | 2,750 | 277,750 |
| Subtotal | | | 1,330,000 | 59,055 | 1,389,055 |
| Total General Obligation Utility Revenue Bonds | | | <u>\$ 8,970,000</u> | <u>\$ 1,058,124</u> | <u>\$ 10,028,124</u> |

CITY OF ROBBINSDALE

Schedule of Long-Term Debt Issues Payable (continued)
December 31, 2018

| | Year | Interest Rate | Principal | Interest | Total |
|---|------|------------------|----------------------|---------------------|----------------------|
| General Obligation Housing Refunding Bonds | | | | | |
| General Obligation Housing | | | | | |
| Refunding Bonds – Series 2015A | | | | | |
| | 2019 | 2.00% | \$ 240,000 | \$ 63,025 | \$ 303,025 |
| | 2020 | 2.00% | 245,000 | 58,175 | 303,175 |
| | 2021 | 2.00% | 250,000 | 53,225 | 303,225 |
| | 2022 | 2.00% | 255,000 | 48,174 | 303,174 |
| | 2023 | 2.00% | 260,000 | 43,025 | 303,025 |
| | 2024 | 2.00% | 265,000 | 37,775 | 302,775 |
| | 2025 | 2.00% | 275,000 | 32,375 | 307,375 |
| | 2026 | 2.50% | 280,000 | 26,125 | 306,125 |
| | 2027 | 2.50% | 285,000 | 19,063 | 304,063 |
| | 2028 | 2.50% | 290,000 | 11,875 | 301,875 |
| | 2029 | 2.75% | 300,000 | 4,125 | 304,125 |
| | | | <u>\$ 2,945,000</u> | <u>\$ 396,962</u> | <u>\$ 3,341,962</u> |
| | | | <u>\$ 23,290,000</u> | <u>\$ 3,618,195</u> | <u>\$ 26,908,195</u> |



READER'S NOTES:

STATISTICAL SECTION

(UNAUDITED)

TAB

STATISTICAL SECTION (UNAUDITED)

This part of the City of Robbinsdale, Minnesota's (the City) Comprehensive Annual Financial Report (CAFR) presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Indicators

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

Source: Unless otherwise noted, the information in these schedules is derived from the CAFR for the relevant year.

CITY OF ROBBINSDALE

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

| | Fiscal Year | | | |
|---|----------------------|----------------------|----------------------|----------------------|
| | 2009 | 2010 | 2011 | 2012 |
| Governmental activities | | | | |
| Net investment in capital assets | \$ 20,986,539 | \$ 23,463,188 | \$ 23,776,331 | \$ 24,538,707 |
| Restricted | 4,340,185 | 7,141,972 | 7,595,341 | 8,080,478 |
| Unrestricted | <u>12,985,212</u> | <u>8,199,538</u> | <u>9,207,928</u> | <u>10,727,036</u> |
| Total governmental activities net position | <u>\$ 38,311,936</u> | <u>\$ 38,804,698</u> | <u>\$ 40,579,600</u> | <u>\$ 43,346,221</u> |
| Business-type activities | | | | |
| Net investment in capital assets | \$ 9,895,291 | \$ 11,163,407 | \$ 13,765,560 | \$ 15,162,769 |
| Unrestricted | <u>8,682,243</u> | <u>9,049,633</u> | <u>9,141,500</u> | <u>9,345,577</u> |
| Total business-type activities net position | <u>\$ 18,577,534</u> | <u>\$ 20,213,040</u> | <u>\$ 22,907,060</u> | <u>\$ 24,508,346</u> |
| Primary government | | | | |
| Net investment in capital assets | \$ 30,881,830 | \$ 34,626,595 | \$ 37,541,891 | \$ 39,701,476 |
| Restricted | 4,340,185 | 7,141,972 | 7,595,341 | 8,080,478 |
| Unrestricted | <u>21,667,455</u> | <u>17,249,171</u> | <u>18,349,428</u> | <u>20,072,613</u> |
| Total primary government net position | <u>\$ 56,889,470</u> | <u>\$ 59,017,738</u> | <u>\$ 63,486,660</u> | <u>\$ 67,854,567</u> |

Note: The City implemented GASB Statement No. 68 in fiscal 2015, recording a change in accounting principle that decreased unrestricted net position. Prior year balances were not restated.

| 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 26,411,500 | \$ 26,187,960 | \$ 26,904,236 | \$ 26,710,715 | \$ 27,219,381 | \$ 26,883,728 |
| 7,804,118 | 8,722,641 | 9,510,363 | 9,684,628 | 10,517,274 | 11,234,924 |
| 9,566,617 | 10,751,418 | 6,986,669 | 5,103,509 | 4,483,115 | 3,967,844 |
| <u>\$ 43,782,235</u> | <u>\$ 45,662,019</u> | <u>\$ 43,401,268</u> | <u>\$ 41,498,852</u> | <u>\$ 42,219,770</u> | <u>\$ 42,086,496</u> |
| \$ 15,639,673 | \$ 16,695,757 | \$ 17,274,903 | \$ 18,886,770 | \$ 21,009,635 | \$ 21,318,637 |
| 10,020,143 | 10,403,372 | 10,832,374 | 10,750,431 | 11,078,067 | 13,103,404 |
| <u>\$ 25,659,816</u> | <u>\$ 27,099,129</u> | <u>\$ 28,107,277</u> | <u>\$ 29,637,201</u> | <u>\$ 32,087,702</u> | <u>\$ 34,422,041</u> |
| \$ 42,051,173 | \$ 42,883,717 | \$ 44,179,139 | \$ 45,597,485 | \$ 48,229,016 | \$ 48,202,365 |
| 7,804,118 | 8,722,641 | 9,510,363 | 9,684,628 | 10,517,274 | 11,234,924 |
| 19,586,760 | 21,154,790 | 17,819,043 | 15,853,940 | 15,561,182 | 17,071,248 |
| <u>\$ 69,442,051</u> | <u>\$ 72,761,148</u> | <u>\$ 71,508,545</u> | <u>\$ 71,136,053</u> | <u>\$ 74,307,472</u> | <u>\$ 76,508,537</u> |

CITY OF ROBBINSDALE

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

| | Fiscal Year | | | |
|--|----------------------|----------------------|----------------------|----------------------|
| | 2009 | 2010 | 2011 | 2012 |
| Expenses | | | | |
| Governmental activities | | | | |
| General government | \$ 1,096,856 | \$ 1,106,459 | \$ 1,037,556 | \$ 989,271 |
| Community development | 2,059,442 | 3,044,249 | 1,134,987 | 1,254,540 |
| Public safety | 4,051,535 | 4,282,407 | 4,397,904 | 4,459,174 |
| Recreation | 1,298,539 | 1,272,513 | 1,228,887 | 1,322,374 |
| Public works | 2,215,989 | 2,136,832 | 2,391,935 | 2,308,828 |
| Human services | 4,830 | 5,572 | 9,287 | 9,938 |
| Interest on long-term debt | 527,820 | 313,314 | 299,696 | 260,509 |
| Total governmental activities expenses | <u>11,255,011</u> | <u>12,161,346</u> | <u>10,500,252</u> | <u>10,604,634</u> |
| Business-type activities | | | | |
| Water utility | 1,028,542 | 950,138 | 934,582 | 995,704 |
| Sanitary sewer utility | 1,442,525 | 1,446,157 | 1,391,133 | 1,409,068 |
| Storm sewer utility | 333,634 | 402,715 | 380,028 | 400,964 |
| Solid waste removal | 1,157,282 | 1,067,228 | 1,178,725 | 1,187,660 |
| Liquor operations | 2,407,183 | 2,438,123 | 2,540,598 | 652,729 |
| Broadway Court | 623,985 | 637,144 | 648,730 | 643,637 |
| Deputy Registrar | 306,467 | 283,385 | 289,334 | 345,079 |
| Total business-type activities expenses | <u>7,299,618</u> | <u>7,224,890</u> | <u>7,363,130</u> | <u>5,634,841</u> |
| Total primary government expenses | <u>\$ 18,554,629</u> | <u>\$ 19,386,236</u> | <u>\$ 17,863,382</u> | <u>\$ 16,239,475</u> |
| Program revenues | | | | |
| Government activities | | | | |
| Charges for services | | | | |
| General government | \$ 828,171 | \$ 852,568 | \$ 843,093 | \$ 975,673 |
| Community development | 454,962 | 521,134 | 252,697 | 281,728 |
| Public safety | 413,046 | 363,590 | 486,557 | 619,592 |
| Recreation | 149,784 | 153,612 | 163,736 | 161,150 |
| Public works | 63,087 | 25,077 | 172,560 | 119,723 |
| Operating grants and contributions | 388,076 | 439,595 | 484,766 | 449,139 |
| Capital grants and contributions | 1,327,312 | 1,534,501 | 947,020 | 2,348,028 |
| Total governmental activities program revenues | <u>3,624,438</u> | <u>3,890,077</u> | <u>3,350,429</u> | <u>4,955,033</u> |

| 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 973,641 | \$ 975,344 | \$ 1,042,240 | \$ 1,182,710 | \$ 1,084,789 | \$ 1,122,654 |
| 1,421,508 | 1,282,571 | 1,777,385 | 1,473,909 | 1,111,749 | 2,128,280 |
| 4,557,142 | 4,553,069 | 4,850,345 | 6,095,953 | 5,273,771 | 5,369,552 |
| 1,308,459 | 1,352,324 | 1,475,916 | 1,537,487 | 1,554,725 | 1,577,397 |
| 2,620,443 | 2,426,864 | 2,252,185 | 3,713,319 | 3,465,917 | 3,693,984 |
| 6,235 | 1,500 | 1,800 | 2,000 | — | — |
| 391,858 | 266,408 | 393,147 | 326,810 | 339,995 | 299,705 |
| 11,279,286 | 10,858,080 | 11,793,018 | 14,332,188 | 12,830,946 | 14,191,572 |
| 1,021,889 | 1,084,196 | 1,071,815 | 977,856 | 1,084,344 | 1,054,113 |
| 1,538,450 | 1,539,728 | 1,628,374 | 1,654,586 | 1,673,356 | 1,698,350 |
| 822,609 | 640,688 | 786,404 | 822,570 | 802,930 | 881,082 |
| 1,138,785 | 1,167,234 | 1,195,337 | 1,194,888 | 1,233,380 | 1,276,109 |
| 641,549 | 659,839 | 724,292 | 807,541 | 800,461 | 936,276 |
| 679,991 | 793,486 | 764,961 | 658,662 | 685,356 | 692,311 |
| 346,636 | 345,878 | 380,960 | 415,104 | 431,056 | 455,513 |
| 6,189,909 | 6,231,049 | 6,552,143 | 6,531,207 | 6,710,883 | 6,993,754 |
| <u>\$ 17,469,195</u> | <u>\$ 17,089,129</u> | <u>\$ 18,345,161</u> | <u>\$ 20,863,395</u> | <u>\$ 19,541,829</u> | <u>\$ 21,185,326</u> |
| \$ 818,056 | \$ 847,045 | \$ 920,187 | \$ 1,050,836 | \$ 941,099 | \$ 1,111,459 |
| 238,867 | 214,011 | 272,315 | 636,369 | 421,524 | 285,904 |
| 593,931 | 418,788 | 384,984 | 377,376 | 376,210 | 296,995 |
| 138,562 | 106,521 | 110,781 | 101,618 | 88,804 | 101,189 |
| 113,420 | 124,571 | 66,358 | 302,727 | 381,872 | 111,665 |
| 544,750 | 1,168,773 | 472,137 | 484,711 | 888,512 | 1,318,582 |
| 1,252,500 | 898,623 | 1,824,891 | 219,104 | 1,150,852 | 371,980 |
| 3,700,086 | 3,778,332 | 4,051,653 | 3,172,741 | 4,248,873 | 3,597,774 |

CITY OF ROBBINSDALE

Changes in Net Position (continued)
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

| | Fiscal Year | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2009 | 2010 | 2011 | 2012 |
| Program revenues (continued) | | | | |
| Business-type activities | | | | |
| Charges for services | | | | |
| Water utility | 1,393,085 | 1,393,631 | 1,531,358 | 1,555,498 |
| Sanitary sewer utility | 1,511,743 | 1,488,173 | 1,578,373 | 1,625,636 |
| Storm sewer utility | 584,252 | 699,952 | 732,042 | 806,383 |
| Solid waste removal | 1,335,313 | 1,393,672 | 1,448,813 | 1,489,942 |
| Liquor operations | 2,613,894 | 2,647,370 | 2,725,843 | 770,279 |
| Broadway Court | 623,403 | 679,582 | 704,559 | 723,657 |
| Deputy Registrar | 285,532 | 285,074 | 381,557 | 430,840 |
| Operating grants and contributions | 41,409 | 42,444 | 42,101 | 41,340 |
| Capital grants and contributions | - | 57,348 | 942,652 | 141,498 |
| Total business-type activities program revenues | <u>8,388,631</u> | <u>8,687,246</u> | <u>10,087,298</u> | <u>7,585,073</u> |
| Total primary government program revenues | <u>\$ 12,013,069</u> | <u>\$ 12,577,323</u> | <u>\$ 13,437,727</u> | <u>\$ 12,540,106</u> |
| Net (expense) revenue | | | | |
| Governmental activities | \$ (7,630,573) | \$ (8,271,269) | \$ (7,149,823) | \$ (5,649,601) |
| Business-type activities | <u>1,089,013</u> | <u>1,462,356</u> | <u>2,724,168</u> | <u>1,950,232</u> |
| Total primary government net (expense) revenue | <u>\$ (6,541,560)</u> | <u>\$ (6,808,913)</u> | <u>\$ (4,425,655)</u> | <u>\$ (3,699,369)</u> |
| Program revenue, transfers, and special item | | | | |
| Governmental activities | | | | |
| Property taxes | \$ 5,207,900 | \$ 5,862,472 | \$ 5,346,373 | \$ 5,426,522 |
| Tax increments | 582,440 | 428,833 | 436,806 | 369,999 |
| Unrestricted grants and contributions | 1,513,062 | 1,251,515 | 1,250,114 | 1,181,930 |
| Franchise fee tax | 572,380 | 553,215 | 582,971 | 507,460 |
| Investment earnings, including | | | | |
| Fair Market Value (FMV) change | 404,427 | 351,633 | 685,626 | 268,021 |
| Land sales and gain on sale of assets | 793,845 | 337,653 | 266,904 | 200,667 |
| Transfers | 287,597 | (21,290) | 355,931 | 461,623 |
| Total governmental activities | <u>9,361,651</u> | <u>8,764,031</u> | <u>8,924,725</u> | <u>8,416,222</u> |
| Business-type activities | | | | |
| Investment earnings, including FMV change | 151,253 | 151,860 | 325,783 | 112,677 |
| Transfers | (287,597) | 21,290 | (355,931) | (461,623) |
| Special item | - | - | - | - |
| Total business-type activities | <u>(136,344)</u> | <u>173,150</u> | <u>(30,148)</u> | <u>(348,946)</u> |
| Total primary government | <u>\$ 9,225,307</u> | <u>\$ 8,937,181</u> | <u>\$ 8,894,577</u> | <u>\$ 8,067,276</u> |
| Change in net position | | | | |
| Governmental activities | \$ 1,731,078 | \$ 492,762 | \$ 1,774,902 | \$ 2,766,621 |
| Business-type activities | <u>952,669</u> | <u>1,635,506</u> | <u>2,694,020</u> | <u>1,601,286</u> |
| Total primary government | <u>\$ 2,683,747</u> | <u>\$ 2,128,268</u> | <u>\$ 4,468,922</u> | <u>\$ 4,367,907</u> |

| 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 1,656,907 | 1,551,314 | 1,663,593 | 1,714,506 | 1,721,658 | 2,268,565 |
| 1,850,570 | 1,673,454 | 1,833,145 | 1,891,384 | 1,902,913 | 2,188,787 |
| 757,519 | 814,133 | 878,926 | 948,942 | 997,691 | 1,160,673 |
| 1,504,128 | 1,545,736 | 1,606,246 | 1,659,602 | 1,711,392 | 1,768,835 |
| 764,436 | 827,669 | 824,676 | 894,389 | 947,986 | 1,110,812 |
| 758,607 | 758,703 | 792,501 | 820,794 | 843,500 | 841,942 |
| 416,912 | 460,277 | 489,175 | 505,007 | 508,166 | 514,447 |
| 55,387 | 41,550 | 47,132 | 50,125 | 42,495 | 41,401 |
| – | – | 483,000 | – | 325,955 | – |
| <u>7,764,466</u> | <u>7,672,836</u> | <u>8,618,394</u> | <u>8,484,749</u> | <u>9,001,756</u> | <u>9,895,462</u> |
| <u>\$ 11,464,552</u> | <u>\$ 11,451,168</u> | <u>\$ 12,670,047</u> | <u>\$ 11,657,490</u> | <u>\$ 13,250,629</u> | <u>\$ 13,493,236</u> |
| \$ (7,579,200) | \$ (7,079,748) | \$ (7,741,365) | \$ (11,159,447) | \$ (8,582,073) | \$ (10,593,798) |
| <u>1,574,557</u> | <u>1,441,787</u> | <u>2,066,251</u> | <u>1,953,542</u> | <u>2,290,873</u> | <u>2,901,708</u> |
| <u>\$ (6,004,643)</u> | <u>\$ (5,637,961)</u> | <u>\$ (5,675,114)</u> | <u>\$ (9,205,905)</u> | <u>\$ (6,291,200)</u> | <u>\$ (7,692,090)</u> |
| \$ 5,477,294 | \$ 5,310,453 | \$ 5,748,706 | \$ 5,809,896 | \$ 6,097,831 | \$ 6,373,887 |
| 283,035 | 279,418 | 353,947 | 414,904 | 485,152 | 522,258 |
| 1,191,387 | 1,627,954 | 1,692,688 | 1,715,317 | 1,737,793 | 1,834,241 |
| 594,792 | 654,308 | 575,494 | 553,744 | 581,330 | 640,342 |
| (178,589) | 598,936 | 194,835 | 170,873 | 254,254 | 351,213 |
| 287,706 | 230,773 | 523,450 | 98,600 | 204,778 | 211,186 |
| 359,589 | 257,690 | 505,059 | 493,697 | (58,147) | 527,397 |
| <u>8,015,214</u> | <u>8,959,532</u> | <u>9,594,179</u> | <u>9,257,031</u> | <u>9,302,991</u> | <u>10,460,524</u> |
| (63,498) | 255,216 | 79,329 | 70,079 | 101,481 | 181,797 |
| (359,589) | (257,690) | (505,059) | (493,697) | 58,147 | (527,397) |
| – | – | – | – | – | (221,769) |
| <u>(423,087)</u> | <u>(2,474)</u> | <u>(425,730)</u> | <u>(423,618)</u> | <u>159,628</u> | <u>(567,369)</u> |
| <u>\$ 7,592,127</u> | <u>\$ 8,957,058</u> | <u>\$ 9,168,449</u> | <u>\$ 8,833,413</u> | <u>\$ 9,462,619</u> | <u>\$ 9,893,155</u> |
| \$ 436,014 | \$ 1,879,784 | \$ 1,852,814 | \$ (1,902,416) | \$ 720,918 | \$ (133,274) |
| <u>1,151,470</u> | <u>1,439,313</u> | <u>1,640,521</u> | <u>1,529,924</u> | <u>2,450,501</u> | <u>2,334,339</u> |
| <u>\$ 1,587,484</u> | <u>\$ 3,319,097</u> | <u>\$ 3,493,335</u> | <u>\$ (372,492)</u> | <u>\$ 3,171,419</u> | <u>\$ 2,201,065</u> |



READER'S NOTES:

CITY OF ROBBINSDALE

Governmental Activities Tax Revenue by Source
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

| <u>Fiscal Year</u> | <u>Property Tax</u> | <u>Tax Increments</u> | <u>Franchise Fee Tax</u> | <u>Total</u> |
|------------------------|---------------------|---------------------------|------------------------------|--------------|
| 2009 | \$ 5,207,900 | \$ 582,440 | \$ 572,380 | \$ 6,362,720 |
| 2010 | 5,862,472 | 428,833 | 553,215 | 6,844,520 |
| 2011 | 5,346,373 | 436,806 | 582,971 | 6,366,150 |
| 2012 | 5,426,522 | 369,999 | 507,460 | 6,303,981 |
| 2013 | 5,477,294 | 283,035 | 594,792 | 6,355,121 |
| 2014 | 5,310,453 | 279,418 | 654,308 | 6,244,179 |
| 2015 | 5,748,706 | 353,947 | 575,494 | 6,678,147 |
| 2016 | 5,809,896 | 414,904 | 553,744 | 6,778,544 |
| 2017 | 6,097,831 | 485,152 | 581,330 | 7,164,313 |
| 2018 | 6,373,887 | 522,258 | 640,342 | 7,536,487 |

CITY OF ROBBINSDALE

Fund Balances of Governmental Funds
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

| | Fiscal Year | | | |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|
| | 2009 | 2010 | 2011 | 2012 |
| General Fund | | | | |
| Reserved | \$ - | \$ - | \$ - | \$ - |
| Unreserved | 4,748,267 | 5,281,704 | - | - |
| Nonspendable | - | - | 4,522 | 3,554 |
| Assigned | - | - | 140,801 | 33,698 |
| Unassigned | - | - | 4,843,517 | 4,328,998 |
| Total General Fund | <u>\$ 4,748,267</u> | <u>\$ 5,281,704</u> | <u>\$ 4,988,840</u> | <u>\$ 4,366,250</u> |
| All other governmental funds | | | | |
| Reserved | \$ 8,205,820 | \$ 5,257,568 | \$ - | \$ - |
| Unreserved | 4,080,781 | 4,075,159 | - | - |
| Nonspendable | - | - | 2,281 | 2,281 |
| Restricted | - | - | 7,561,737 | 7,445,206 |
| Committed | - | - | 224,073 | 1,333,229 |
| Assigned | - | - | 5,398,899 | 6,553,837 |
| Unassigned | - | - | (2,588,475) | (3,049,329) |
| Total all other governmental funds | <u>\$ 12,286,601</u> | <u>\$ 9,332,727</u> | <u>\$ 10,598,515</u> | <u>\$ 12,285,224</u> |
| All governmental funds | | | | |
| Reserved | \$ 8,205,820 | \$ 5,257,568 | \$ - | \$ - |
| Unreserved | 8,829,048 | 9,356,863 | - | - |
| Nonspendable | - | - | 6,803 | 5,835 |
| Restricted | - | - | 7,561,737 | 7,445,206 |
| Committed | - | - | 224,073 | 1,333,229 |
| Assigned | - | - | 5,539,700 | 6,587,535 |
| Unassigned | - | - | 2,255,042 | 1,279,669 |
| Total all governmental funds | <u>\$ 17,034,868</u> | <u>\$ 14,614,431</u> | <u>\$ 15,587,355</u> | <u>\$ 16,651,474</u> |

Note: The City implemented GASB Statement No. 54 in 2011, which changed fund balance classifications. Prior year information has not been restated.

| 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - |
| 2,640 | 340 | 340 | 1,350 | 4,090 | 4,870 |
| 45,814 | 83,116 | 124,345 | 301,757 | 427,556 | 287,611 |
| <u>4,592,204</u> | <u>4,498,956</u> | <u>4,864,657</u> | <u>4,877,747</u> | <u>4,917,114</u> | <u>5,268,507</u> |
| <u>\$ 4,640,658</u> | <u>\$ 4,582,412</u> | <u>\$ 4,989,342</u> | <u>\$ 5,180,854</u> | <u>\$ 5,348,760</u> | <u>\$ 5,560,988</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - |
| 3,240 | - | - | - | - | 3,240 |
| 8,860,160 | 7,884,505 | 8,057,158 | 8,477,498 | 9,059,322 | 9,753,674 |
| 563,002 | 2,820,520 | 1,594,977 | 1,330,273 | 1,591,981 | 1,716,466 |
| 5,454,073 | 4,963,493 | 6,330,908 | 5,869,614 | 5,712,390 | 5,322,429 |
| <u>(3,301,650)</u> | <u>(3,540,974)</u> | <u>(3,903,918)</u> | <u>(4,135,697)</u> | <u>(3,980,489)</u> | <u>(4,285,793)</u> |
| <u>\$ 11,578,825</u> | <u>\$ 12,127,544</u> | <u>\$ 12,079,125</u> | <u>\$ 11,541,688</u> | <u>\$ 12,383,204</u> | <u>\$ 12,510,016</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - |
| 5,880 | 340 | 340 | 1,350 | 4,090 | 8,110 |
| 8,860,160 | 7,884,505 | 8,057,158 | 8,477,498 | 9,059,322 | 9,753,674 |
| 563,002 | 2,820,520 | 1,594,977 | 1,330,273 | 1,591,981 | 1,716,466 |
| 5,499,887 | 5,046,609 | 6,455,253 | 6,171,371 | 6,139,946 | 5,610,040 |
| <u>1,290,554</u> | <u>957,982</u> | <u>960,739</u> | <u>742,050</u> | <u>936,625</u> | <u>982,714</u> |
| <u>\$ 16,219,483</u> | <u>\$ 16,709,956</u> | <u>\$ 17,068,467</u> | <u>\$ 16,722,542</u> | <u>\$ 17,731,964</u> | <u>\$ 18,071,004</u> |

CITY OF ROBBINSDALE

Changes in Fund Balances of Governmental Funds
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

| | Fiscal Year | | | |
|--|---------------------|-----------------------|-------------------|---------------------|
| | 2009 | 2010 | 2011 | 2012 |
| Revenues | | | | |
| Property taxes | \$ 5,208,981 | \$ 5,866,841 | \$ 5,381,400 | \$ 5,448,207 |
| Tax increments | 582,440 | 428,833 | 436,806 | 369,999 |
| Special assessments | 763,799 | 577,387 | 538,101 | 571,140 |
| Licenses and permits | 277,740 | 343,634 | 434,501 | 544,442 |
| Intergovernmental | 1,901,058 | 2,963,756 | 2,182,047 | 3,779,540 |
| Charges for services | 1,251,399 | 1,005,335 | 958,497 | 1,051,824 |
| Fines and forfeitures | 215,239 | 190,979 | 300,654 | 460,080 |
| Franchise fee tax | 572,380 | 553,215 | 582,971 | 507,460 |
| Investment earnings | 331,110 | 268,264 | 532,861 | 208,630 |
| Other | 906,314 | 391,290 | 444,777 | 133,131 |
| Total revenues | <u>12,010,460</u> | <u>12,589,534</u> | <u>11,792,615</u> | <u>13,074,453</u> |
| Expenditures | | | | |
| General government | 968,799 | 1,022,579 | 915,452 | 942,397 |
| Community development | 2,055,531 | 3,042,189 | 1,124,405 | 1,254,590 |
| Public safety | 3,856,292 | 4,088,345 | 4,172,999 | 4,442,975 |
| Recreation | 1,129,610 | 1,121,555 | 1,055,748 | 1,054,146 |
| Public works | 1,771,977 | 1,681,808 | 1,598,566 | 1,666,416 |
| Human services | 4,830 | 5,572 | 9,287 | 9,938 |
| Capital outlay | 2,090,134 | 2,753,706 | 1,297,771 | 2,739,296 |
| Debt service | | | | |
| Principal | 650,000 | 6,243,500 | 740,000 | 815,000 |
| Interest | 458,921 | 484,294 | 351,929 | 272,350 |
| Total expenditures | <u>12,986,094</u> | <u>20,443,548</u> | <u>11,266,157</u> | <u>13,197,108</u> |
| Excess (deficiency) of revenues over (under) expenditures | (975,634) | (7,854,014) | 526,458 | (122,655) |
| Other financing sources (uses) | | | | |
| Sales of capital assets | 2,218 | - | - | - |
| Issuance of debt | 750,000 | 5,969,778 | - | 1,460,151 |
| Refunding of debt | - | (705,000) | - | - |
| Transfers in | 655,992 | 1,296,981 | 1,349,273 | 883,969 |
| Transfers out | (1,248,032) | (1,128,182) | (902,807) | (1,157,346) |
| Total other financing sources (uses) | <u>160,178</u> | <u>5,433,577</u> | <u>446,466</u> | <u>1,186,774</u> |
| Net change in fund balances | <u>\$ (815,456)</u> | <u>\$ (2,420,437)</u> | <u>\$ 972,924</u> | <u>\$ 1,064,119</u> |
| Debt service as a percentage of noncapital expenditures | <u>10.2%</u> | <u>38.0%</u> | <u>11.2%</u> | <u>10.5%</u> |

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|----|-------------------|-------------------|-------------------|---------------------|---------------------|-------------------|
| \$ | 5,488,515 | \$ 5,348,292 | \$ 5,727,334 | \$ 5,798,977 | \$ 6,113,300 | \$ 6,314,064 |
| | 283,035 | 279,418 | 353,947 | 414,904 | 485,152 | 522,258 |
| | 692,394 | 554,521 | 894,731 | 696,881 | 770,080 | 593,941 |
| | 382,861 | 410,277 | 482,250 | 478,680 | 439,232 | 677,126 |
| | 1,760,904 | 3,243,969 | 2,702,251 | 2,258,314 | 3,323,850 | 3,122,636 |
| | 1,000,482 | 1,145,967 | 934,125 | 1,429,610 | 1,090,632 | 1,001,462 |
| | 431,109 | 323,094 | 218,482 | 242,682 | 249,679 | 186,560 |
| | 594,792 | 654,308 | 575,494 | 553,744 | 581,330 | 640,342 |
| | (125,405) | 422,113 | 137,503 | 119,061 | 176,824 | 250,863 |
| | 343,650 | 561,899 | 564,037 | 99,168 | 283,978 | 210,559 |
| | <u>10,852,337</u> | <u>12,943,858</u> | <u>12,590,154</u> | <u>12,092,021</u> | <u>13,514,057</u> | <u>13,519,811</u> |
| | 918,589 | 938,023 | 993,622 | 1,067,073 | 1,012,133 | 1,027,640 |
| | 1,418,412 | 1,279,288 | 1,768,682 | 1,441,411 | 1,092,321 | 1,794,194 |
| | 4,457,050 | 4,503,316 | 4,841,779 | 4,975,595 | 4,925,896 | 5,286,634 |
| | 1,033,545 | 1,057,303 | 1,132,014 | 1,156,885 | 1,181,061 | 1,138,215 |
| | 1,935,272 | 1,694,136 | 1,599,662 | 2,833,603 | 2,598,255 | 2,778,865 |
| | 6,235 | 1,500 | 1,800 | 2,000 | – | – |
| | 2,757,747 | 2,227,310 | 5,316,730 | 890,636 | 1,110,527 | 1,363,710 |
| | 500,500 | 576,000 | 550,000 | 585,000 | 960,000 | 795,000 |
| | 289,929 | 284,199 | 330,287 | 390,358 | 362,756 | 339,698 |
| | <u>13,317,279</u> | <u>12,561,075</u> | <u>16,534,576</u> | <u>13,342,561</u> | <u>13,242,949</u> | <u>14,523,956</u> |
| | (2,464,942) | 382,783 | (3,944,422) | (1,250,540) | 271,108 | (1,004,145) |
| | – | – | – | – | – | – |
| | 1,654,251 | – | 3,847,874 | – | 759,666 | 1,911,095 |
| | – | – | – | – | – | – |
| | 538,036 | 1,085,403 | 676,496 | 1,364,326 | 938,068 | 1,946,009 |
| | (159,336) | (977,713) | (221,437) | (459,711) | (959,420) | (2,513,919) |
| | <u>2,032,951</u> | <u>107,690</u> | <u>4,302,933</u> | <u>904,615</u> | <u>738,314</u> | <u>1,343,185</u> |
| \$ | <u>(431,991)</u> | <u>\$ 490,473</u> | <u>\$ 358,511</u> | <u>\$ (345,925)</u> | <u>\$ 1,009,422</u> | <u>\$ 339,040</u> |
| | <u>7.6%</u> | <u>8.4%</u> | <u>8.0%</u> | <u>7.9%</u> | <u>11.0%</u> | <u>8.7%</u> |

CITY OF ROBBINSDALE

General Governmental Tax Revenue by Source
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

| <u>Fiscal Year</u> | <u>Property Taxes</u> | <u>Tax Increments</u> | <u>Franchise Fee Tax</u> | <u>Total</u> |
|--------------------|-----------------------|---------------------------|------------------------------|--------------|
| 2009 | \$ 5,208,981 | \$ 582,440 | \$ 572,380 | \$ 6,363,801 |
| 2010 | 5,866,841 | 428,833 | 553,215 | 6,848,889 |
| 2011 | 5,381,400 | 436,806 | 582,971 | 6,401,177 |
| 2012 | 5,448,207 | 369,999 | 507,460 | 6,325,666 |
| 2013 | 5,488,515 | 283,035 | 594,792 | 6,366,342 |
| 2014 | 5,348,292 | 279,418 | 654,308 | 6,282,018 |
| 2015 | 5,727,334 | 353,947 | 575,494 | 6,656,775 |
| 2016 | 5,798,977 | 414,904 | 553,744 | 6,767,625 |
| 2017 | 6,113,300 | 485,152 | 581,330 | 7,179,782 |
| 2018 | 6,314,064 | 522,258 | 640,342 | 7,476,664 |

CITY OF ROBBINSDALE

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

| Fiscal Year | Real Property | Personal Property | Total Taxable Assessed Value | Total Tax Capacity Rate | Estimated Actual Value | Assessed Value as a Percentage of Actual Value |
|-------------|------------------|-------------------|------------------------------|-------------------------|------------------------|--|
| 2009 | \$ 1,136,306,200 | \$ 6,461,600 | \$ 1,142,767,800 | 38.618 | \$ 1,145,954,100 | 99.7 % |
| 2010 | 1,047,973,600 | 6,600,900 | 1,054,574,500 | 42.182 | 1,056,752,500 | 99.8 |
| 2011 | 947,652,000 | 6,968,600 | 954,620,600 | 46.252 | 957,064,600 | 99.7 |
| 2012 | 800,942,877 | 8,305,900 | 809,248,777 | 50.293 | 907,061,800 | 89.2 |
| 2013 | 732,534,053 | 8,511,100 | 741,045,153 | 55.282 | 842,044,600 | 88.0 |
| 2014 | 676,715,145 | 9,044,400 | 685,759,545 | 57.436 | 790,231,600 | 86.8 |
| 2015 | 787,305,803 | 9,158,300 | 796,464,103 | 51.134 | 892,684,000 | 89.2 |
| 2016 | 784,777,601 | 9,245,900 | 794,023,501 | 53.785 | 891,134,800 | 89.1 |
| 2017 | 867,557,328 | 9,896,700 | 877,454,028 | 50.574 | 971,834,800 | 90.3 |
| 2018 | 948,191,888 | 10,340,200 | 958,532,088 | 50.346 | 1,049,070,800 | 91.4 |

Source: Hennepin County

CITY OF ROBBINSDALE

Property Tax Rates
Direct and Overlapping (1) Governments
Last Ten Fiscal Years

| Fiscal Year | City Direct | | | | Overlapping (2) | | | Total Direct and Overlapping Rates |
|-------------|-------------|--------------|---------|------------|--------------------------|---|-------------------|------------------------------------|
| | Operating | Debt Service | HRA/EDA | Total City | County Tax Capacity Rate | ISD No. 281, Robbinsdale Area Schools Tax Capacity Rate | Special Districts | |
| 2009 | 33.391 | 3.609 | 1.618 | 38.618 | 40.413 | 27.214 | 7.689 | 113.934 |
| 2010 | 36.862 | 3.714 | 1.606 | 42.182 | 42.640 | 28.621 | 8.825 | 122.268 |
| 2011 | 40.156 | 4.472 | 1.624 | 46.252 | 45.840 | 34.387 | 9.837 | 136.316 |
| 2012 | 45.015 | 3.627 | 1.651 | 50.293 | 48.230 | 32.810 | 10.146 | 141.479 |
| 2013 | 49.453 | 4.389 | 1.440 | 55.282 | 49.461 | 32.347 | 10.933 | 148.023 |
| 2014 | 51.352 | 4.404 | 1.680 | 57.436 | 49.959 | 34.777 | 11.307 | 153.479 |
| 2015 | 46.040 | 3.845 | 1.249 | 51.134 | 46.398 | 33.226 | 10.561 | 141.319 |
| 2016 | 47.903 | 4.259 | 1.623 | 53.785 | 45.356 | 33.833 | 10.432 | 143.406 |
| 2017 | 44.456 | 4.792 | 1.326 | 50.574 | 44.087 | 31.612 | 10.214 | 136.487 |
| 2018 | 44.308 | 4.573 | 1.465 | 50.346 | 42.808 | 31.957 | 9.849 | 134.960 |

- (1) Information reflects total tax rates levied by each entity. Tax rates are expressed in terms of “net tax capacity.” A property’s tax capacity is determined by multiplying its taxable market value by a state determined class rate. Class rates vary by property type and changed periodically based on state legislation.
- (2) Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners (e.g., the rates for special districts apply only to the proportion of the government’s property owners whose property is located within the geographic boundaries of the special district).

Source: Hennepin County

CITY OF ROBBINSDALE

Principal Property Taxpayers
Current Year and Nine Years Ago

| Taxpayer | 2018 | | | | 2009 | | | |
|-------------------------------|----------------------------|-------------------|------|--|----------------------------|---------------------|------|--|
| | Taxable Market Value | Tax Capacity | Rank | Percentage of Total Tax Capacity | Taxable Market Value | Tax Capacity | Rank | Percentage of Total Tax Capacity |
| Copperfield Hill Apartments | \$ 13,062,000 | \$ 163,275 | 1 | 1.55 % | \$ 11,359,000 | \$ 141,988 | 4 | 1.26 % |
| Beach South Apartments | 11,898,000 | 148,725 | 2 | 1.41 | 7,106,000 | 88,825 | 6 | 0.79 |
| North Memorial Medical Center | 6,261,000 | 125,220 | 3 | 1.19 | 7,574,000 | 151,480 | 2 | 1.34 |
| Town Center | 5,397,000 | 107,190 | 4 | 1.02 | 6,571,000 | 130,670 | 5 | 1.16 |
| North Memorial Medical Center | 5,352,000 | 107,040 | 5 | 1.02 | 7,782,000 | 155,640 | 1 | 1.38 |
| Copperfield Hill Apartments | 6,372,000 | 79,650 | 6 | 0.76 | 5,588,000 | 69,850 | 8 | 0.62 |
| Robin Center | 3,351,000 | 67,020 | 7 | 0.64 | 3,229,000 | 64,580 | 9 | 0.57 |
| Robinwood Apartments | 4,823,000 | 60,288 | 8 | 0.57 | - | - | - | - |
| NSP Utility | 2,965,500 | 59,310 | 9 | 0.56 | - | - | - | - |
| Hy-Vee, Inc. | 3,000,000 | 59,250 | 10 | 0.56 | - | - | - | - |
| Terrace Mall | - | - | - | - | 7,600,000 | 151,250 | 3 | 1.34 |
| North Memorial Medical Center | - | - | - | - | 3,567,000 | 70,590 | 7 | 0.62 |
| U.S. Bank | - | - | - | - | 2,350,000 | 46,250 | 10 | 0.41 |
| Total | \$ 62,481,500 | \$ 976,968 | | 9.29 % | \$ 62,726,000 | \$ 1,071,123 | | 9.47 % |

Note 1: Changed from totaling by taxpayer to listing out separate properties in 2018.

Note 2: Total city property tax capacity payable for 2018 is \$10,512,648 and for 2009 is \$11,309,066.

Source: Hennepin County Property Tax System



READER'S NOTES:

CITY OF ROBBINSDALE

Property Tax Levies and Collections
Last Ten Fiscal Years

| Fiscal Year Ended December 31, | Total Tax Levy for 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 |
| 2009 | \$ 5,164,054 | \$ 5,087,713 | 98.52 | \$ 76,341 | \$ 5,164,054 | 100.00 % |
| 2010 | 5,453,371 | 5,380,289 | 98.66 | 73,082 | 5,453,371 | 100.00 |
| 2011 | 5,652,198 | 5,595,223 | 98.99 | 56,975 | 5,652,198 | 100.00 |
| 2012 | 5,378,607 | 5,331,953 | 99.13 | 46,654 | 5,378,607 | 100.00 |
| 2013 | 5,418,706 | 5,382,686 | 99.34 | 36,020 | 5,418,706 | 100.00 |
| 2014 | 5,486,896 | 5,443,230 | 99.20 | 43,666 | 5,486,896 | 100.00 |
| 2015 | 5,644,249 | 5,612,284 | 99.43 | 17,511 | 5,629,795 | 99.74 |
| 2016 | 5,731,937 | 5,692,563 | 99.31 | 16,322 | 5,708,885 | 99.60 |
| 2017 | 6,027,083 | 6,011,985 | 99.75 | (7,326) | 6,004,659 | 99.63 |
| 2018 | 6,301,871 | 6,258,739 | 99.32 | – | 6,258,739 | 99.32 |

Note: Collections include abatements, adjustments, and tax credits received through state aid.

Source: Hennepin County

CITY OF ROBBINSDALE

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

| Fiscal Year | Governmental Activities | | | | Business-Type Activities | |
|-------------|--------------------------------|---|---|--------------------------------|---|---|
| | General Obligation Bonds | General Obligation Tax Increment Bonds | General Obligation Equipment Notes and Certificates | Net Premiums (Discounts) | General Obligation Revenue Bonds | General Obligation Housing Bonds |
| 2009 | \$ 2,505,000 | \$ 5,465,000 | \$ 750,000 | \$ - | \$ 5,104,000 | \$ 4,460,000 |
| 2010 | 1,865,000 | 5,255,000 | 611,500 | - | 4,235,000 | 4,335,000 |
| 2011 | 1,400,000 | 5,125,000 | 466,500 | - | 3,449,000 | 4,200,000 |
| 2012 | 2,405,000 | 4,925,000 | 316,500 | (12,370) | 5,185,000 | 4,060,000 |
| 2013 | 3,755,000 | 4,815,000 | 161,000 | 57,218 | 7,435,000 | 3,915,000 |
| 2014 | 3,460,000 | 4,695,000 | - | 51,450 | 6,620,000 | 3,765,000 |
| 2015 | 6,670,000 | 4,565,000 | - | 262,195 | 8,330,000 | 3,670,000 |
| 2016 | 6,225,000 | 4,425,000 | - | 222,384 | 7,405,000 | 3,420,000 |
| 2017 | 6,140,000 | 4,270,000 | - | 233,232 | 8,590,000 | 3,185,000 |
| 2018 | 6,270,000 | 4,105,000 | 1,000,000 | 352,616 | 8,970,000 | 2,945,000 |

(1) See Demographic and Economic Statistics for personal income and population data.

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

| Net Premiums (Discounts) | Total Primary Government | Percentage of Personal Income (1) | Per Capita (1) |
|--------------------------------|-----------------------------|---|----------------|
| \$ - | \$ 18,284,000 | 3.42 % | \$ 1,327 |
| - | 16,301,500 | 2.81 | 1,168 |
| - | 14,640,500 | 2.45 | 1,045 |
| (14,049) | 16,865,081 | 2.81 | 1,187 |
| 113,148 | 20,251,366 | 3.33 | 1,402 |
| 104,950 | 18,696,400 | 3.02 | 1,288 |
| 315,273 | 23,812,468 | 3.37 | 1,614 |
| 282,551 | 21,979,935 | 2.87 | 1,495 |
| 377,658 | 22,795,890 | 2.86 | 1,534 |
| 433,446 | 24,076,062 | 2.89 | 1,620 |

CITY OF ROBBINSDALE

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

| Fiscal Year | General Obligation Debt | Less Amounts Available in Debt Service Funds | Total | Percentage of Total Taxable Assessed Value of Property (1) | Per Capita (2) |
|-------------|-------------------------------|--|---------------|---|-------------------|
| 2009 | \$ 18,284,000 | \$ 1,005,853 | \$ 17,278,147 | 1.51 % | \$ 1,254 |
| 2010 | 16,301,500 | 823,571 | 15,477,929 | 1.47 | 1,109 |
| 2011 | 14,640,500 | 879,982 | 13,760,518 | 1.44 | 982 |
| 2012 | 16,865,081 | 705,170 | 16,159,911 | 2.00 | 1,137 |
| 2013 | 20,251,366 | 693,247 | 19,558,119 | 2.64 | 1,354 |
| 2014 | 18,696,400 | 758,298 | 17,938,102 | 2.62 | 1,236 |
| 2015 | 23,812,468 | 1,047,725 | 22,764,743 | 2.86 | 1,543 |
| 2016 | 21,979,935 | 1,427,177 | 20,552,758 | 2.59 | 1,398 |
| 2017 | 22,795,890 | 1,457,574 | 21,338,316 | 2.43 | 1,436 |
| 2018 | 24,076,062 | 1,470,779 | 22,605,283 | 2.36 | 1,521 |

(1) See Assessed Value and Estimated Actual Value of Taxable Property for property value data.

(2) See Demographic and Economic Statistics for population data.

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

CITY OF ROBBINSDALE

Direct and Overlapping Governmental Activities Debt
December 31, 2018

| Governmental Unit | Debt Outstanding | City Percentage | Share Amount |
|---|--------------------------------|--------------------|-----------------------------|
| Direct debt | | | |
| City of Robbinsdale | \$ 11,727,616 | 100.00 % | \$ 11,727,616 |
| Overlapping debt | | | |
| ISD No. 281, Robbinsdale Area Schools | 193,065,906 | 10.79 | 20,831,811 |
| Hennepin County | 1,058,135,000 | 0.62 | 6,560,437 |
| Suburban Hennepin Three Rivers Park District | 59,085,000 | 0.87 | 514,040 |
| Hennepin County Regional RR Authority | 29,865,000 | 0.87 | 259,826 |
| Metropolitan Council (1) | <u>189,310,976</u> | 0.30 | <u>567,933</u> |
| Total overlapping debt | <u>1,529,461,882</u> | | <u>28,734,046</u> |
| Total direct and overlapping debt | <u><u>\$ 1,541,189,498</u></u> | | <u><u>\$ 40,461,662</u></u> |

(1) Includes debt for Metropolitan Council Transit Operations.

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

Source: Hennepin County Taxpayer Services Department, Direct and Overlapping Debt Report

CITY OF ROBBINSDALE

Legal Debt Margin Information
Last Ten Fiscal Years

| | <u>Fiscal Year</u> | | | |
|---|----------------------|----------------------|----------------------|----------------------|
| | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> |
| Debt limit | \$ 34,283,034 | \$ 31,637,235 | \$ 28,638,618 | \$ 27,211,854 |
| Total net debt applicable to the limit | <u>1,734,147</u> | <u>1,652,929</u> | <u>986,518</u> | <u>2,016,330</u> |
| Legal debt margin | <u>\$ 32,548,887</u> | <u>\$ 29,984,306</u> | <u>\$ 27,652,100</u> | <u>\$ 25,195,524</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 5.06% | 5.22% | 3.44% | 7.41% |

| 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 25,261,338 | \$ 23,706,948 | \$ 26,780,520 | \$ 26,734,044 | \$ 29,155,044 | \$ 31,472,124 |
| 3,222,753 | 2,701,702 | 1,840,000 | 1,540,000 | 1,200,000 | 2,040,000 |
| <u>\$ 22,038,585</u> | <u>\$ 21,005,246</u> | <u>\$ 24,940,520</u> | <u>\$ 25,194,044</u> | <u>\$ 27,955,044</u> | <u>\$ 29,432,124</u> |
| 12.76% | 11.40% | 6.87% | 5.76% | 4.12% | 6.48% |

Legal Debt Margin Calculation for Fiscal Year 2018

| | |
|--|----------------------|
| Estimated taxable market value | \$ 1,049,070,800 |
| Debt limit (3% of market value) | 31,472,124 |
| Debt applicable to the limit General obligation bonds | <u>2,040,000</u> |
| Legal debt margin | <u>\$ 29,432,124</u> |

CITY OF ROBBINSDALE

Pledged Revenue Coverage
Last Ten Fiscal Years

| Fiscal Year | General Obligation Utility Revenue Bonds | | | | | Coverage |
|-------------|--|-------------------------|-----------------------|--------------|------------|----------|
| | Utility Charges (1) | Less Operating Expenses | Net Available Revenue | Debt Service | | |
| | | | | Principal | Interest | |
| 2009 | \$ 3,489,080 | \$ 2,200,427 | \$ 1,288,653 | \$ 762,000 | \$ 207,391 | 1.33 |
| 2010 | 3,581,756 | 2,199,194 | 1,382,562 | 869,000 | 168,880 | 1.33 |
| 2011 | 3,841,773 | 2,133,327 | 1,708,446 | 786,000 | 137,188 | 1.85 |
| 2012 | 3,987,517 | 2,212,757 | 1,774,760 | 824,000 | 124,370 | 1.87 |
| 2013 | 4,264,996 | 2,493,623 | 1,771,373 | 565,000 | 131,113 | 2.54 |
| 2014 | 4,038,901 | 2,352,203 | 1,686,698 | 815,000 | 157,365 | 1.73 |
| 2015 | 4,375,664 | 2,544,980 | 1,830,684 | 1,095,000 | 198,151 | 1.42 |
| 2016 | 4,554,832 | 2,546,022 | 2,008,810 | 925,000 | 158,742 | 1.85 |
| 2017 | 4,622,262 | 2,588,821 | 2,033,441 | 1,205,000 | 188,814 | 1.46 |
| 2018 | 5,618,025 | 2,593,021 | 3,025,004 | 775,000 | 195,034 | 3.12 |

(1) Utility charges include gross revenues from the Water, Sanitary Sewer, and Storm Sewer Funds.

Note: Details regarding the City's outstanding debt can be found in the notes to basic financial statements. Operating expenses do not include interest or depreciation.

CITY OF ROBBINSDALE

Demographic and Economic Statistics
Last Ten Fiscal Years

| Fiscal Year | Population (1) | Per Capita Personal Income (2) | Total Personal Income | Median Age (2) | Education Level in Years of Formal Schooling (2) | School Enrollment (3) | Unemployment Rate (4) |
|-------------|----------------|--------------------------------|-----------------------|----------------|--|-----------------------|-----------------------|
| 2009 | 13,775 | \$ 38,859 | \$535,282,725 | 38 | 14 | 1,881 | 7.9 % |
| 2010 | 13,953 | 41,552 | 579,775,056 | 37 | 14 | 1,818 | 6.1 |
| 2011 | 14,014 | 42,657 | 597,788,379 | 37 | 14 | 1,747 | 5.5 |
| 2012 | 14,212 | 42,246 | 600,401,802 | 38 | 14 | 1,697 | 4.9 |
| 2013 | 14,445 | 42,152 | 608,884,716 | 38 | 14 | 1,735 | 4.4 |
| 2014 | 14,512 | 42,645 | 618,867,135 | 36 | 14 | 1,760 | 3.3 |
| 2015 | 14,757 | 47,902 | 706,894,032 | 36 | 14 | 1,726 | 3.5 |
| 2016 | 14,704 | 52,117 | 766,328,368 | 37 | 14 | 1,682 | 3.4 |
| 2017 | 14,860 | 53,680 | 797,684,800 | 36 | 14 | 1,366 | 3.7 |
| 2018 | 14,860 | 55,988 | 831,985,246 | 36 | 14 | 1,292 | 2.9 |

Data Sources:

(1) Metropolitan Council as of April 1

(2) U.S. Census Bureau

(3) School district

(4) State Department of Employment and Economic Development (uses Hennepin County's rate; the City rate is not available)—rate is an annual average (www.bls.gov.lau/data.htm)



READER'S NOTES:

CITY OF ROBBINSDALE

Principal Employers
Current Year and Nine Years Ago

| Employer | 2018 | | | 2009 | | |
|--|---------------------|------|---|---------------------|------|---|
| | Number of Employees | Rank | Percentage of Total City Employment (1) | Number of Employees | Rank | Percentage of Total City Employment (1) |
| North Memorial Medical Center | 5,000 | 1 | – % | 5,100 | 1 | – % |
| Hy-Vee, Inc. | 520 | 2 | – | – | – | – |
| Independent School District No. 281, Robbinsdale Area Schools * | 244 | 3 | – | 2,080 | 2 | – |
| Good Samaritan Specialty Care | 149 | 4 | – | – | – | – |
| Copperfield Hill | 115 | 5 | – | – | – | – |
| Robbinsdale, A Villa Center | 99 | 6 | – | – | – | – |
| U.S. Bank | 92 | 7 | – | 42 | 5 | – |
| City of Robbinsdale | 79 | 8 | – | 74 | 4 | – |
| U.S. Post Office | 49 | 9 | – | – | – | – |
| Rainbow Foods | – | – | – | 175 | 3 | – |
| Robbinsdale Farm, Garden & Pet Supply | – | – | – | 40 | 6 | – |
| Burmeister Electric Co. | – | – | – | 25 | 7 | – |
| Citizens Independent Bank | – | – | – | 17 | 8 | – |
| Total | <u>6,347</u> | | <u>– %</u> | <u>7,553</u> | | <u>– %</u> |

* 2018 number is taken from bond information—includes staff located only in the City

(1) Percentage of total city employment information is not readily available.

Source: Principal employers are the result of surveys of employers in conjunction with city bond sales. Principal employers for the current year and nine years ago were from the most recent bond sales at that time and included the employers listed above.

CITY OF ROBBINSDALE

Full-Time Equivalent (FTE) City Government Employees by Function
Last Ten Fiscal Years

| Function | Fiscal Year | | | |
|---------------------------------|--------------|--------------|--------------|--------------|
| | 2009 | 2010 | 2011 | 2012 |
| General government (3) | 11.83 | 12.08 | 11.60 | 11.02 |
| Community development | 2.00 | 2.49 | 2.20 | 2.53 |
| Public safety | | | | |
| Police | | | | |
| Officers | 21.95 | 21.06 | 21.93 | 22.41 |
| Civilians | 9.45 | 10.21 | 10.93 | 10.79 |
| Fire | | | | |
| Firefighters – paid on-call (1) | – | – | – | – |
| Building inspections | 1.71 | 1.56 | 1.70 | 1.72 |
| Recreation | | | | |
| Recreation programming | 6.57 | 5.24 | 5.19 | 5.35 |
| Park maintenance | 4.58 | 4.89 | 4.38 | 4.36 |
| Public works | | | | |
| Engineering | 5.41 | 5.35 | 5.58 | 5.51 |
| Maintenance (2) | 7.62 | 8.13 | 6.87 | 6.88 |
| Water | 2.42 | 2.18 | 2.49 | 2.33 |
| Sanitary sewer | 1.45 | 1.65 | 1.57 | 1.62 |
| Storm sewer | 1.01 | 1.28 | 1.41 | 1.30 |
| Liquor operations | 6.02 | 6.74 | 7.07 | 7.36 |
| Deputy Registrar | 4.50 | 3.88 | 4.15 | 5.07 |
| Five cities (4) | 0.46 | 0.43 | 0.42 | 0.43 |
| Total | 86.98 | 87.17 | 87.49 | 88.68 |

- (1) There are 29 paid on-call firefighters with the City. FTEs are not tracked for this department.
- (2) Includes FTEs from the Central Garage Internal Service Fund and Central Services – Governmental Buildings Program Internal Service Fund.
- (3) Includes FTEs from the Central Services – Information Technology Program Internal Service Fund.
- (4) Five cities function ended in 2013.

Source: City payroll records

| <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> |
|--------------|--------------|--------------|--------------|--------------|--------------|
| 9.59 | 9.90 | 9.57 | 11.10 | 10.18 | 11.06 |
| 2.26 | 3.18 | 3.84 | 4.12 | 3.94 | 4.59 |
| 22.53 | 21.59 | 24.79 | 24.61 | 23.61 | 23.37 |
| 10.54 | 9.37 | 9.34 | 7.95 | 9.64 | 9.59 |
| – | – | – | – | – | – |
| 1.75 | 1.60 | 1.72 | 1.82 | 1.84 | 1.97 |
| 5.58 | 5.64 | 5.44 | 5.06 | 5.23 | 5.44 |
| 4.47 | 2.94 | 3.80 | 4.68 | 5.47 | 5.20 |
| 5.93 | 4.46 | 4.41 | 4.24 | 4.57 | 4.28 |
| 9.24 | 8.87 | 9.59 | 10.00 | 9.39 | 10.08 |
| 2.28 | 2.31 | 2.08 | 2.10 | 2.41 | 2.63 |
| 1.89 | 1.67 | 1.89 | 1.98 | 1.55 | 1.53 |
| 0.89 | 0.28 | 1.10 | 1.00 | 1.28 | 1.68 |
| 6.85 | 7.53 | 8.68 | 9.10 | 9.98 | 9.89 |
| 4.64 | 5.09 | 5.23 | 5.28 | 5.65 | 5.83 |
| 0.42 | – | – | – | – | – |
| <u>88.86</u> | <u>84.43</u> | <u>91.48</u> | <u>93.04</u> | <u>94.74</u> | <u>97.14</u> |

CITY OF ROBBINSDALE

Operating Indicators by Function
Last Ten Fiscal Years

| Function | Fiscal Year | | | |
|--|-------------|--------|--------|--------|
| | 2009 | 2010 | 2011 | 2012 |
| Police | | | | |
| Radio calls (1) | 14,888 | 14,279 | 16,576 | 17,291 |
| Arrests (2) | 863 | 854 | 1,083 | 1,059 |
| Traffic violations | 2,851 | 2,747 | 4,718 | 5,680 |
| Parking violations | 668 | 568 | 843 | 456 |
| Part I crimes charged | 527 | 468 | 506 | 464 |
| Part II crimes charged | 977 | 899 | 1,022 | 998 |
| Investigative cases referred | 297 | 317 | 2,126 | 2,303 |
| Police reserve hours logged | 2,880 | 2,582 | 2,489 | 2,205 |
| Fire | | | | |
| Number of calls answered | 334 | 322 | 320 | 344 |
| Recreation | | | | |
| Annual program registrations | 2,662 | 2,250 | 2,050 | 2,381 |
| Picnic/shelter building reservations | 43 | 49 | 44 | 56 |
| Skating rink attendance | 4,190 | 3,800 | 3,800 | 1,700 |
| Wading pool (3) | | | | |
| Annual attendance | 1,095 | 923 | 847 | 1,430 |
| Resident passes purchased | 202 | 162 | 208 | 445 |
| Community gym statistics | | | | |
| Annual attendance | 15,782 | 16,263 | 16,717 | 18,801 |
| Punch passes sold | 90 | 59 | 43 | 29 |
| Memberships sold | 56 | 33 | 18 | 15 |
| Water | | | | |
| Total connections | 5,034 | 5,114 | 5,130 | 5,133 |
| Water main breaks | 11 | 7 | 14 | 13 |
| Average daily flow (thousands of gallons) | 891 | 809 | 848 | 825 |

- (1) The measurement basis changed in 2013 to the actual number of calls received by county dispatch. Prior year information has not been restated.
- (2) Accurate arrest records are not available in 2017 due to a migration to a new records management system.
- (3) The wading pool was closed during fiscal 2017 and is no longer applicable beginning in fiscal 2018.

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

Source: Various government departments

| 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|--------|--------|--------|--------|--------|--------|
| 22,811 | 20,697 | 20,417 | 20,257 | 21,197 | 20,400 |
| 844 | 808 | 964 | 684 | | 627 |
| 5,365 | 3,285 | 1,989 | 3,121 | 3,647 | 2,935 |
| 733 | 659 | 516 | 391 | 232 | 391 |
| 342 | 404 | 450 | 330 | 453 | 617 |
| 916 | 913 | 915 | 888 | 835 | 865 |
| 2,365 | 1,375 | 1,278 | 1,122 | 1,173 | 1,904 |
| 1,969 | 1,606 | 1,303 | 1,288 | 1,485 | 1,021 |
| 339 | 301 | 329 | 315 | 350 | 367 |
| 2,170 | 2,427 | 2,020 | 2,308 | 2,961 | 3,260 |
| 122 | 77 | 66 | 73 | 43 | 50 |
| 2,424 | 1,944 | 2,466 | 2,050 | 1,607 | 1,608 |
| 1,919 | 1,493 | 806 | 608 | 461 | |
| 470 | 263 | 174 | 152 | 99 | |
| 18,144 | 16,595 | 17,592 | 18,303 | 12,305 | 18,303 |
| 48 | 33 | 67 | 63 | 55 | 117 |
| 38 | 41 | 19 | 14 | 23 | 38 |
| 5,130 | 5,127 | 5,139 | 5,135 | 5,136 | 5,137 |
| 13 | 13 | 5 | 6 | 10 | 7 |
| 840 | 811 | 814 | 821 | 829 | 829 |

CITY OF ROBBINSDALE

Capital Asset Statistics by Function
Last Ten Fiscal Years

| Function | Fiscal Year | | | |
|------------------------------|-------------|------|------|------|
| | 2009 | 2010 | 2011 | 2012 |
| Public safety | | | | |
| Police | | | | |
| Stations | 1 | 1 | 1 | 1 |
| Patrol units | 7 | 7 | 8 | 9 |
| Fire stations | 1 | 1 | 1 | 1 |
| Culture and recreation | | | | |
| Parks acreage | 109 | 109 | 109 | 109 |
| Parks | 14 | 14 | 14 | 14 |
| Baseball/softball diamonds | 9 | 9 | 9 | 9 |
| Wading pools/splash pad | 1 | 1 | 1 | 1 |
| Tennis courts | 4 | 4 | 3 | 3 |
| Community gyms/meeting areas | 5 | 5 | 5 | 5 |
| Highways and streets | | | | |
| Streets (miles) | 60.0 | 60.0 | 60.0 | 60.0 |
| Alleys (miles) | 18.7 | 18.7 | 18.7 | 18.7 |
| Streetlights | 591 | 591 | 591 | 591 |
| Traffic signals | 17 | 17 | 17 | 18 |
| Water | | | | |
| Water mains (miles) | 48.4 | 48.4 | 48.4 | 48.4 |
| Fire hydrants | 323 | 340 | 365 | 373 |
| Sewer (1) | | | | |
| Sanitary sewers (miles) | 43.0 | 43.0 | 43.0 | 43.0 |
| Storm sewers (miles) | 19.5 | 19.5 | 19.5 | 19.5 |

(1) Sanitary sewers are disposed and treated through the Metropolitan Waste Control Commission.

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

Source: Various city departments

| 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|------|------|------|------|------|------|
| 1 | 1 | 1 | 1 | 1 | 1 |
| 9 | 9 | 9 | 9 | 9 | 9 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 109 | 109 | 109 | 109 | 109 | 109 |
| 14 | 14 | 14 | 14 | 14 | 14 |
| 9 | 9 | 9 | 9 | 9 | 9 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 3 | 3 | 3 | 3 | 3 | 3 |
| 5 | 5 | 5 | 5 | 5 | 5 |
| 60.0 | 60.0 | 60.0 | 60.0 | 60.0 | 60.0 |
| 18.7 | 18.7 | 18.7 | 18.7 | 18.7 | 18.7 |
| 591 | 591 | 601 | 601 | 601 | 601 |
| 19 | 19 | 19 | 19 | 19 | 20 |
| 48.4 | 48.4 | 48.4 | 48.4 | 48.4 | 48.4 |
| 380 | 389 | 405 | 405 | 407 | 408 |
| 43.0 | 43.0 | 43.0 | 43.0 | 43.0 | 43.0 |
| 19.5 | 19.5 | 19.8 | 19.8 | 19.8 | 19.8 |



READER'S NOTES: