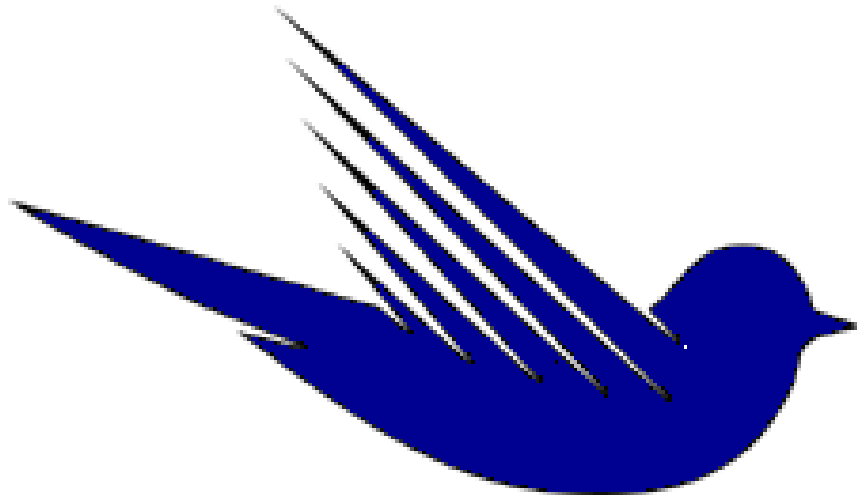


***COMPREHENSIVE
ANNUAL FINANCIAL REPORT***

For the year ended December 31, 2015

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, 2015

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

4100 Lakeview Avenue North
Robbinsdale, Minnesota 55422-2280
Phone: (763) 537-4534
Fax: (763) 537-7344
www.robbinsdalemn.com



June 7, 2016

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, 2015.

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, 2015 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, 2015, 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 2.7 square miles with a population of 14,512. 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 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 their 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 recently partnered with the REDA to construct a new 96-seat restaurant, as well as Pig Ate My Pizza, which took on the previous location. The downtown also has regional draws with Hackenmueller's Meat Market, Wuollet Bakery, and Nonna Rosa's restaurant. Outside of the downtown area, there are two shopping centers and the North Memorial Healthcare (NMHC) campus.

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 4,300 employees.

The City's housing market is primarily single family homes that are pre-World War II vintage. During 2004, the REDA entered into an agreement with a developer for the redevelopment of an old school site, which added 166 housing units (mostly townhomes) to the City's tax base. The project was fully completed with the addition of the last single family home in 2015.

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

- A six-home redevelopment site on Scott Avenue, north of County Road 9, involved bringing in a sanitary sewer main with an easement across the adjacent church property. The first home was built in 2011 and the remaining five were constructed in 2013.
- A large area was acquired in the northwestern part of the City from the Minnesota Department of Transportation. Five homes were constructed from 2008–2010, four more homes were completed in 2013–2015, and the concept for one lot to be used for growing produce for a local restaurant was approved. Three lots remain and outreach continues for construction of homes complementary to those in the development.
- A four-home redevelopment site on Twin Oak Lane is being readied for 2016 construction.
- Typically three to four 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.

Since 2002, the City has had its state aids for LGA and market value homestead credit reduced by as much as 50 percent in 2008. The level of LGA has recovered beginning in 2014 and the 2015 LGA saw an amount that was reduced by 15 percent from the 2002 level. The reduction in state aid by the state of Minnesota was to assist in balancing the state budget. The City received a total of \$1,684,082 in LGA in 2015; an increase of \$64,989.

In 2016, the amount of LGA funding at the state level was increased slightly. The City expects to receive \$1,706,053 in state aid in 2016, an increase of \$21,971. 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.

Additionally, the City extended through June 2017 a 4 percent franchise fee on revenues that gas and electric utilities receive from customers located within the City. This fee had 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 2016–2017 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 tower replacement
- Provide safe and fun places in parks focusing on quality rather than quantity of facilities
 - Complete the Pavilion Project in Lakeview Terrace Park
 - 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 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 (HMOs) 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 recent cuts in state aid, to assist in balancing the state budget, this will become 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 to 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 2016 budget includes an increased investment being made to resurface local streets which were seeing surface degradation, but not scheduled to be reconstructed in a 10+ year horizon. The 2015 projects included completion of County Road 9 on the east half of the City as well as local streets spanning the 36th/Grimes area. Each project included replacing street lights with energy saving LED lights.

Significant City Council and staff engagement was invested in reviewing LRT plans proposed for extension of the blue line 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, 2014. The City has received a Certificate of Achievement for the last 36 years (1979–2014). 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 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, CPA
Finance Director



Government Finance Officers Association

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

Presented to

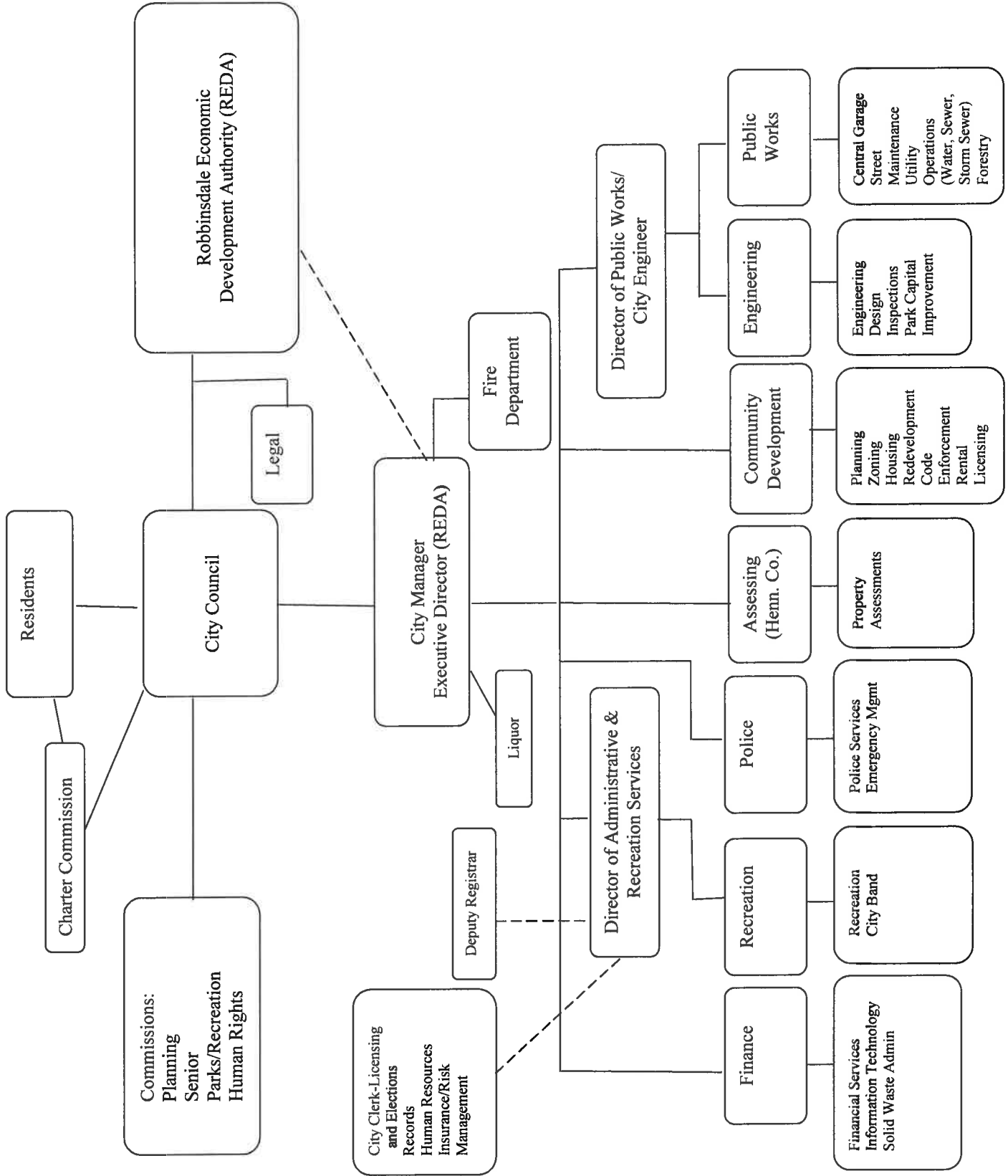
**City of Robbinsdale
Minnesota**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO

City of Robbinsdale Organization Chart



CITY OF ROBBINSDALE, MINNESOTA

Elected and Administrative Officials
December 31, 2015

ELECTED OFFICIALS

		<u>Term Expires</u>
Regan Murphy	Mayor	December 31, 2016
William Blonigan	First Ward Councilperson	December 31, 2016
Dan Rogan	Second Ward Councilperson	December 31, 2016
George Selman	Third Ward Councilperson	December 31, 2018
Pat Backen	Fourth Ward Councilperson	December 31, 2018

ADMINISTRATIVE OFFICIALS

Marcia Glick	City Manager
Larry Jacobson	Finance Director
Richard McCoy	Director of Public Works/City Engineer
Tom Marshall	Director of Administrative and Recreation Services/City Clerk
Jim Franzen	Chief of Police
Mark Fairchild	Fire Chief
Melissa Manderschied	Attorney



READER'S NOTES:

FINANCIAL SECTION



PRINCIPALS

Thomas M. Montague, CPA
Thomas A. Karnowski, CPA
Paul A. Radosevich, CPA
William J. Lauer, CPA
James H. Eichten, CPA
Aaron J. Nielsen, CPA
Victoria L. Holinka, 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, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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, 2015, 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. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*, during the year ended December 31, 2015. 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 June 7, 2016 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

Minneapolis, Minnesota
June 7, 2016



READER'S NOTES:

CITY OF ROBBINSDALE

Management's Discussion and Analysis Year Ended December 31, 2015

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, 2015. 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 \$3,493,335 in the current year, excluding the change in accounting principle related to new pension reporting requirements. The change in net position related to business-type activities was an increase of \$1,640,521, while the net result of governmental activities was an increase of \$1,852,814.
- 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 \$71,508,545 (net position), as compared to \$72,761,148 at the end of 2014. Of this amount, \$17,819,043 (unrestricted net position) may be used 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.
- The City recorded a change in accounting principle in the current year for reporting the City's participation in defined benefit pension plans. This change reduced beginning net position in the government-wide financial statements by \$4,745,938.
- At the end of the fiscal year, the unassigned fund balance for the City's General Fund was \$4,864,657, which represents 55.4 percent of total General Fund expenditures for 2015.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis (MD&A) 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, public works, and human services. 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 five 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, 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 governmental-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 fund 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 \$71,508,545 at the close of the most recent fiscal year.

Net Position – The City has 61.8 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 13.3 percent of the City’s net position represents resources that are subject to external restrictions on how they may be used. The remaining 24.9 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	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$ 28,171,663	\$ 26,198,492	\$ 12,524,214	\$ 11,469,580	\$ 40,695,877	\$ 37,668,072
Capital assets	33,836,431	29,699,410	29,376,580	26,810,213	63,213,011	56,509,623
Total assets	62,008,094	55,897,902	41,900,794	38,279,793	103,908,888	94,177,695
Deferred outflows of resources						
Deferred charge on refunding	–	–	213,596	227,836	213,596	227,836
Pension plan deferments	969,051	–	92,812	–	1,061,863	–
Total deferred outflows	969,051	–	306,408	227,836	1,275,459	227,836
Noncurrent liabilities (including current portion)	16,868,917	9,077,381	13,042,774	10,541,398	29,911,691	19,618,779
Other liabilities	1,869,768	1,158,502	983,730	867,102	2,853,498	2,025,604
Total liabilities	18,738,685	10,235,883	14,026,504	11,408,500	32,765,189	21,644,383
Deferred inflows of resources						
Pension plan deferments	837,192	–	73,421	–	910,613	–
Net position						
Net investment in capital assets	26,904,236	26,187,960	17,274,903	16,695,757	44,179,139	42,883,717
Restricted	9,510,363	8,722,641	–	–	9,510,363	8,722,641
Unrestricted	6,986,669	10,751,418	10,832,374	10,403,372	17,819,043	21,154,790
Total net position	\$ 43,401,268	\$ 45,662,019	\$ 28,107,277	\$ 27,099,129	\$ 71,508,545	\$ 72,761,148

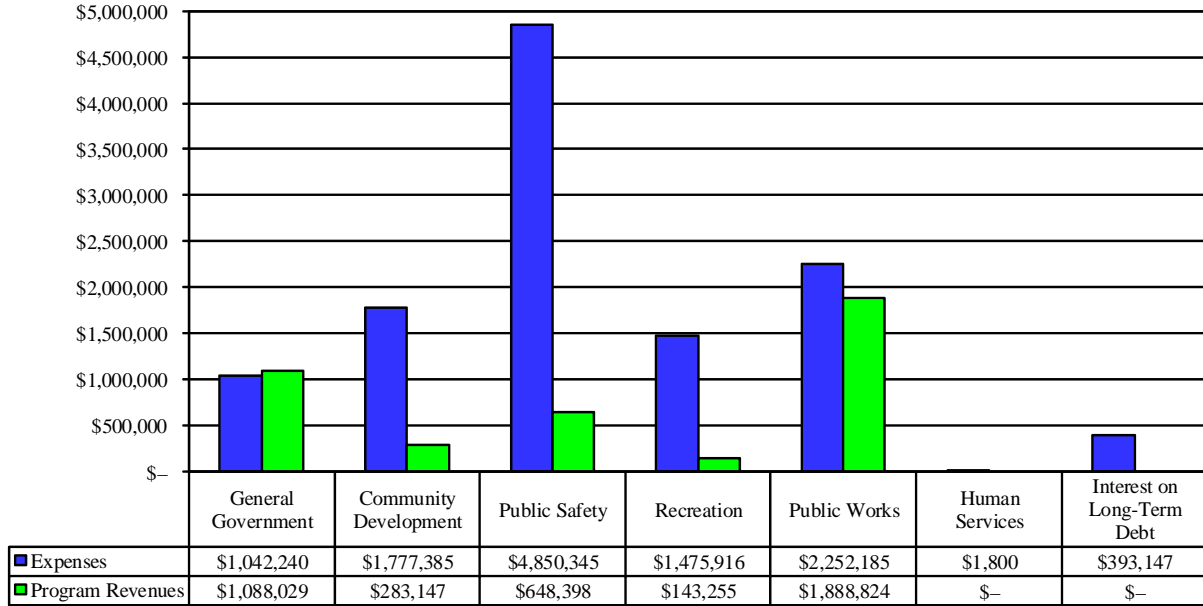
The following is a summary of the City's changes in net position:

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues						
Program revenues						
Charges for services	\$ 1,754,625	\$ 1,710,936	\$ 8,088,262	\$ 7,631,286	\$ 9,842,887	\$ 9,342,222
Operating grants and contributions	472,137	1,168,773	47,132	41,550	519,269	1,210,323
Capital grants and contributions	1,824,891	898,623	483,000	–	2,307,891	898,623
General revenues						
Property taxes	5,748,706	5,310,453	–	–	5,748,706	5,310,453
Tax increments	353,947	279,418	–	–	353,947	279,418
Unrestricted grants and contributions	1,692,688	1,627,954	–	–	1,692,688	1,627,954
Franchise fee tax	575,494	654,308	–	–	575,494	654,308
Unrestricted investment earnings	333,736	362,391	135,440	154,484	469,176	516,875
Net change in fair value of investments	(138,901)	236,545	(56,111)	100,732	(195,012)	337,277
Land sales	503,549	211,050	–	–	503,549	211,050
Gain on sale of assets	19,901	19,723	–	–	19,901	19,723
Total revenues	13,140,773	12,480,174	8,697,723	7,928,052	21,838,496	20,408,226
Expenses						
General government	1,042,240	975,344	–	–	1,042,240	975,344
Community development	1,777,385	1,282,571	–	–	1,777,385	1,282,571
Public safety	4,850,345	4,553,069	–	–	4,850,345	4,553,069
Recreation	1,475,916	1,352,324	–	–	1,475,916	1,352,324
Public works	2,252,185	2,426,864	–	–	2,252,185	2,426,864
Human services	1,800	1,500	–	–	1,800	1,500
Interest on long-term debt	393,147	266,408	–	–	393,147	266,408
Water utility	–	–	1,071,815	1,084,196	1,071,815	1,084,196
Sanitary sewer utility	–	–	1,628,374	1,539,728	1,628,374	1,539,728
Storm sewer utility	–	–	786,404	640,688	786,404	640,688
Solid waste removal	–	–	1,195,337	1,167,234	1,195,337	1,167,234
Liquor operations	–	–	724,292	659,839	724,292	659,839
Broadway Court	–	–	764,961	793,486	764,961	793,486
Deputy Registrar	–	–	380,960	345,878	380,960	345,878
Total expenses	11,793,018	10,858,080	6,552,143	6,231,049	18,345,161	17,089,129
Change in net position before transfers	1,347,755	1,622,094	2,145,580	1,697,003	3,493,335	3,319,097
Transfers	505,059	257,690	(505,059)	(257,690)	–	–
Change in net position	1,852,814	1,879,784	1,640,521	1,439,313	3,493,335	3,319,097
Net position – beginning, as previously reported	45,662,019	43,782,235	27,099,129	25,659,816	72,761,148	69,442,051
Change in accounting principle	(4,113,565)	–	(632,373)	–	(4,745,938)	–
Net position – ending	\$ 43,401,268	\$ 45,662,019	\$ 28,107,277	\$ 27,099,129	\$ 71,508,545	\$ 72,761,148

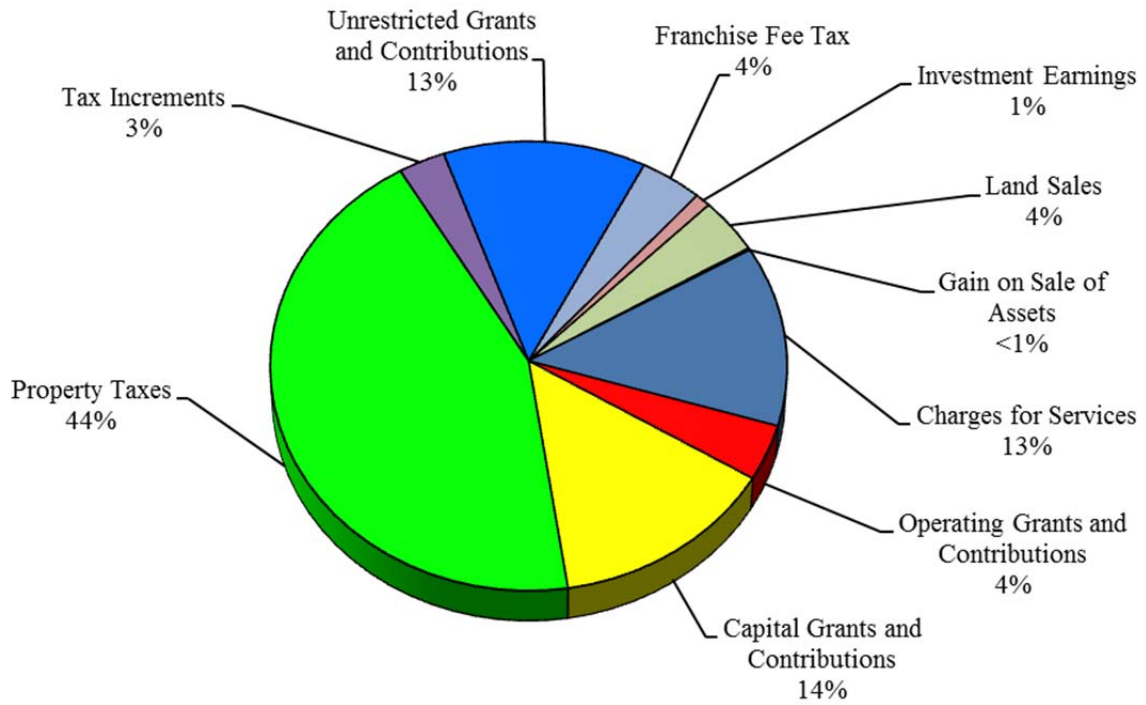
Governmental Activities – Governmental activities increased the City's net position by \$1,852,814, accounting for 53.0 percent of the total current year growth in the City's net position. Key elements of this net increase include:

- Governmental activities recognized an increase before transfers of \$1,347,755.
- Transfers from business-type activities contributed \$505,059 of the total change in net position.
- Revenues increased by \$660,599, or 5.3 percent, with additional capital grants and contributions for special assessments on properties certified to the county in the current year.
- Expenses increased by \$934,938, or 8.6 percent, with the largest changes occurring in community development and public safety spending.

**Expenses vs. Program Revenues
Governmental Activities**



Revenue by Source – Governmental Activities



Business-Type Activities – Business-type activities increased the City’s net position by \$1,640,521, accounting for 47.0 percent of the total growth in the City’s net position.

The water utility increased net position by \$580,814. Operating revenues increased by 7.2 percent primarily due to increases in rates. Operating expenses decreased 1.8 percent due to reduced supplies and depreciation associated with 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 \$165,877. The operating revenues increased by 9.5 percent, due in part to rate increases. Operating expenses increased by 5.5 percent for personal services, supplies, and other services and charges for sanitary sewer services. Rate increases are monitored and planned within the City’s CIP, which is updated annually.

The storm sewer utility increased net position by \$550,193. Operating revenue increased 8.0 percent primarily due to an approved rate increase. Operating expenses increased 20.7 percent for personal services, supplies, and other services and charges for storm sewer services. Rate increases are monitored and planned within the City’s CIP, which is updated annually.

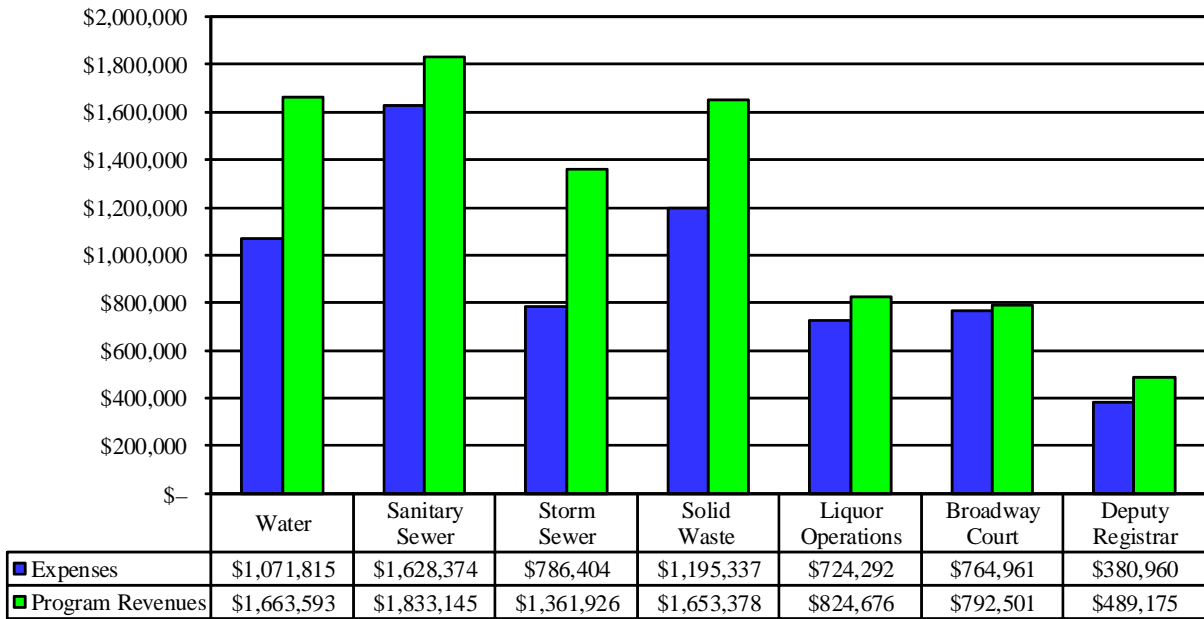
Solid waste removal increased net position by \$276,333. Operating revenue increased by 3.9 percent in the current year, primarily due to a rate increase approved for 2015. Operating expenses increased by 2.4 percent in solid waste removal costs. Rate increases are reviewed and updated annually. This operation had income before transfers of \$470,975 in 2015, allowing transfers of \$194,632 to other city funds in the current year.

Liquor operations reduced net position by \$30,073. Gross profit was 25.0 percent of net sales, which is consistent with the 25 percent target. The fund had income before transfers of \$105,285 in 2015. Transfers to other funds totaled \$150,000 in the current year.

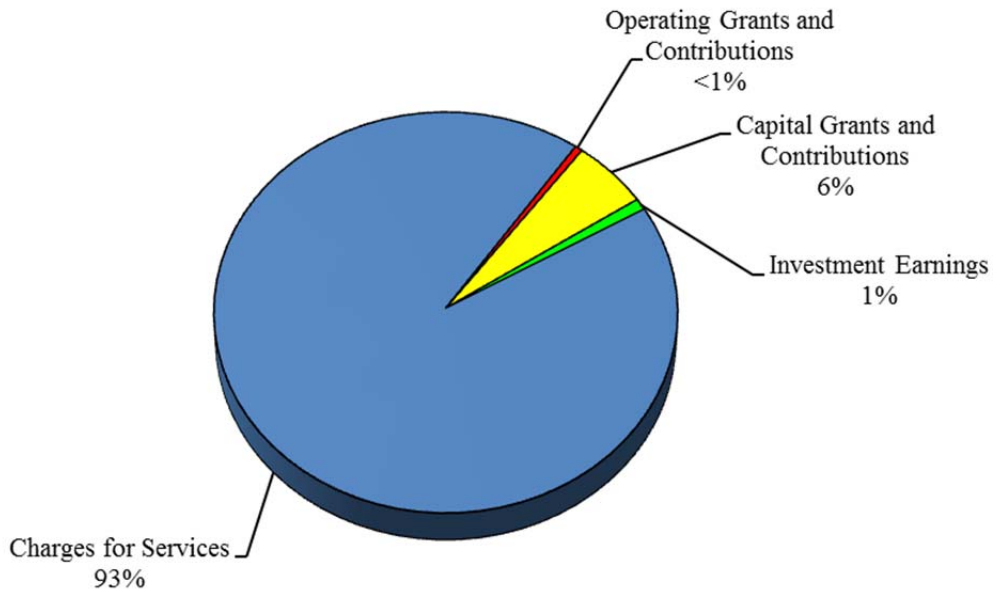
Broadway Court, which relates to the rental operations of the Broadway Court Senior Housing Complex, owned and operated by the REDA, increased net position by \$35,718. Operating revenues were more than the prior year, increasing by \$33,798. Operating expenses decreased by 8.1 percent in 2015, mostly from maintenance-related spending.

The Deputy Registrar increased net position by \$61,659. Operating revenue increased by 6.3 percent, while operating expenses increased by 10.1 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 \$17,068,467, an increase of \$358,511. The fund balance is comprised of nonspendable, restricted, committed, and assigned items which equal 94.4 percent of the fund balance. Unassigned fund balance is 5.6 percent.

General Fund – The fund balance increased by \$143,588 before transfers. The fund balance at year-end is \$4,989,342. This is equal to 56.9 percent of total 2015 expenditures in the General Fund, which puts the General Fund in an excellent financial position. During 2015, \$263,342 of net transfers to other funds were made as approved by the City Council.

General Fund operating results are summarized as follows:

	2015	2014
Fund balance – beginning of year	\$ 4,582,412	\$ 4,640,658
Additions		
Revenue	8,916,927	8,643,660
Other sources – transfers in	313,342	220,845
Total additions	<u>9,230,269</u>	<u>8,864,505</u>
Deletions		
Expenditures	8,773,339	8,371,551
Other uses	50,000	551,200
Total deductions – transfers out	<u>8,823,339</u>	<u>8,922,751</u>
Fund balance – end of year	<u>\$ 4,989,342</u>	<u>\$ 4,582,412</u>

Of this fund balance, \$4,864,657 is unassigned. The City has established a minimum unassigned fund balance policy of 40 to 50 percent of the subsequent year’s budgeted expenditures. At year-end, the unassigned fund balance of the General Fund was 52.4 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, \$124,345 was assigned for senior programs and the subsequent year’s budget, while \$340 was considered nonspendable for inventories.

General Fund Revenues – The following is an analysis of 2015 General Fund revenue:

Revenue	Original and Final 2015 Budget	2015 Actual	Over (Under) Budget	Percent Over (Under) Budget
Property taxes	\$ 5,073,747	\$ 5,156,893	\$ 83,146	1.6 %
Special assessments	–	11,870	11,870	–
Licenses and permits	369,700	482,250	112,550	30.4
Intergovernmental	1,958,851	2,082,242	123,391	6.3
Charges for services	618,126	634,176	16,050	2.6
Fines and forfeitures	485,060	218,482	(266,578)	(55.0)
Franchise fee tax	297,000	287,747	(9,253)	(3.1)
Interest and dividends	70,000	52,856	(17,144)	(24.5)
Net change in fair value of investments	–	(21,999)	(21,999)	–
Miscellaneous	12,500	12,410	(90)	(0.7)
Totals	<u>\$ 8,884,984</u>	<u>\$ 8,916,927</u>	<u>\$ 31,943</u>	0.4

Property taxes were over budget due to favorable excess tax increment and delinquent collections. Licenses and permits revenues were higher due to additional construction activity. Intergovernmental revenue was more as the result of additional grants not anticipated in the budget. Fines and forfeitures were less than expected from traffic enforcement throughout the City. Earnings on investments were below anticipated amounts as a result of an unrealized market value adjustment on the City’s investment portfolio due to market conditions, which the City does not include in the budget.

General Fund Expenditures – The following is an analysis of 2015 General Fund expenditures:

Category	Original and Final 2015 Budget	2015 Actual	Over (Under) Budget	Percent Over (Under) Budget
General government	\$ 979,064	\$ 991,983	\$ 12,919	1.3 %
Community development	374,871	379,295	4,424	1.2
Public safety	4,785,938	4,777,534	(8,404)	(0.2)
Recreation	1,059,409	1,115,597	56,188	5.3
Public works	1,955,702	1,507,130	(448,572)	(22.9)
Human services	2,000	1,800	(200)	(10.0)
Totals	\$ 9,156,984	\$ 8,773,339	\$ (383,645)	(4.2)

General Fund expenditures were under budget mainly in public works. A mild winter, open positions, and delays in forestry spending contributed to the overall savings in this function. Expenditures were under budget due in part to shared restraint by all departments.

There were no budget amendments during the year.

Other Major Governmental Funds – The City reported four other major governmental funds in 2015:

REDA General Development Special Revenue Fund – The REDA General Development Special Revenue Fund has a total fund balance of \$6,991,595, which is restricted for community development. The net decrease in fund balance during the year was \$114,116, with community development spending exceeding revenue in the current year.

REDA TIF Development Special Revenue Fund – The REDA TIF Development Special Revenue Fund has a total fund deficit of \$2,969,168, which will be reduced with the sale of property held for resale and future tax increments. The net decrease in fund balance during the year was \$286,276 as the result of increased development costs.

REDA Tax Increment Debt Service Fund – The REDA Tax Increment Debt Service Fund has a total fund deficit of \$934,750, which will be reduced as future tax increments are received. The fund has a long-term interfund loan payable to the REDA General Development Special Revenue Fund that was advanced to pay interest on the temporary bonds that were retired. The net decrease in fund balance during the year was \$76,668.

Permanent Improvement Revolving (PIR) Capital Projects Fund – The PIR Capital Projects Fund has a total fund balance of \$6,463,436, which is dedicated to street reconstruction projects. The net decrease in fund balance for the year was \$72,538. 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 \$10,832,374 at the end of the fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets – At the end of 2015, the City had \$63,213,011 invested, net of depreciation, in a broad range of capital assets. This amount represents a net increase of \$6,703,388, or 11.9 percent, over the prior year. During 2015, 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 \$24,340,299 in long-term liabilities outstanding, excluding the net other post-employment benefits liability and net pension liability, versus \$19,201,167 last year, an increase of \$5,139,132. The increase was due to issuance of \$6,435,000 of improvement bonds issued in the current year. The City also issued \$3,670,000 of housing refunding bonds that were issued for a current refunding in 2015. 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 2016 budget:

- The City received additional local government aid (LGA) in 2015 as scheduled. The LGA formula and funding is expected to remain at the higher level for future years.
- The 2016 General Fund levy provides for a 2016 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 2017.
- 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 2016.
- 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 and planning for the sale of utility improvement bonds to pay for needed capital improvements.
- Review of staffing as vacancies occur to determine options for organizational changes or service reductions.

REQUESTS FOR INFORMATION

This CAFR 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, MN 55422. This report is also available on the City's website at www.ci.robbinsdale.mn.us/FinanceInformation2.shtml.



READER'S NOTES:

BASIC FINANCIAL STATEMENTS

CITY OF ROBBINSDALE

Statement of Net Position
December 31, 2015

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 6,109,793	\$ 6,840,699	\$ 12,950,492
Investments	16,997,746	3,520,409	20,518,155
Receivables			
Accrued interest	103,070	37,244	140,314
Taxes	97,660	-	97,660
Special assessments	2,346,388	351,854	2,698,242
Accounts	268,884	1,331,206	1,600,090
Due from other governments	138,111	23,919	162,030
Notes	1,342,405	-	1,342,405
Inventories	340	411,161	411,501
Properties held for resale	476,903	-	476,903
Prepaid items	130,599	7,722	138,321
Net pension asset – fire relief	159,764	-	159,764
Capital assets			
Not depreciated	6,765,914	7,038,562	13,804,476
Depreciated, net of accumulated depreciation	27,070,517	22,338,018	49,408,535
Total assets	<u>62,008,094</u>	<u>41,900,794</u>	<u>103,908,888</u>
Deferred outflows of resources			
Deferred charge on refunding	-	213,596	213,596
Pension plan deferments – PERA	842,302	92,812	935,114
Pension plan deferments – fire relief	126,749	-	126,749
Total deferred outflows of resources	<u>969,051</u>	<u>306,408</u>	<u>1,275,459</u>
Total assets and deferred outflows of resources	<u>\$ 62,977,145</u>	<u>\$ 42,207,202</u>	<u>\$ 105,184,347</u>
Liabilities			
Accounts payable	\$ 270,246	\$ 347,443	\$ 617,689
Accrued salaries and benefits	311,385	-	311,385
Contracts payable	212,054	411,856	623,910
Due to other governments	23,480	3,288	26,768
Accrued interest payable	153,605	152,598	306,203
Unearned revenue	885,498	1,314	886,812
Deposits	13,500	67,231	80,731
Long-term liabilities			
Net OPEB liability	407,236	58,454	465,690
Net pension liability	4,436,655	669,047	5,105,702
Due within one year	620,000	1,175,000	1,795,000
Due in more than one year	11,405,026	11,140,273	22,545,299
Total liabilities	<u>18,738,685</u>	<u>14,026,504</u>	<u>32,765,189</u>
Deferred inflows of resources			
Pension plan deferments – PERA	688,865	73,421	762,286
Pension plan deferments – fire relief	148,327	-	148,327
Total deferred inflows of resources	<u>837,192</u>	<u>73,421</u>	<u>910,613</u>
Net position			
Net investment in capital assets	26,904,236	17,274,903	44,179,139
Restricted for			
Public safety equipment	17,838	-	17,838
Debt service	2,001,289	-	2,001,289
Fire relief pensions	138,186	-	138,186
Community development	7,353,050	-	7,353,050
Unrestricted	6,986,669	10,832,374	17,819,043
Total net position	<u>43,401,268</u>	<u>28,107,277</u>	<u>71,508,545</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 62,977,145</u>	<u>\$ 42,207,202</u>	<u>\$ 105,184,347</u>

See notes to basic financial statements

CITY OF ROBBINSDALE

Statement of Activities
Year Ended December 31, 2015

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	\$ 1,042,240	\$ 920,187	\$ 158,842	\$ 9,000	\$ 45,789	\$ -	\$ 45,789
Community development	1,777,385	272,315	10,832	-	(1,494,238)	-	(1,494,238)
Public safety	4,850,345	384,984	263,414	-	(4,201,947)	-	(4,201,947)
Recreation	1,475,916	110,781	23,974	8,500	(1,332,661)	-	(1,332,661)
Public works	2,252,185	66,358	15,075	1,807,391	(363,361)	-	(363,361)
Human services	1,800	-	-	-	(1,800)	-	(1,800)
Interest on long-term debt	393,147	-	-	-	(393,147)	-	(393,147)
Total governmental activities	11,793,018	1,754,625	472,137	1,824,891	(7,741,365)	-	(7,741,365)
Business-type activities							
Water utility	1,071,815	1,663,593	-	-	-	591,778	591,778
Sanitary sewer utility	1,628,374	1,833,145	-	-	-	204,771	204,771
Storm sewer utility	786,404	878,926	-	483,000	-	575,522	575,522
Solid waste removal	1,195,337	1,606,246	47,132	-	-	458,041	458,041
Liquor operations	724,292	824,676	-	-	-	100,384	100,384
Broadway Court	764,961	792,501	-	-	-	27,540	27,540
Deputy registrar	380,960	489,175	-	-	-	108,215	108,215
Total business-type activities	6,552,143	8,088,262	47,132	483,000	-	2,066,251	2,066,251
Total government	\$ 18,345,161	\$ 9,842,887	\$ 519,269	\$ 2,307,891	(7,741,365)	2,066,251	(5,675,114)
General revenues							
Property taxes					5,748,706	-	5,748,706
Tax increments					353,947	-	353,947
Unrestricted grants and contributions					1,692,688	-	1,692,688
Franchise fee tax					575,494	-	575,494
Unrestricted investment earnings					333,736	135,440	469,176
Net change in fair value of investments					(138,901)	(56,111)	(195,012)
Land sales					503,549	-	503,549
Gain on sale of assets					19,901	-	19,901
Transfers					505,059	(505,059)	-
Total general revenues and transfers					9,594,179	(425,730)	9,168,449
Change in net position					1,852,814	1,640,521	3,493,335
Net position – beginning, as previously reported					45,662,019	27,099,129	72,761,148
Change in accounting principle					(4,113,565)	(632,373)	(4,745,938)
Net position – beginning, as restated					41,548,454	26,466,756	68,015,210
Net position – ending					\$ 43,401,268	\$ 28,107,277	\$ 71,508,545

See notes to basic financial statements



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. 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 statute). 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 tax increment financing. 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

The 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.

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 non-assessable 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, 2015

	General Fund	Special Revenue		Debt Service
		REDA General Development Fund	REDA TIF Development Fund	REDA Tax Increment Fund
Assets				
Cash	\$ 1,161,611	\$ 167,278	\$ 4,104	\$ 25,742
Investments	3,788,331	2,274,979	–	157,589
Receivables				
Accrued interest	19,347	11,618	–	805
Taxes	88,875	5,928	–	1,156
Special assessments	12,498	–	–	–
Accounts	80,976	–	–	–
Due from other governments	72,841	–	–	–
Notes	–	356,145	177,354	–
Inventories	340	–	–	–
Property held for resale	–	436,903	40,000	–
Advance to other funds	–	4,125,994	–	–
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 5,224,819</u>	<u>\$ 7,378,845</u>	<u>\$ 221,458</u>	<u>\$ 185,292</u>
Liabilities				
Accounts payable	\$ 84,835	\$ 15,795	\$ –	\$ –
Contracts payable	–	–	–	–
Due to other governments	16,160	–	5,772	1,548
Unearned revenue	76,592	–	–	–
Deposits	3,500	10,000	–	–
Advance from other funds	–	–	3,007,500	1,118,494
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	181,087	25,795	3,013,272	1,120,042
Deferred inflows of resources				
Unavailable revenue – property taxes	42,479	5,310	–	–
Unavailable revenue – special assessments	11,911	–	–	–
Unavailable revenue – notes	–	356,145	177,354	–
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total deferred inflows of resources	54,390	361,455	177,354	–
Fund balances (deficits)				
Nonspendable	340	–	–	–
Restricted	–	6,991,595	–	–
Committed	–	–	–	–
Assigned	124,345	–	–	–
Unassigned	4,864,657	–	(2,969,168)	(934,750)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances (deficits)	4,989,342	6,991,595	(2,969,168)	(934,750)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,224,819</u>	<u>\$ 7,378,845</u>	<u>\$ 221,458</u>	<u>\$ 185,292</u>

See notes to basic financial statements

<u>Capital Projects</u>		
<u>Permanent Improvement Revolving Fund</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
\$ 596,229	\$ 556,401	\$ 2,511,365
5,856,671	1,948,819	14,026,389
29,910	9,955	71,635
–	1,701	97,660
1,035,254	1,298,636	2,346,388
142,710	19,505	243,191
62,258	2,759	137,858
189,396	619,510	1,342,405
–	–	340
–	–	476,903
–	–	4,125,994
<u>\$ 7,912,428</u>	<u>\$ 4,457,286</u>	<u>\$ 25,380,128</u>
\$ 15,479	\$ 11,708	\$ 127,817
212,054	–	212,054
–	–	23,480
189,396	619,510	885,498
–	–	13,500
–	–	4,125,994
<u>416,929</u>	<u>631,218</u>	<u>5,388,343</u>
–	–	47,789
1,032,063	1,298,056	2,342,030
–	–	533,499
<u>1,032,063</u>	<u>1,298,056</u>	<u>2,923,318</u>
–	–	340
–	1,065,563	8,057,158
435,977	1,159,000	1,594,977
6,027,459	303,449	6,455,253
–	–	960,739
<u>6,463,436</u>	<u>2,528,012</u>	<u>17,068,467</u>
<u>\$ 7,912,428</u>	<u>\$ 4,457,286</u>	<u>\$ 25,380,128</u>



READER'S NOTES:

CITY OF ROBBINSDALE

Reconciliation of the Balance Sheet
to the Statement of Net Position
Governmental Funds
December 31, 2015

Total fund balances – governmental funds	\$ 17,068,467
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	45,385,073
Accumulated depreciation	(14,441,520)
Net pension assets are only recorded in the government-wide financial statements as they are not current financial resources to governmental funds.	
	159,764
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	47,789
Special assessments receivable	2,342,030
Notes receivable	533,499
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.	
	8,435,146
Long-term liabilities, including accrued interest, are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Net OPEB liability	(407,236)
Net pension liability	(4,195,822)
Bonds and notes payable, net of unamortized discounts and premiums	(11,497,195)
Accrued interest payable	(153,605)
Governmental funds do not report certain long-term amounts related to pensions that are included in net position.	
Deferred outflows – pension plan deferments	935,642
Deferred inflows – pension plan deferments	(810,764)
Total net position – governmental activities	<u>\$ 43,401,268</u>

See notes to basic financial statements

CITY OF ROBBINSDALE

Statement of Revenue, Expenditures, and Changes in Fund Balances
 Governmental Funds
 Year Ended December 31, 2015

	General Fund	Special Revenue		Debt Service
		REDA General Development Fund	REDA TIF Development Fund	REDA Tax Increment Fund
Revenues				
Property taxes	\$ 5,156,893	\$ 144,782	\$ -	\$ -
Tax increments	-	-	96,095	257,852
Special assessments	11,870	-	-	-
Licenses and permits	482,250	-	-	-
Intergovernmental	2,082,242	10,832	-	-
Charges for services	634,176	176,846	19,489	-
Land sales	-	444,549	59,000	-
Fines and forfeitures	218,482	-	-	-
Franchise fee tax	287,747	-	-	-
Interest and dividends	52,856	35,023	1,406	985
Net change in fair value of investments	(21,999)	(15,162)	-	(410)
Miscellaneous	12,410	14,359	-	-
Total revenues	8,916,927	811,229	175,990	258,427
Expenditures				
Current				
General government	991,983	-	-	-
Community development	379,295	925,345	462,266	1,776
Public safety	4,777,534	-	-	-
Recreation	1,107,097	-	-	-
Public works	1,507,130	-	-	-
Human services	1,800	-	-	-
Debt service				
Principal	-	-	-	130,000
Interest and fiscal charges	-	-	-	203,319
Capital outlay and improvements	8,500	-	-	-
Total expenditures	8,773,339	925,345	462,266	335,095
Excess (deficiency) of revenues over (under) expenditures	143,588	(114,116)	(286,276)	(76,668)
Other financing sources (uses)				
Bonds issued	-	-	-	-
Premium on bonds issued	-	-	-	-
Transfers in	313,342	-	-	-
Transfers (out)	(50,000)	-	-	-
Total other financing sources (uses)	263,342	-	-	-
Net change in fund balance	406,930	(114,116)	(286,276)	(76,668)
Fund balances (deficits)				
Beginning of year	4,582,412	7,105,711	(2,682,892)	(858,082)
End of year	\$ 4,989,342	\$ 6,991,595	\$ (2,969,168)	\$ (934,750)

See notes to basic financial statements

Capital Projects

<u>Permanent Improvement Revolving Fund</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ 425,659	\$ 5,727,334
-	-	353,947
449,051	433,810	894,731
-	-	482,250
579,482	29,695	2,702,251
76,700	26,914	934,125
-	-	503,549
-	-	218,482
287,747	-	575,494
117,111	28,148	235,529
(48,742)	(11,713)	(98,026)
-	33,719	60,488
<u>1,461,349</u>	<u>966,232</u>	<u>12,590,154</u>
-	1,639	993,622
-	-	1,768,682
-	64,245	4,841,779
-	24,917	1,132,014
92,532	-	1,599,662
-	-	1,800
-	420,000	550,000
-	126,968	330,287
<u>5,246,049</u>	<u>62,181</u>	<u>5,316,730</u>
<u>5,338,581</u>	<u>699,950</u>	<u>16,534,576</u>
(3,877,232)	266,282	(3,944,422)
3,630,000	-	3,630,000
169,823	48,051	217,874
163,154	200,000	676,496
<u>(158,283)</u>	<u>(13,154)</u>	<u>(221,437)</u>
<u>3,804,694</u>	<u>234,897</u>	<u>4,302,933</u>
(72,538)	501,179	358,511
<u>6,535,974</u>	<u>2,026,833</u>	<u>16,709,956</u>
<u>\$ 6,463,436</u>	<u>\$ 2,528,012</u>	<u>\$ 17,068,467</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, 2015

Net change in fund balances – total governmental funds \$ 358,511

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	21,372
Special assessments revenue	422,509
Principal payments received on notes receivable	3,979

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

Net change in operations (net of investment income)	267,831
Investment income recognized in the Statement of Activities	57,332

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	5,496,317
Depreciation expense	(1,347,984)

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

86,969

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)	(3,847,874)
Amortization of premiums and discounts	7,129
General obligation principal repayments	550,000

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 net OPEB liability	(41,072)
Change in net pension liability	(27,492)
Change in accrued interest payable	(69,989)

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 – pension plan deferments	726,040
Deferred inflows – pension plan deferments	(810,764)

Change in net position – governmental activities \$ 1,852,814

See notes to basic financial statements

CITY OF ROBBINSDALE

Statement of Revenue, Expenditures, and Changes in Fund Balances
 Budget and Actual
 General Fund
 Year Ended December 31, 2015

	Budgeted Amounts		Actual	Over (Under) Final Budget
	Original	Final		
Revenues				
Property taxes				
Current ad valorem	\$ 3,644,271	\$ 3,644,271	\$ 3,625,035	\$ (19,236)
Delinquent ad valorem	–	–	35,591	35,591
Other tax levy revenue	–	–	16,096	16,096
Fiscal disparities	1,429,476	1,429,476	1,416,882	(12,594)
Tax increment excess	–	–	63,289	63,289
Total property taxes	<u>5,073,747</u>	<u>5,073,747</u>	<u>5,156,893</u>	<u>83,146</u>
Special assessments	–	–	11,870	11,870
Licenses and permits				
Business	76,500	76,500	90,510	14,010
Non-business	293,200	293,200	391,740	98,540
Total licenses and permits	<u>369,700</u>	<u>369,700</u>	<u>482,250</u>	<u>112,550</u>
Intergovernmental				
Federal grants	7,500	7,500	–	(7,500)
State aids				
Local government aid	1,684,082	1,684,082	1,684,082	–
Police and fire pension	239,700	239,700	238,550	(1,150)
PERA aid	15,819	15,819	15,819	–
Other state aids	11,750	11,750	143,791	132,041
Total state aid	<u>1,951,351</u>	<u>1,951,351</u>	<u>2,082,242</u>	<u>130,891</u>
Total intergovernmental	<u>1,958,851</u>	<u>1,958,851</u>	<u>2,082,242</u>	<u>123,391</u>
Charges for services				
General government	361,526	361,526	412,743	51,217
Public safety	118,100	118,100	102,328	(15,772)
Recreation	138,500	138,500	119,105	(19,395)
Total charges for services	<u>618,126</u>	<u>618,126</u>	<u>634,176</u>	<u>16,050</u>
Fines and forfeitures	485,060	485,060	218,482	(266,578)
Franchise fee tax	297,000	297,000	287,747	(9,253)
Interest and dividends	70,000	70,000	52,856	(17,144)
Net change in fair value of investments	–	–	(21,999)	(21,999)
Miscellaneous	12,500	12,500	12,410	(90)
Total revenues	<u>8,884,984</u>	<u>8,884,984</u>	<u>8,916,927</u>	<u>31,943</u>
Other financing sources				
Transfers in	<u>245,000</u>	<u>245,000</u>	<u>313,342</u>	<u>68,342</u>
Total revenues and other financing sources	<u>9,129,984</u>	<u>9,129,984</u>	<u>9,230,269</u>	<u>100,285</u>

(continued)

CITY OF ROBBINSDALE

Statement of Revenue, Expenditures, and Changes in Fund Balances
 Budget and Actual (continued)
 General Fund
 Year Ended December 31, 2015

	Budgeted Amounts		Actual	Over (Under) Final Budget
	Original	Final		
Expenditures				
General government				
Personal services	886,077	886,077	880,734	(5,343)
Supplies	15,675	15,675	15,632	(43)
Other services and charges	612,515	612,515	630,841	18,326
Amounts charged to other funds	<u>(535,203)</u>	<u>(535,203)</u>	<u>(535,224)</u>	<u>(21)</u>
Total general government	979,064	979,064	991,983	12,919
Community development				
Personal services	331,152	331,152	329,453	(1,699)
Supplies	650	650	434	(216)
Other services and charges	<u>43,069</u>	<u>43,069</u>	<u>49,408</u>	<u>6,339</u>
Total community development	374,871	374,871	379,295	4,424
Public safety				
Personal services	3,354,233	3,354,233	3,263,607	(90,626)
Supplies	103,425	103,425	128,410	24,985
Other services and charges	1,408,215	1,408,215	1,483,197	74,982
Capital outlay	17,750	17,750	-	(17,750)
Amounts charged to other funds	<u>(97,685)</u>	<u>(97,685)</u>	<u>(97,680)</u>	<u>5</u>
Total public safety	4,785,938	4,785,938	4,777,534	(8,404)
Recreation				
Personal services	657,093	657,093	711,361	54,268
Supplies	56,175	56,175	69,311	13,136
Other services and charges	343,641	343,641	326,425	(17,216)
Capital outlay	<u>2,500</u>	<u>2,500</u>	<u>8,500</u>	<u>6,000</u>
Total recreation	1,059,409	1,059,409	1,115,597	56,188
Public works				
Personal services	1,006,971	1,006,971	825,119	(181,852)
Supplies	155,700	155,700	114,906	(40,794)
Other services and charges	853,178	853,178	652,257	(200,921)
Capital outlay	25,000	25,000	-	(25,000)
Amounts charged to other funds	<u>(85,147)</u>	<u>(85,147)</u>	<u>(85,152)</u>	<u>(5)</u>
Total public works	1,955,702	1,955,702	1,507,130	(448,572)
Human services				
Other services and charges	<u>2,000</u>	<u>2,000</u>	<u>1,800</u>	<u>(200)</u>
Total expenditures	9,156,984	9,156,984	8,773,339	(383,645)
Other financing uses				
Transfers out	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Total expenditures and other financing uses	<u>9,206,984</u>	<u>9,206,984</u>	<u>8,823,339</u>	<u>(383,645)</u>
Net change in fund balances	<u>\$ (77,000)</u>	<u>\$ (77,000)</u>	406,930	<u>\$ 483,930</u>
Fund balances				
Beginning of year			<u>4,582,412</u>	
End of year			<u>\$ 4,989,342</u>	

See notes to basic financial statements

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, 2015

	Budgeted Amounts		Actual Amounts	Over (Under) Final Budget
	Original	Final		
Revenues				
Property taxes				
Current ad valorem	\$ 146,193	\$ 146,193	\$ 98,459	\$ (47,734)
Delinquent ad valorem	–	–	(203)	(203)
Other tax levy revenue	–	–	277	277
Fiscal disparities	–	–	46,249	46,249
Total property taxes	<u>146,193</u>	<u>146,193</u>	<u>144,782</u>	<u>(1,411)</u>
Intergovernmental				
Local grants	–	10,832	10,832	–
Charges for services				
Community development				
Loan repayments	158,200	147,791	176,846	29,055
Land sales	415,000	448,446	444,549	(3,897)
Interest and dividends	28,000	30,000	35,023	5,023
Net change in fair value of investments	–	–	(15,162)	(15,162)
Miscellaneous	6,300	14,359	14,359	–
Total revenues	<u>753,693</u>	<u>797,621</u>	<u>811,229</u>	<u>13,608</u>
Expenditures				
Community development				
Personal services	3,500	3,500	3,615	115
Supplies	1,500	1,500	171	(1,329)
Project costs	31,500	–	690,627	690,627
Other services and charges	237,559	226,372	230,932	4,560
Total expenditures	<u>274,059</u>	<u>231,372</u>	<u>925,345</u>	<u>693,973</u>
Net change in fund balance	<u>\$ 479,634</u>	<u>\$ 566,249</u>	(114,116)	<u>\$ (680,365)</u>
Fund balances				
Beginning of year			<u>7,105,711</u>	
End of year			<u>\$ 6,991,595</u>	

See notes to basic financial statements

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, 2015

	Budgeted Amounts		Actual Amounts	Over (Under) Final Budget
	Original	Final		
Revenues				
Tax increment	\$ 65,000	\$ 96,263	\$ 96,095	\$ (168)
Charges for services				
Loan repayments	–	20,004	19,489	(515)
Land sales	–	59,000	59,000	–
Interest and dividends	–	–	1,406	1,406
Total revenues	<u>65,000</u>	<u>175,267</u>	<u>175,990</u>	<u>723</u>
Expenditures				
Community development				
Supplies	15	–	640	640
Other services and charges	13,500	62,163	48,140	(14,023)
Project costs	7,605	63,531	297,480	233,949
Interest and fiscal charges	103,700	108,600	116,006	7,406
Total expenditures	<u>124,820</u>	<u>234,294</u>	<u>462,266</u>	<u>227,972</u>
Excess (deficiency) of revenue over expenditures	(59,820)	(59,027)	(286,276)	(227,249)
Other financing sources				
Transfers in	<u>6,425</u>	<u>–</u>	<u>–</u>	<u>–</u>
Net change in fund balance	<u>\$ (53,395)</u>	<u>\$ (59,027)</u>	<u>(286,276)</u>	<u>\$ (227,249)</u>
Fund balances (deficits)				
Beginning of year			<u>(2,682,892)</u>	
End of year			<u>\$ (2,969,168)</u>	

See notes to basic financial statements



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, 2015

	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 cash equivalents	\$ 1,839,343	\$ 993,920	\$ –	\$ 1,282,533
Investments	1,238,737	729,986	306,581	627,895
Receivables				
Accrued interest	13,105	7,723	3,243	6,643
Special assessments	129,037	94,174	32,861	95,782
Accounts	308,722	495,274	188,893	321,905
Due from other funds	–	–	–	29,047
Due from other governments	27	104	222	23,566
Inventories	8,353	–	–	–
Prepaid items	–	–	–	–
Total current assets	<u>3,537,324</u>	<u>2,321,181</u>	<u>531,800</u>	<u>2,387,371</u>
Noncurrent assets				
Capital assets				
Land	56,155	23,000	217,389	–
Buildings and structures	201,302	354,923	–	–
Utility system	10,485,236	7,095,408	5,541,124	–
Other improvements	762,476	421,851	1,729,784	–
Leasehold improvements	–	–	–	–
Mobile equipment	–	317,208	177,790	–
Machinery and office equipment	199,673	93,795	64,219	–
Work in progress	1,851,382	3,141,259	1,634,377	–
Accumulated depreciation	<u>(6,043,916)</u>	<u>(2,822,518)</u>	<u>(1,593,539)</u>	<u>–</u>
Total capital assets, net of depreciation	<u>7,512,308</u>	<u>8,624,926</u>	<u>7,771,144</u>	<u>–</u>
Total assets	11,049,632	10,946,107	8,302,944	2,387,371
Deferred outflows of resources				
Deferred charge on refunding	–	–	–	–
Pension plan deferments – PERA	17,714	13,924	5,108	–
Total deferred outflows of resources	<u>17,714</u>	<u>13,924</u>	<u>5,108</u>	<u>–</u>
Total assets and deferred outflows of resources	<u>\$ 11,067,346</u>	<u>\$ 10,960,031</u>	<u>\$ 8,308,052</u>	<u>\$ 2,387,371</u>
Liabilities				
Current liabilities				
Accounts payable	\$ 8,140	\$ 4,222	\$ 19,104	\$ 105,283
Accrued salaries and benefits	–	–	–	–
Contracts payable	110,099	166,829	134,928	–
Due to other governments	–	–	–	–
Due to other funds	–	–	29,047	–
Accrued interest payable	30,333	41,788	30,552	–
Unearned revenue	–	–	–	–
Deposits	–	–	–	–
Compensated absences	–	–	–	–
Bonds payable	315,000	420,000	190,000	–
Total current liabilities	<u>463,572</u>	<u>632,839</u>	<u>403,631</u>	<u>105,283</u>
Noncurrent liabilities				
Net OPEB liability	13,588	9,183	5,182	–
Compensated absences	–	–	–	–
Net pension liability	127,692	100,372	36,823	–
Bonds payable (net of unamortized discounts and premiums)	<u>2,423,861</u>	<u>3,318,358</u>	<u>1,903,412</u>	<u>–</u>
Total noncurrent liabilities	<u>2,565,141</u>	<u>3,427,913</u>	<u>1,945,417</u>	<u>–</u>
Total liabilities	3,028,713	4,060,752	2,349,048	105,283
Deferred inflows of resources				
Pension plan deferments – PERA	14,013	11,015	4,041	–
Net position				
Net investment in capital assets	4,773,447	4,886,568	5,677,732	–
Unrestricted	<u>3,251,173</u>	<u>2,001,696</u>	<u>277,231</u>	<u>2,282,088</u>
Total net position	<u>8,024,620</u>	<u>6,888,264</u>	<u>5,954,963</u>	<u>2,282,088</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 11,067,346</u>	<u>\$ 10,960,031</u>	<u>\$ 8,308,052</u>	<u>\$ 2,387,371</u>

See notes to basic financial statements

Liquor Operations Fund	Broadway Court Fund	Nonmajor Deputy Registrar Fund	Total Enterprise Funds	Governmental Activities Internal Service Funds
\$ 520,624	\$ 1,980,791	\$ 223,488	\$ 6,840,699	\$ 3,598,428
99,756	351,949	165,505	3,520,409	2,971,357
1,055	3,724	1,751	37,244	31,435
-	-	-	351,854	-
-	340	16,072	1,331,206	25,693
-	-	-	29,047	-
-	-	-	23,919	253
402,808	-	-	411,161	-
7,722	-	-	7,722	130,599
<u>1,031,965</u>	<u>2,336,804</u>	<u>406,816</u>	<u>12,553,261</u>	<u>6,757,765</u>
-	115,000	-	411,544	98,773
-	6,863,095	-	7,419,320	1,651,563
-	-	-	23,121,768	-
-	-	-	2,914,111	983,723
499,031	27,309	-	526,340	-
-	-	-	494,998	4,576,502
129,554	236,550	18,137	741,928	2,387,477
-	-	-	6,627,018	-
<u>(224,371)</u>	<u>(2,177,966)</u>	<u>(18,137)</u>	<u>(12,880,447)</u>	<u>(6,805,160)</u>
<u>404,214</u>	<u>5,063,988</u>	<u>-</u>	<u>29,376,580</u>	<u>2,892,878</u>
1,436,179	7,400,792	406,816	41,929,841	9,650,643
-	213,596	-	213,596	-
31,473	-	24,593	92,812	33,409
<u>31,473</u>	<u>213,596</u>	<u>24,593</u>	<u>306,408</u>	<u>33,409</u>
<u>\$ 1,467,652</u>	<u>\$ 7,614,388</u>	<u>\$ 431,409</u>	<u>\$ 42,236,249</u>	<u>\$ 9,684,052</u>
\$ 177,466	\$ 32,289	\$ 939	\$ 347,443	\$ 142,429
-	-	-	-	311,385
-	-	-	411,856	-
-	-	3,288	3,288	-
-	-	-	29,047	-
-	49,925	-	152,598	-
1,314	-	-	1,314	-
-	67,121	110	67,231	-
-	-	-	-	35,000
-	250,000	-	1,175,000	-
<u>178,780</u>	<u>399,335</u>	<u>4,337</u>	<u>2,187,777</u>	<u>488,814</u>
12,733	-	17,768	58,454	-
-	-	-	-	492,831
226,876	-	177,284	669,047	240,833
-	3,494,642	-	11,140,273	-
<u>239,609</u>	<u>3,494,642</u>	<u>195,052</u>	<u>11,867,774</u>	<u>733,664</u>
418,389	3,893,977	199,389	14,055,551	1,222,478
24,897	-	19,455	73,421	26,428
404,214	1,532,942	-	17,274,903	2,892,878
620,152	2,187,469	212,565	10,832,374	5,542,268
<u>1,024,366</u>	<u>3,720,411</u>	<u>212,565</u>	<u>28,107,277</u>	<u>8,435,146</u>
<u>\$ 1,467,652</u>	<u>\$ 7,614,388</u>	<u>\$ 431,409</u>	<u>\$ 42,236,249</u>	<u>\$ 9,684,052</u>

CITY OF ROBBINSDALE

Statement of Revenue, Expenses, and Changes in Net Position
 Proprietary Funds
 Year Ended December 31, 2015

	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	1,663,593	1,833,145	878,926	1,606,246
Total gross profit and operating revenue	1,663,593	1,833,145	878,926	1,606,246
Operating expenses				
Personal services	201,758	173,761	68,393	–
Supplies	37,121	16,973	76,192	–
Other services and charges	576,098	1,161,340	233,344	1,195,337
Rental charges	–	–	–	–
Depreciation	196,018	192,741	354,703	–
Total operating expenses	1,010,995	1,544,815	732,632	1,195,337
Operating income	652,598	288,330	146,294	410,909
Nonoperating revenues (expenses)				
Intergovernmental	–	–	483,000	47,132
Interest and dividends	46,228	31,883	7,315	22,155
Net change in fair value of investments	(19,240)	(13,269)	(3,045)	(9,221)
Gain (loss) on disposal of capital assets	–	–	–	–
Interest and fiscal charges	(60,820)	(83,559)	(53,772)	–
Total nonoperating revenues (expenses)	(33,832)	(64,945)	433,498	60,066
Income (loss) before transfers	618,766	223,385	579,792	470,975
Transfers in (out)				
Transfers in	–	–	–	–
Transfers (out)	(37,952)	(57,508)	(29,599)	(194,642)
Total transfers in (out)	(37,952)	(57,508)	(29,599)	(194,642)
Change in net position	580,814	165,877	550,193	276,333
Net position				
Beginning, as previously reported	7,564,499	6,817,257	5,439,574	2,005,755
Change in accounting principle	(120,693)	(94,870)	(34,804)	–
Beginning, as restated	7,443,806	6,722,387	5,404,770	2,005,755
End of year	\$ 8,024,620	\$ 6,888,264	\$ 5,954,963	\$ 2,282,088

See notes to basic financial statements

Liquor Operations Fund	Broadway Court Fund	Nonmajor Deputy Registrar Fund	Total Enterprise Funds	Governmental Activities Internal Service Funds
\$ 3,293,452 (2,468,776)	\$ - -	\$ - -	\$ 3,293,452 (2,468,776)	\$ - -
824,676	-	-	824,676	-
-	792,501	489,175	7,263,586	2,531,390
824,676	792,501	489,175	8,088,262	2,531,390
375,198	65,451	295,248	1,179,809	395,111
18,958	6,968	4,275	160,487	269,836
165,075	336,874	81,437	3,749,505	1,277,792
102,292	-	-	102,292	-
62,769	155,558	-	961,789	399,327
724,292	564,851	380,960	6,153,882	2,342,066
100,384	227,650	108,215	1,934,380	189,324
-	-	-	530,132	8,606
8,395	13,564	5,900	135,440	98,207
(3,494)	(5,386)	(2,456)	(56,111)	(40,875)
-	-	-	-	19,901
-	(200,110)	-	(398,261)	-
4,901	(191,932)	3,444	211,200	85,839
105,285	35,718	111,659	2,145,580	275,163
14,642	-	-	14,642	50,000
(150,000)	-	(50,000)	(519,701)	-
(135,358)	-	(50,000)	(505,059)	50,000
(30,073)	35,718	61,659	1,640,521	325,163
1,268,879	3,684,693	318,472	27,099,129	8,337,615
(214,440)	-	(167,566)	(632,373)	(227,632)
1,054,439	3,684,693	150,906	26,466,756	8,109,983
\$ 1,024,366	\$ 3,720,411	\$ 212,565	\$ 28,107,277	\$ 8,435,146

CITY OF ROBBINSDALE

Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2015

	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	\$ 1,639,202	\$ 1,809,934	\$ 829,534	\$ 1,586,376
Cash payments to suppliers	(630,563)	(1,225,038)	(292,761)	(1,260,966)
Cash payments to employees	(203,719)	(173,688)	(66,846)	–
Net cash flows from operating activities	804,920	411,208	469,927	325,410
Cash flows from noncapital financing activities				
Transfers from other funds	–	–	–	–
Transfers (to) other funds	–	–	–	(194,642)
Intergovernmental	–	–	–	47,132
Net cash flows from noncapital financing activities	–	–	–	(147,510)
Cash flows from capital and related financing activities				
Payments received on interfund balances	–	–	–	420,953
Payments made on interfund balances	–	–	(420,953)	–
Transfers from other funds	–	–	–	–
Transfers (to) other funds	(37,952)	(57,508)	(29,599)	–
Intergovernmental	–	–	483,000	–
Acquisition of property and equipment	(859,486)	(1,144,157)	(1,321,849)	–
Proceeds from the disposal of property and equipment	–	–	–	–
Proceeds from the sale of bonds	757,915	842,716	1,372,726	–
Principal payments on bonds	(390,000)	(405,000)	(300,000)	–
Interest and fiscal charges on bonds	(59,268)	(84,654)	(43,433)	–
Net cash flows from capital and related financing activities	(588,791)	(848,603)	(260,108)	420,953
Cash flows from investing activities				
Proceeds from maturities of investments	1,035,553	899,830	–	437,169
Purchases of investments	(555,545)	(329,313)	(254,431)	(281,065)
Interest on investments	46,989	34,642	4,511	21,841
Net cash flows from investing activities	526,997	605,159	(249,920)	177,945
Net change in cash and cash equivalents	743,126	167,764	(40,101)	776,798
Cash and cash equivalents at beginning of year	1,096,217	826,156	40,101	505,735
Cash and cash equivalents at end of year	\$ 1,839,343	\$ 993,920	\$ –	\$ 1,282,533

See notes to basic financial statements

<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>
\$ 3,292,140	\$ 791,409	\$ 478,756	\$ 10,427,351	\$ 2,512,333
(2,723,699)	(319,161)	(82,842)	(6,535,030)	(1,530,371)
<u>(378,505)</u>	<u>(65,451)</u>	<u>(296,994)</u>	<u>(1,185,203)</u>	<u>(115,193)</u>
189,936	406,797	98,920	2,707,118	866,769
14,642	—	—	14,642	—
(150,000)	—	(50,000)	(394,642)	—
<u>—</u>	<u>—</u>	<u>—</u>	<u>47,132</u>	<u>8,606</u>
(135,358)	—	(50,000)	(332,868)	8,606
—	—	—	420,953	—
—	—	—	(420,953)	—
—	—	—	—	50,000
—	—	—	(125,059)	—
—	—	—	483,000	—
(2,700)	(13,816)	—	(3,342,008)	(397,752)
—	—	—	—	29,638
—	3,749,294	—	6,722,651	—
—	(3,765,000)	—	(4,860,000)	—
<u>—</u>	<u>(219,433)</u>	<u>—</u>	<u>(406,788)</u>	<u>—</u>
(2,700)	(248,955)	—	(1,528,204)	(318,114)
284,230	454,528	114,459	3,225,769	1,947,600
(46,683)	(157,758)	(74,111)	(1,698,906)	(1,327,308)
10,059	15,059	5,811	138,912	95,754
<u>247,606</u>	<u>311,829</u>	<u>46,159</u>	<u>1,665,775</u>	<u>716,046</u>
299,484	469,671	95,079	2,511,821	1,273,307
<u>221,140</u>	<u>1,511,120</u>	<u>128,409</u>	<u>4,328,878</u>	<u>2,325,121</u>
<u>\$ 520,624</u>	<u>\$ 1,980,791</u>	<u>\$ 223,488</u>	<u>\$ 6,840,699</u>	<u>\$ 3,598,428</u>

(continued)

CITY OF ROBBINSDALE

Statement of Cash Flows (continued)
 Proprietary Funds
 Year Ended December 31, 2015

	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)	\$ 652,598	\$ 288,330	\$ 146,294	\$ 410,909
Adjustments to reconcile operating income (loss) to net cash flows from operating activities				
Depreciation	196,018	192,741	354,703	–
(Increase) decrease in assets and deferred outflows of resources				
Special assessments receivable	3,676	1,324	(3,500)	2,311
Accounts receivable	(28,067)	(24,535)	(45,892)	1,385
Due from other governments	–	–	–	(23,566)
Inventories	9,440	–	–	–
Prepaid items	–	–	–	–
Deferred outflows of resources for pensions	(12,566)	(9,877)	(3,623)	–
Increase (decrease) in liabilities and deferred inflows of resources				
Accounts payable	(26,784)	(46,725)	16,775	(65,595)
Accrued salaries and benefits	(6,636)	(3,509)	–	–
Due to other governments	–	–	–	(34)
Unearned revenue	–	–	–	–
Deposits	–	–	–	–
Net OPEB liability	1,377	989	595	–
Compensated absences payable	–	–	–	–
Net pension liability	1,851	1,455	534	–
Deferred inflows of resources for pensions	14,013	11,015	4,041	–
Total adjustments	152,322	122,878	323,633	(85,499)
Net cash flows from operating activities	\$ 804,920	\$ 411,208	\$ 469,927	\$ 325,410
Noncash investing, capital, and financing activities				
Net increase (decrease) in fair value of investments	\$ (19,240)	\$ (13,269)	\$ (3,045)	\$ (9,221)
Capital assets purchased on account	\$ 36,176	\$ 62,578	\$ 87,394	\$ –
Net book value on disposals	\$ –	\$ –	\$ –	\$ –

See notes to basic financial statements

<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>
\$ 100,384	\$ 227,650	\$ 108,215	\$ 1,934,380	\$ 189,324
62,769	155,558	–	961,789	399,327
–	–	–	3,811	–
–	(328)	(10,529)	(107,966)	(19,057)
–	–	–	(23,566)	–
(10,407)	–	–	(967)	–
(571)	–	–	(571)	(9,355)
(22,325)	–	(17,444)	(65,835)	(23,699)
42,950	24,681	(331)	(55,029)	13,455
(11,104)	–	(8,434)	(29,683)	263,945
(570)	–	3,201	2,597	(154)
(1,312)	–	–	(1,312)	–
–	(764)	110	(654)	–
1,937	–	2,108	7,006	–
–	–	–	–	23,064
3,288	–	2,569	9,697	3,491
24,897	–	19,455	73,421	26,428
<u>89,552</u>	<u>179,147</u>	<u>(9,295)</u>	<u>772,738</u>	<u>677,445</u>
<u>\$ 189,936</u>	<u>\$ 406,797</u>	<u>\$ 98,920</u>	<u>\$ 2,707,118</u>	<u>\$ 866,769</u>
\$ (3,494)	\$ (5,386)	\$ (2,456)	\$ (56,111)	\$ (40,875)
\$ –	\$ –	\$ –	\$ 186,148	\$ –
\$ –	\$ –	\$ –	\$ –	\$ 9,737

CITY OF ROBBINSDALE

Statement of Net Position
Fiduciary Fund
December 31, 2015

	<u>Agency Fund</u>
Assets	
Cash and cash equivalents	<u>\$ 67,976</u>
Liabilities	
Due to other governments	<u>\$ 67,976</u>

See notes to basic financial statements

CITY OF ROBBINSDALE

Notes to Basic Financial Statements
December 31, 2015

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 more significant of the City’s 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 Statements

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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 tax increment financing (TIF). The most significant sources of revenues in this special revenue fund include property taxes and charges for services.

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.

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 December 31, 2015.

F. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans).

Any residual outstanding balances 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.

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.

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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 at the lesser of cost or net realizable value in the government-wide and fund financial statements. Any costs incurred that are above the properties' net realizable value are reported as expenditures of the period.

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 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 \$2,500 (except for computer and network-related equipment, which is \$1,000), 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 fair market 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.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 are amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts 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.

O. Deferred Outflows/Inflows of Resources

In addition to assets, a statement of financial position may report a separate financial statement element called deferred outflows of resources, representing consumptions of net position that apply to future periods which are not recognized as an outflow of resources (expense/expenditure) until then. The City has two types of items which qualify for reporting in this category.

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

In addition to liabilities, statements of financial position or balance sheets may report a separate financial statement element called deferred inflows of resources, representing acquisitions of net position that apply to future periods which are not recognized as an inflow of resources (revenue) until that time. The City has two types of items which qualify for reporting in this category.

The first item, 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.

The second item, deferred inflows of resources related to pensions, is reported in the government-wide and proprietary funds Statement of Net Position. This deferred inflow results from differences between expected and actual experience, changes of assumptions, and projected and actual earnings on pension plan investments. These amounts are deferred and amortized as required under pension standards.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. 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.

Q. 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Pensions

For purposes of measuring the net pension liability/asset, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the applicable pension and additions to/deductions from the pension plan’s fiduciary net position have been determined on the same basis as they are reported by the plan except that the Public Employees Retirement Association (PERA) pension plan’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.

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. Change in Accounting Principle

During the year ended December 31, 2015, the City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*. These statements included major changes in how governmental employers account for pension benefit expenses and liabilities. Under this new standard, the City is required to report its participation in two state-wide multi-employer, cost-sharing defined benefit pension plans administered by the PERA and a single-employer defined benefit pension plan administered by the Association. In financial statements prepared using the economic resources measurement focus and accrual basis of accounting (government-wide and proprietary funds), an employer is required to report its share of any net pension asset or liability, deferred outflows of resources, deferred inflows of resources, and pension expense related to such pension plans. This standard required retroactive implementation, which resulted in the restatement of net position as of December 31, 2014. The details of the restatement are as follows:

	Government-Wide Statements		Proprietary Fund Statements	
	Governmental Activities	Business-Type Activities	Enterprise Funds	Internal Service Funds
Change in accounting principle				
PERA-defined benefit pension plans				
Net pension liability	\$ (4,405,673)	\$ (659,350)	\$ (659,350)	\$ (237,342)
Deferred outflows related to pensions	219,313	26,977	26,977	9,710
Total – PERA	<u>(4,186,360)</u>	<u>(632,373)</u>	<u>(632,373)</u>	<u>(227,632)</u>
Association-defined benefit pension plan				
Net pension asset	<u>72,795</u>	<u>–</u>	<u>–</u>	<u>–</u>
Total – Association	<u>\$ (4,113,565)</u>	<u>\$ (632,373)</u>	<u>\$ (632,373)</u>	<u>\$ (227,632)</u>

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, the budgetary control level.

For the year ended December 31, 2015, expenditures of the REDA General Development Special Revenue Fund and the REDA TIF Development Special Revenue Fund exceeded budget by \$693,973 and \$227,972, respectively. These over expenditures were funded by greater than anticipated revenues and fund balance where available. All expenditures were approved by the REDA Board.

B. Deficit Fund Equity

The following funds had a deficit fund balance as of December 31, 2015:

REDA TIF Development Special Revenue Fund – \$2,969,168

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

REDA Tax Increment Debt Service Fund – \$934,750

The deficit for the REDA Tax Increment Debt Service Fund is expected to be eliminated over time through the collections 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	\$ 6,048,368
Investments	27,474,460
Cash on hand	<u>13,795</u>
Total	<u><u>\$ 33,536,623</u></u>

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

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

Statement of Net Position	
Cash and cash equivalents	\$ 12,950,492
Investments	20,518,155
Statement of Net Position – Fiduciary Fund	
Cash and cash equivalents	<u>67,976</u>
Total	<u><u>\$ 33,536,623</u></u>

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 \$6,048,368 while the balance on the bank records was \$6,123,999. At December 31, 2015, all deposits were fully covered by federal depository 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		Interest Risk – Maturity Duration in Years			Total
	Rating	Agency	Less Than 1	1 to 5	More Than 5	
U.S. government backed securities	N/A	N/A	\$ –	\$ –	\$ 45,603	\$ 45,603
Negotiable certificates of deposit	N/A	N/A	3,437,743	2,439,916	193,430	6,071,089
U.S. government agency securities	AA	S&P	–	2,097,431	2,025,425	4,122,856
State and local obligations	AAA	S&P	–	323,791	262,706	586,497
State and local obligations	AA	S&P	1,038,332	4,273,210	1,156,465	6,468,007
State and local obligations	AAA	Moody’s	265,636	–	–	265,636
State and local obligations	AA	Moody’s	300,777	1,175,864	369,796	1,846,437
State and local obligations	A	Moody’s	1,112,030	–	–	1,112,030
Investment pools/mutual funds						
First American Government	AAA	S&P	<u>6,956,305</u>	<u>–</u>	<u>–</u>	<u>6,956,305</u>
Total			<u><u>\$ 13,110,823</u></u>	<u><u>\$ 10,310,212</u></u>	<u><u>\$ 4,053,425</u></u>	<u><u>\$ 27,474,460</u></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 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 is not subject to concentration risk.

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, 2015, the City had \$808,906 in outstanding receivables related to the issuance of Industrial Development Revenue Bonds.

B. Robbinsdale Economic Development Authority – Notes Receivable

Periodically, the REDA issues loans to qualified entities to be used in the redevelopment of their property. As of December 31, 2015, the REDA had \$533,499 in outstanding notes.

NOTE 5 – CAPITAL ASSETS

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

	Beginning Balance	Additions	Retirements	Transfers and Completed Construction	Ending Balance
Governmental activities					
Capital assets, not depreciated					
Land	\$ 899,810	\$ 5,783	\$ –	\$ –	\$ 905,593
Work in progress	527,035	5,404,136	–	(70,850)	5,860,321
Total capital assets, not depreciated	1,426,845	5,409,919	–	(70,850)	6,765,914
Capital assets, depreciated					
Buildings and structures	5,918,934	91,723	–	–	6,010,657
Traffic and transportation	28,361,726	–	–	70,850	28,432,576
Park system infrastructure	5,215,376	36,080	–	–	5,251,456
Other improvements	1,214,606	–	–	–	1,214,606
Mobile equipment	4,501,662	264,365	(119,824)	–	4,646,203
Machinery and office equipment	2,670,686	91,982	(969)	–	2,761,699
Total capital assets, depreciated	47,882,990	484,150	(120,793)	70,850	48,317,197
Less accumulated depreciation for					
Buildings and structures	(3,334,767)	(163,034)	–	–	(3,497,801)
Traffic and transportation	(8,901,177)	(804,635)	–	–	(9,705,812)
Park system infrastructure	(1,616,908)	(353,693)	–	–	(1,970,601)
Other improvements	(856,368)	(31,046)	–	–	(887,414)
Mobile equipment	(2,620,301)	(305,737)	110,087	–	(2,815,951)
Machinery and office equipment	(2,280,904)	(89,166)	969	–	(2,369,101)
Total accumulated depreciation	(19,610,425)	(1,747,311)	111,056	–	(21,246,680)
Net capital assets, depreciated	28,272,565	(1,263,161)	(9,737)	70,850	27,070,517
Total capital assets, net	\$ 29,699,410	\$ 4,146,758	\$ (9,737)	\$ –	\$ 33,836,431

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	3,886,983	3,423,252	–	(683,217)	6,627,018
Total capital assets, not depreciated	<u>4,298,527</u>	<u>3,423,252</u>	<u>–</u>	<u>(683,217)</u>	<u>7,038,562</u>
Capital assets, depreciated					
Buildings and structures	7,419,320	–	–	–	7,419,320
Utility system	22,407,192	31,359	–	683,217	23,121,768
Other improvements	2,909,611	4,500	–	–	2,914,111
Leasehold improvements	526,340	–	–	–	526,340
Mobile equipment	494,998	–	–	–	494,998
Machinery and office equipment	672,883	69,045	–	–	741,928
Total capital assets, depreciated	<u>34,430,344</u>	<u>104,904</u>	<u>–</u>	<u>683,217</u>	<u>35,218,465</u>
Less accumulated depreciation for					
Buildings and structures	(2,237,273)	(173,093)	–	–	(2,410,366)
Utility system	(7,291,669)	(378,209)	–	–	(7,669,878)
Other improvements	(1,580,189)	(271,361)	–	–	(1,851,550)
Leasehold improvements	(134,947)	(55,483)	–	–	(190,430)
Mobile equipment	(141,138)	(55,036)	–	–	(196,174)
Machinery and office equipment	(533,442)	(28,607)	–	–	(562,049)
Total accumulated depreciation	<u>(11,918,658)</u>	<u>(961,789)</u>	<u>–</u>	<u>–</u>	<u>(12,880,447)</u>
Net capital assets, depreciated	<u>22,511,686</u>	<u>(856,885)</u>	<u>–</u>	<u>683,217</u>	<u>22,338,018</u>
Total capital assets, net	<u>\$ 26,810,213</u>	<u>\$ 2,566,367</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ 29,376,580</u>

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

Governmental activities	
General government	\$ 58,760
Community development	5,653
Public safety	105,838
Recreation	355,928
Public works	821,805
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets	<u>399,327</u>
Total depreciation expense – governmental activities	<u>\$ 1,747,311</u>
Business-type activities	
Water utility	\$ 196,018
Sanitary sewer utility	192,741
Storm sewer utility	354,703
Liquor operations	62,769
Broadway Court	<u>155,558</u>
Total depreciation expense – business-type activities	<u>\$ 961,789</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 2015 were \$506,639. At December 31, 2015, 2014, and 2013, 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, 2015, 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, which is located in Robin Center. The agreement commenced February 1, 2012, provides for minimum annual lease payments of \$70,922 and sharing of common expenses, and expires February 2017. The lease provides for annual rent to increase in years three through five. The lease has an option for an additional five years. The rent expense for the year ended December 31, 2015 was \$102,292.

NOTE 8 – LONG-TERM DEBT

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

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

Governmental Activities

- **2006 General Obligation Street Reconstruction Bonds** – In 2006, the City issued \$1,535,000 in General Obligation Street Reconstruction Bonds to fund the street reconstruction of areas along County Road 81 and within the First Ward. The bonds were issued for a period of 10 years at a net interest cost of 4.199 percent.

NOTE 8 – LONG-TERM DEBT (CONTINUED)

- **2010 General Obligation Tax Increment Bonds** – In 2010, the City issued \$5,255,000 in General Obligation Tax Increment Bonds to redeem \$5,465,000 of outstanding 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 were issued for a period of 20 years at a net interest cost of 3.58 percent.
- **2012 General Obligation 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 of 1.38 percent.
- **2013 General Obligation Improvement 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 of 1.85 percent.
- **2015 General Obligation 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 of 1.49 percent.

Business-Type Activities

- **2006 General Obligation Utility Revenue Bonds** – In 2006, the City issued \$3,700,000 in General Obligation Utility Revenue Bonds for the reconstruction of the utility system under local streets and a variety of other utility system improvements. The bonds were issued for a period of 10 years at a net interest cost of 4.09 percent. These bonds are payable from the net revenues of the water utility, sanitary sewer utility, and storm sewer utility enterprise 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. The bonds mature in February 2026 and have a net interest of 1.49 percent.

NOTE 8 – LONG-TERM DEBT (CONTINUED)

The REDA periodically issues bonds in accordance with Minnesota Statutes and they are backed by its 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. This refunding resulted in a net cash flow savings of \$804,085, having a present value debt service savings of \$622,410. The difference between the carrying value of the refunded debt and the resources used to redeem the debt was not material.

SUMMARIES OF LONG-TERM DEBT ISSUES

A. Governmental Activities

Issue	Interest Rates	Date Issued	Date Matures	Original Amount	Outstanding Balance
General obligation street reconstruction bonds	4.00%–4.38%	2006	2017	\$ 1,535,000	\$ 365,000
General obligation tax increment bonds	2.00%–4.00%	2010	2032	5,255,000	4,565,000
General obligation street improvement bonds	0.40%–2.00%	2012	2023	1,470,000	1,200,000
General obligation street improvement bonds	2.13%–3.00%	2013	2024	1,585,000	1,475,000
General obligation street improvement bonds	2.00%–3.00%	2015	2026	3,630,000	3,630,000
Debt issuance premium (discount)					262,195
Compensated absences					527,830
Total governmental activities					<u>\$ 12,025,025</u>

Changes in long-term debt during 2015 for debt serviced through governmental activities are as follows:

	Beginning Balance	Additions	Retirements	Ending Balance	Due In One Year
General obligation reconstruction bonds	\$ 535,000	\$ –	\$ 170,000	\$ 365,000	\$ 180,000
General obligation tax increment bonds	4,695,000	–	130,000	4,565,000	140,000
General obligation improvement bonds	2,925,000	3,630,000	250,000	6,305,000	265,000
Debt issuance premium (discount)	51,450	217,874	7,129	262,195	–
Total bonds payable	<u>8,206,450</u>	<u>3,847,874</u>	<u>557,129</u>	<u>11,497,195</u>	<u>585,000</u>
Compensated absences	504,767	562,472	539,408	527,831	35,000
Governmental activity long-term liabilities	<u>\$ 8,711,217</u>	<u>\$ 4,410,346</u>	<u>\$ 1,096,537</u>	<u>\$ 12,025,026</u>	<u>\$ 620,000</u>

B. Business-Type Activities

Issue	Interest Rates	Date Issued	Date Matures	Original Amount	Outstanding Balance
General obligation utility revenue bonds	4.00%–4.20%	2006	2017	\$ 3,700,000	\$ 860,000
General obligation utility revenue bonds	0.40%–2.00%	2012	2023	2,560,000	2,085,000
General obligation utility revenue bonds	2.13%–3.00%	2013	2024	2,815,000	2,580,000
General obligation utility revenue bonds	2.00%–3.00%	2015	2026	2,805,000	2,805,000
General obligation housing refunding bonds	2.00%–2.75%	2015	2029	3,670,000	3,670,000
Debt issuance premium (discount)					315,273
Total business-type activities					<u>\$ 12,315,273</u>

NOTE 8 – LONG-TERM DEBT (CONTINUED)

Changes in long-term debt during 2015 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	\$ 6,620,000	\$ 2,805,000	\$ 1,095,000	\$ 8,330,000	\$ 925,000
General obligation housing refunding bonds	3,765,000	3,670,000	3,765,000	3,670,000	250,000
Debt issuance premium (discount)	104,950	247,651	37,328	315,273	–
Business-type activity long-term liabilities	<u>\$ 10,489,950</u>	<u>\$ 6,722,651</u>	<u>\$ 4,897,328</u>	<u>\$ 12,315,273</u>	<u>\$ 1,175,000</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	
2016	\$ 585,000	\$ 340,169	\$ 1,175,000	\$ 305,847	\$ 2,406,016
2017	960,000	298,030	1,440,000	236,679	2,934,709
2018	795,000	274,109	1,015,000	204,951	2,289,060
2019	825,000	253,115	1,040,000	181,546	2,299,661
2020	850,000	230,878	1,060,000	157,086	2,297,964
2021–2025	4,275,000	795,692	4,800,000	415,758	10,286,450
2026–2030	2,095,000	346,856	1,470,000	64,338	3,976,194
2031–2032	850,000	34,600	–	–	884,600
Total	<u>\$ 11,235,000</u>	<u>\$ 2,573,449</u>	<u>\$ 12,000,000</u>	<u>\$ 1,566,205</u>	<u>\$ 27,374,654</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	\$ 6,278,344	\$ 289,850	\$ 257,852
Utility revenue bonds	Utility improvements	Utility charges	100%				
Series 2006				2006–2017	\$ 896,435	\$ 457,717	\$ 4,375,664
Series 2012				2012–2023	\$ 2,216,903	\$ 277,520	\$ 4,375,664
Series 2013				2013–2024	\$ 2,893,928	\$ 309,356	\$ 4,375,664
Series 2015				2015–2026	\$ 3,257,056	\$ –	\$ 4,375,664
Housing revenue bonds	Affordable housing	Rental charges	100%	2015–2029	\$ 4,301,883	\$ –	\$ 792,501

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, 2015, 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, 2015
Variable Rate Demand Revenue Refunding Bonds, Healthcare Facilities Revenue Bonds North Memorial Health Care – Series 2011	06/07/2011	12/31/2026	\$ 57,910,000

NOTE 9 – COMPONENTS OF FUND BALANCE

A. Classifications

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

	General	Special Revenue		Debt Service	Capital Project		Nonmajor	Total
		REDA General Development	REDA TIF Development	REDA Tax Increment	Permanent Improvement Revolving			
Nonspendable								
Inventories	\$ 340	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 340
Restricted								
Debt service	-	-	-	-	-	1,047,725	-	1,047,725
Community development	-	6,991,595	-	-	-	-	-	6,991,595
Public safety equipment	-	-	-	-	-	17,838	-	17,838
Total restricted	-	6,991,595	-	-	-	1,065,563	-	8,057,158
Committed								
City code compliance	-	-	-	-	-	262,535	-	262,535
Street improvement projects	-	-	-	-	435,977	-	-	435,977
Park capital improvements	-	-	-	-	-	896,465	-	896,465
Total committed	-	-	-	-	435,977	1,159,000	-	1,594,977
Assigned								
Capital improvements	-	-	-	-	-	301,293	-	301,293
Public safety equipment	-	-	-	-	-	2,156	-	2,156
Senior programs	5,920	-	-	-	-	-	-	5,920
Street capital projects	-	-	-	-	6,027,459	-	-	6,027,459
Subsequent year’s budget	118,425	-	-	-	-	-	-	118,425
Total assigned	124,345	-	-	-	6,027,459	303,449	-	6,455,253
Unassigned	4,864,657	-	(2,969,168)	(934,750)	-	-	-	960,739
Total	<u>\$ 4,989,342</u>	<u>\$ 6,991,595</u>	<u>\$ (2,969,168)</u>	<u>\$ (934,750)</u>	<u>\$ 6,463,436</u>	<u>\$ 2,528,012</u>	<u>\$ -</u>	<u>\$ 17,068,467</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 to 50 percent of the subsequent year’s General Fund budgeted expenditures. At December 31, 2015, the unassigned fund balance of the General Fund was 52.4 percent of the subsequent year’s General Fund budgeted expenditures.

NOTE 10 – INTERFUND TRANSACTIONS

A. Due To/From Other Funds

As of December 31, 2015, the following interfund receivables/payables existed:

Receivable Fund	Payable Fund	Amount
Solid Waste Removal Fund	Storm Sewer Utility Fund	\$ 29,047

Due to/from other funds is utilized for cash flow purposes to eliminate temporary cash balance deficits.

B. Interfund Transfers

During 2015, the following interfund transfers took place:

Transfers Out	Transfers In					Total
	General	Permanent Improvement Revolving	Nonmajor Governmental	Liquor Operations	Internal Service	
General	\$ -	\$ -	\$ -	\$ - c	\$ 50,000	\$ 50,000
Permanent Improvement Revolving	a 158,283	-	-	-	-	158,283
Nonmajor governmental	-	a 13,154	-	-	-	13,154
Water Utility	a 37,952	-	-	-	-	37,952
Sanitary Sewer Utility	a 57,508	-	-	-	-	57,508
Storm Sewer Utility	a 29,599	-	-	-	-	29,599
Solid Waste Removal	b 30,000	b 150,000	-	a 14,642	-	194,642
Liquor Operations	-	-	b 150,000	-	-	150,000
Deputy Registrar	-	-	b 50,000	-	-	50,000
Total transfers	\$ 313,342	\$ 163,154	\$ 200,000	\$ 14,642	\$ 50,000	\$ 741,138

Transfers were completed for the following reasons:

- a – Reimbursement for services performed related to capital projects
- b – Budgeted transfers using excess earnings to fund operating and capital needs
- c – Transfers to fund future capital expenditures

C. Advances To and From Other Funds

The REDA General Development Fund has advanced \$3,007,500 to the REDA TIF Development Fund and \$1,118,494 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 tax increment financing property tax revenues from the redeveloped properties. A 4.0 percent interest rate was charged on advances in 2015.

NOTE 11 – 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. 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 (IRC).

1. General Employees Retirement Fund (GERF)

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

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 statute and can only be modified by the State Legislature.

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

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

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 and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2 percent of average salary for each of the first 10 years of service and 2.7 percent for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2 percent of average salary for each of the first 10 years and 1.7 percent for each remaining year. Under Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

NOTE 11 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

2. PEPFF Benefits

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

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 calendar year 2015. The City was required to contribute 7.50 percent for Coordinated Plan members in calendar year 2015. The City's contributions to the GERF for the year ended December 31, 2015 were \$259,687. The City's contributions were equal to the required contributions as set by state statute.

2. PEPFF Contributions

Plan members were required to contribute 10.80 percent of their annual covered salary in calendar year 2015. The City was required to contribute 16.20 percent of pay for PEPFF members in calendar year 2015. The City's regular contributions to the PEPFF for the year ended December 31, 2015 were \$295,913. The City's contributions were equal to the required contributions as set by state statute.

D. Pension Costs

1. GERF Pension Costs

At December 31, 2015, the City reported a liability of \$2,969,582 for its proportionate share of the GERF's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by the PERA during the measurement period for employer payroll paid dates from July 1, 2014 through June 30, 2015, relative to the total employer contributions received from all of the PERA's participating employers. At June 30, 2015, the City's proportionate share was 0.0573 percent, which was a decrease of 0.0050 percent from its proportion measured as of June 30, 2014.

For the year ended December 31, 2015, the City recognized pension expense of \$336,391 for its proportionate share of the GERF's pension expense.

NOTE 11 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

At December 31, 2015, the City reported its proportionate share of the GERS' 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	\$ –	\$ 149,718
Differences between projected and actual investment earnings	281,117	–
Changes in proportion	–	176,156
Contributions paid to the PERA subsequent to the measurement date	<u>130,829</u>	<u>–</u>
 Total	 <u>\$ 411,946</u>	 <u>\$ 325,874</u>

Deferred outflows of resources reported \$130,829 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, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Pension Expense Amount</u>
2016	\$ (38,346)
2017	\$ (38,346)
2018	\$ (38,346)
2019	\$ 70,281

2. PEPFF Pension Costs

At December 31, 2015, the City reported a liability of \$2,136,120 for its proportionate share of the PEPFF's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by the PERA during the measurement period for employer payroll paid dates from July 1, 2014 through June 30, 2015, relative to the total employer contributions received from all of the PERA's participating employers. At June 30, 2015, the City's proportion was 0.188 percent, which was a decrease of 0.010 percent from its proportion measured as of June 30, 2014.

For the year ended December 31, 2015, the City recognized pension expense of \$350,269 for its proportionate share of the PEPFF's pension expense. The City also recognized \$16,920 for the year ended December 31, 2015, as revenue for its proportionate share of the state of Minnesota's on-behalf contributions to the PEPFF. Legislation passed in 2013 required the state of Minnesota to begin contributing \$9 million to the PEPFF each year, starting in fiscal year 2014.

NOTE 11 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

At December 31, 2015, 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	\$ –	\$ 346,409
Differences between projected and actual investment earnings	372,184	–
Changes in proportion	–	90,003
Contributions paid to the PERA subsequent to the measurement date	150,984	–
	<u>150,984</u>	<u>–</u>
Total	<u>\$ 523,168</u>	<u>\$ 436,412</u>

Deferred outflows of resources reported \$150,984 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, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	Pension Expense Amount
2016	\$ 5,764
2017	\$ 5,764
2018	\$ 5,764
2019	\$ 5,764
2020	\$ (87,284)

E. Actuarial Assumptions

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

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

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

Actuarial assumptions used in the June 30, 2015 valuation were based on the results of actuarial experience studies. The experience study in the GERF was for the period July 1, 2004 through June 30, 2008, with an update of economic assumptions in 2014. The experience study for the PEPFF was for the period July 1, 2004 through June 30, 2009.

There were no changes in actuarial assumptions in 2015.

NOTE 11 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic stocks	45%	5.50%
International stocks	15%	6.00%
Bonds	18%	1.45%
Alternative assets	20%	6.40%
Cash	2%	0.50%

F. Discount Rate

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

G. Pension Liability Sensitivity

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

	<u>1% Decrease in Discount Rate (6.9%)</u>	<u>Discount Rate (7.9%)</u>	<u>1% Increase in Discount Rate (8.9%)</u>
The City's proportionate share of the GERF net pension liability	\$ 4,669,241	\$ 2,969,582	\$ 1,565,928
The City's proportionate share of the PEPFF net pension liability	\$ 4,163,320	\$ 2,136,120	\$ 461,299

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.

NOTE 12 – DEFINED CONTRIBUTION PLAN

Councilmembers of the City are covered by the Public Employees Defined Contribution Plan (PEDCP), a multiple-employer deferred compensation plan administered by the PERA. The PEDCP is a tax qualified plan under Section 401(a) of the 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 employee contributions must be a fixed percentage of salary. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, the PERA receives 2 percent of employer contributions and twenty-five hundredths of 1 percent (0.0025) of the assets in each member's account annually.

The City's contributions to the PEDCP for the years ended December 31, 2015, 2014, and 2013 were \$1,317, \$1,317, and \$1,275 respectively, which were equal to the contractually required contributions for each year as set by state statutes.

NOTE 13 – DEFINED BENEFIT PENSION PLAN – FIRE RELIEF ASSOCIATION

A. Plan Description

Volunteer firefighters of the City of 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 Statute, 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 December 31, 2015, the plan covered 28 active firefighters and 12 vested terminated firefighters currently receiving benefits or whose pension benefits are deferred.

The Association maintains a separate Special Fund to accumulate assets to fund the retirement benefits earned by the Department's membership.

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 and have reached the age of 50 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 non-forfeitable percentage of pension.

**NOTE 13 – DEFINED BENEFIT PENSION PLAN – FIRE RELIEF ASSOCIATION
(CONTINUED)**

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). The state of Minnesota contributed \$75,715 in fire state aid (excluding \$4,000 of the supplemental benefit) to the plan on behalf of the Department for the year ended December 31, 2015. The City contributed \$75,000, in accordance with state statute requirements for the year ended December 31, 2015. Furthermore, the firefighters have no obligation to contribute to the plan.

D. Pension Costs

At December 31, 2015, the City reported a net pension asset of \$159,764 for the plan. The net pension asset was measured as of December 31, 2015. 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, 2015.

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)
	<u>(a)</u>	<u>(b)</u>	<u>(a-b)</u>
Beginning balance – January 1, 2015	\$ 2,393,776	\$ 2,466,571	\$ (72,795)
Changes for the year			
Service cost	65,993	–	65,993
Interest on pension liability (asset)	161,021	–	161,021
Difference between expected and actual experience	(88,598)	–	(88,598)
Change in assumptions	(79,800)	–	(79,800)
Contributions (state and local)	–	154,715	(154,715)
Net investment income	–	6,417	(6,417)
Benefit payments	(625,655)	(625,655)	–
Administrative costs	–	(15,547)	15,547
Total net changes	<u>(567,039)</u>	<u>(480,070)</u>	<u>(86,969)</u>
Ending balance – December 31, 2015	<u>\$ 1,826,737</u>	<u>\$ 1,986,501</u>	<u>\$ (159,764)</u>

For the year ended December 31, 2015, the City recognized pension revenue of \$75,715 and pension expense of \$89,324.

**NOTE 13 – DEFINED BENEFIT PENSION PLAN – FIRE RELIEF ASSOCIATION
(CONTINUED)**

At December 31, 2015, 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
Net difference between projected and actual earnings on plan investments	\$ 126,749	\$ –
Change in assumptions	–	70,289
Difference between expected and actual liability	–	78,038
Total	<u>\$ 126,749</u>	<u>\$ 148,327</u>

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
2016	\$ 11,616
2017	\$ 11,616
2018	\$ 11,616
2019	\$ 11,616
2020	\$ (20,071)
Thereafter	\$ (47,971)

E. Actuarial Assumptions

The total pension liability at December 31, 2015 was determined using the entry age normal level percent of payroll 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	7.50%
20-year municipal bond yield	3.57%

The changes in actuarial assumptions since the prior valuation, including the retirement rates, were updated to reflect plan experience and expectations.

The 7.5 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.

**NOTE 13 – DEFINED BENEFIT PENSION PLAN – FIRE RELIEF ASSOCIATION
(CONTINUED)**

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	66.13 %	5.52 %	8.27 %
International equity	9.87	5.78	8.53
Fixed income	15.54	2.12	6.87
Cash and equivalents	8.46	0.82	3.57
Total	100.00 %		7.50 %

F. Discount Rate

The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions to the plan will be made as specified in the state statute. 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.

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 paragraph, 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 Percent Decrease (6.50%)	Current Discount Rate (7.50%)	1 Percent Increase (8.50%)
Defined benefit plan	\$ (110,881)	\$ (159,764)	\$ (206,562)

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 14 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN

A. Plan Description

The City provides post-employment benefits to certain eligible employees through the City's Other Post-Employment Benefits (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. These benefits are summarized as follows:

Post-Employment Insurance Benefits – 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. 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, whether the premiums are paid by the City or the retiree. Consequently, participating retirees are considered to receive a benefit known as an “implicit rate subsidy.” This benefit relates to the assumption that the retiree receives 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.

B. Funding Policy

The required contribution is based on projected pay-as-you-go financing requirements, with additional amounts to pre-fund benefits as determined annually by the City.

The City's annual OPEB cost (expense) is calculated based on annual required contributions (ARC) of the City, an amount determined on an actuarially determined basis in accordance with the parameters of GASB Statement Nos. 43 and 45. The ARC represents a level funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The annual OPEB cost is accrued in the enterprise funds and government-wide financial statements. OPEB expenditures are recorded on a pay-as-you-go basis on the government fund financial statement.

C. Annual OPEB Cost and Net OPEB Obligation

The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and the changes in the City's net OPEB obligation to the plan:

ARC	\$ 79,203
Interest on net OPEB obligation	18,793
Adjustment to ARC	(15,767)
Annual OPEB cost (expense)	<u>82,229</u>
Contributions made	<u>(34,151)</u>
Increase in net OPEB obligation	48,078
Net OPEB obligation – beginning of year	<u>417,612</u>
Net OPEB obligation – end of year	<u><u>\$ 465,690</u></u>

NOTE 14 – OTHER POST-EMPLOYMENT BENEFITS PLAN (CONTINUED)

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the past three years are as follows:

<u>Fiscal Year Beginning</u>	<u>Annual OPEB Cost</u>	<u>Employer Contribution</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
January 1, 2015	\$ 82,229	\$ 34,151	41.5%	\$ 465,690
January 1, 2014	\$ 79,676	\$ 25,263	31.7%	\$ 417,612
January 1, 2013	\$ 80,025	\$ 18,990	23.7%	\$ 363,199

D. Funded Status and Funding Progress

As of January 1, 2014, the most recent actuarial valuation date, the actuarial accrued liability for benefits and unfunded actuarial accrued liability (UAAL) were both \$ 666,009, as the plan was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$ 4,562,276 and the ratio of the UAAL to the covered payroll was 14.6 percent.

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

E. Actuarial Methods and Assumptions

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

In the January 1, 2014 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.5 percent discount rate and pay-as-you-go funding. At the actuarial valuation date, the annual healthcare cost trend rate was estimated to be 9 percent initially, reduced incrementally to an estimate rate of 5 percent after 12 years. This study includes a 3 percent inflation rate and a 3.75 percent payroll growth rate. The UAAL is amortized as of the valuation date as a level percentage of payroll over a period of 30 years.

NOTE 15 – 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 state of Minnesota Office of the State Auditor. Any disallowed claims or misuse of tax increments could become a liability of the applicable fund. Management has indicated that they are not aware of any instances of noncompliance which would have a material effect on the financial statements.

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, 2015, the City is committed to various construction contracts for the improvement of city property. The City's remaining commitment under these contracts is \$2,152,195.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ROBBINSDALE

Schedule of City's Proportionate Share of Net Pension Liability
PERA – Public Employees General Employees Retirement Fund

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 (a)	City's Covered Payroll (b)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2015	6/30/2015	0.0573%	\$ 2,969,582	\$ 3,369,638	88.13%	78.20%

Schedule of Employer Contributions
PERA – Public Employees General Employees Retirement Fund

City Fiscal Year-End Date	PERA Fiscal Year-End Date (Measurement Date)	Statutorily Required Contributions (a)	Contributions in Relation to the Statutorily Required Contributions (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (d)	Contributions as a Percentage of Covered Payroll (b/d)
12/31/2015	6/30/2015	\$ 259,687	\$ 259,687	\$ -	\$ 3,462,493	7.50%

Note: The City implemented GASB Statement No. 68 in fiscal 2015 (using a June 30, 2015 measurement date). This information is not available for previous fiscal years.

CITY OF ROBBINSDALE

Schedule of City's Proportionate Share of Net Pension Liability
PERA – Public Employees Police and Fire Fund

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 (a)	City's Covered Payroll (b)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2015	6/30/2015	0.1880%	\$ 2,316,120	\$ 1,711,094	135.36%	86.60%

Schedule of Employer Contributions
PERA – Public Employees Police and Fire Fund

City Fiscal Year-End Date	PERA Fiscal Year-End Date (Measurement Date)	Statutorily Required Contributions (a)	Contributions in Relation to the Statutorily Required Contributions (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (d)	Contributions as a Percentage of Covered Payroll (b/d)
12/31/2015	6/30/2015	\$ 295,913	\$ 295,913	\$ –	\$ 1,826,623	16.20%

Note: The City implemented GASB Statement No. 68 in fiscal 2015 (using a June 30, 2015 measurement date). This information is not available for previous fiscal years.

CITY OF ROBBINSDALE

Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios
Robbinsdale Fire Department Relief Association

City fiscal year-end date and measurement date	<u>December 31, 2015</u>
Total pension liability	
Service cost	\$ 65,993
Interest on pension liability (asset)	161,021
Difference between expected and actual experience	(88,598)
Change in assumptions	(79,800)
Benefit payments	(625,655)
Net change in total pension liability	<u>(567,039)</u>
 Total pension liability – beginning of year	 <u>2,393,776</u>
 Total pension liability – end of year	 <u>\$ 1,826,737</u>
 Plan fiduciary net position	
Contributions (state and local)	\$ 154,715
Net investment income	6,417
Benefit payments	(625,655)
Administrative costs	(15,547)
Net change in plan fiduciary net position	<u>(480,070)</u>
 Plan fiduciary net position – beginning of year	 <u>2,466,571</u>
 Plan fiduciary net position – end of year	 <u>\$ 1,986,501</u>
 Net pension liability (asset) – ending	 <u>\$ (159,764)</u>
 Plan fiduciary net position as a percentage of the total pension liability	 <u>108.75%</u>

Note: The City implemented GASB Statement No. 68 in fiscal 2015 (using a December 31, 2015 measurement date). This information is not available for previous fiscal years.

CITY OF ROBBINSDALE

Schedule of Employer Contributions
Robbinsdale Fire Department Relief Association

City Fiscal Year-End Date	Actuarially Determined Contribution (a)	Contributions in Relation to the Actuarially Determined Contributions (b)	Contribution Deficiency (Excess) (a-b)
12/31/2015	\$ 124,590	\$ 154,715	\$ (30,125)

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 level percent of payroll cost method
Amortization method	Straight-line amortization over a closed period
Remaining amortization period	5 years
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	7.5%, 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	Assumed life expectancies were adjusted as a result of adopting the RP-2000 healthy annuitant mortality table.

Note: The City implemented GASB Statement No. 68 in fiscal 2015 (using a December 31, 2015 measurement date). This information is not available for previous fiscal years.

CITY OF ROBBINSDALE

Other Post-Employment Benefits Plan
Schedule of Funding Progress

Actuarial Valuation Date January 1,	Actuarial Accrued Liability	Actuarial Value of Plan Assets	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Payroll
01/01/14	\$ 666,009	\$ -	\$ 666,009	- %	\$ 4,562,276	14.6%
01/01/12	\$ 610,839	\$ -	\$ 610,839	- %	\$ 4,155,112	14.7%
01/01/10	\$ 685,578	\$ -	\$ 685,578	- %	\$ 4,239,373	16.2%

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.

DEBT SERVICE FUND

General Debt Service Fund

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

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, 2015

	<u>Special Revenue Funds</u>		
	<u>Forfeiture Fund</u>	<u>City Code Compliance Fund</u>	<u>General Debt Service Fund</u>
Assets			
Cash	\$ 2,621	\$ 31,090	\$ 370,008
Investments	18,025	213,748	672,102
Receivables			
Accrued interest	92	1,092	3,434
Taxes	-	-	1,701
Special assessments	-	190,987	1,107,649
Accounts	-	19,505	-
Due from other governments	-	-	-
Notes	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 20,738</u>	<u>\$ 456,422</u>	<u>\$ 2,154,894</u>
Liabilities			
Accounts payable	\$ 744	\$ 3,000	\$ -
Unearned revenue	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>744</u>	<u>3,000</u>	<u> </u>
Deferred inflows of resources			
Unavailable revenue – special assessments	-	190,887	1,107,169
Fund balances			
Restricted	17,838	-	1,047,725
Committed	-	262,535	-
Assigned	<u>2,156</u>	<u> </u>	<u> </u>
Total fund balances	<u>19,994</u>	<u>262,535</u>	<u>1,047,725</u>
	<u> </u>	<u> </u>	<u> </u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 20,738</u>	<u>\$ 456,422</u>	<u>\$ 2,154,894</u>

Capital Improvement Capital Project Fund	Total Nonmajor Funds
\$ 152,682	\$ 556,401
1,044,944	1,948,819
5,337	9,955
–	1,701
–	1,298,636
–	19,505
2,759	2,759
<u>619,510</u>	<u>619,510</u>
<u>\$ 1,825,232</u>	<u>\$ 4,457,286</u>
\$ 7,964	\$ 11,708
<u>619,510</u>	<u>619,510</u>
627,474	631,218
–	1,298,056
–	1,065,563
896,465	1,159,000
<u>301,293</u>	<u>303,449</u>
<u>1,197,758</u>	<u>2,528,012</u>
<u>\$ 1,825,232</u>	<u>\$ 4,457,286</u>

CITY OF ROBBINSDALE

Nonmajor Governmental Funds
 Combining Statement of Revenue, Expenditures, and Changes in Fund Balances
 Year Ended December 31, 2015

	Special Revenue Funds		
	Forfeiture Fund	City Code Compliance Fund	General Debt Service Fund
Revenues			
Property taxes	\$ -	\$ -	\$ 425,659
Special assessments	-	62,540	371,270
Intergovernmental	-	-	-
Charges for services	-	26,914	-
Interest and dividends	312	3,452	7,824
Net change in fair value of investments	(129)	(1,436)	(3,255)
Miscellaneous	20,908	-	-
Total revenues	21,091	91,470	801,498
Expenditures			
Current			
General government	-	-	-
Public safety	10,416	53,829	-
Recreation	-	-	-
Debt service			
Principal	-	-	420,000
Interest and fees	-	-	126,968
Capital outlay and improvements	13,388	-	-
Total expenditures	23,804	53,829	546,968
Excess (deficiency) of revenues over (under) expenditures	(2,713)	37,641	254,530
Other financing sources (uses)			
Premium on debt issuance	-	-	48,051
Transfers in	-	-	-
Transfers (out)	-	-	(13,154)
Total other financing sources (uses)	-	-	34,897
Net change in fund balances	(2,713)	37,641	289,427
Fund balances			
Beginning of year	22,707	224,894	758,298
End of year	\$ 19,994	\$ 262,535	\$ 1,047,725

Capital Improvement Capital Project Fund	Total Nonmajor Funds
\$ -	\$ 425,659
-	433,810
29,695	29,695
-	26,914
16,560	28,148
(6,893)	(11,713)
12,811	33,719
<u>52,173</u>	<u>966,232</u>
1,639	1,639
-	64,245
24,917	24,917
-	420,000
-	126,968
48,793	62,181
<u>75,349</u>	<u>699,950</u>
(23,176)	266,282
-	48,051
200,000	200,000
-	(13,154)
<u>200,000</u>	<u>234,897</u>
176,824	501,179
<u>1,020,934</u>	<u>2,026,833</u>
<u>\$ 1,197,758</u>	<u>\$ 2,528,012</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

The 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, 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

The 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, 2015

	Central Garage Fund	Central Services Fund	Equipment Replacement Fund
Assets			
Current assets			
Cash and cash equivalents	\$ 774,764	\$ 769,795	\$ 800,616
Investments	570,741	555,925	579,018
Receivables			
Accrued interest	6,038	5,881	6,126
Accounts	-	-	-
Due from other governments	205	48	-
Prepaid items	-	-	-
Total current assets	<u>1,351,748</u>	<u>1,331,649</u>	<u>1,385,760</u>
Noncurrent assets			
Capital assets			
Land	29,388	-	69,385
Buildings and structures	687,502	220,178	743,883
Other improvements	-	154,225	829,498
Mobile equipment	4,364,304	-	212,198
Machinery and office equipment	335,755	949,408	1,102,314
Accumulated depreciation	<u>(3,341,950)</u>	<u>(1,023,547)</u>	<u>(2,439,663)</u>
Total capital assets, net of depreciation	<u>2,074,999</u>	<u>300,264</u>	<u>517,615</u>
Total assets	3,426,747	1,631,913	1,903,375
Deferred outflows of resources			
Pension plan deferments – PERA	<u>19,732</u>	<u>13,677</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 3,446,479</u>	<u>\$ 1,645,590</u>	<u>\$ 1,903,375</u>
Liabilities			
Current liabilities			
Accounts payable	\$ 66,176	\$ 38,181	\$ -
Accrued salaries and benefits	-	-	-
Compensated absences	-	-	-
Total current liabilities	<u>66,176</u>	<u>38,181</u>	<u>-</u>
Noncurrent liabilities			
Compensated absences	-	-	-
Net pension liability	<u>142,243</u>	<u>98,590</u>	<u>-</u>
Total noncurrent liabilities	<u>142,243</u>	<u>98,590</u>	<u>-</u>
Total liabilities	208,419	136,771	-
Deferred inflows of resources			
Pension plan deferments – PERA	15,609	10,819	-
Net position			
Investment in capital assets	2,074,999	300,264	517,615
Unrestricted	<u>1,147,452</u>	<u>1,197,736</u>	<u>1,385,760</u>
Total net position	<u>3,222,451</u>	<u>1,498,000</u>	<u>1,903,375</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 3,446,479</u>	<u>\$ 1,645,590</u>	<u>\$ 1,903,375</u>

Risk Insurance Fund	Benefit Accrual Fund	Total
\$ 662,157	\$ 591,096	\$ 3,598,428
482,621	783,052	2,971,357
5,106	8,284	31,435
21,564	4,129	25,693
-	-	253
58,651	71,948	130,599
<u>1,230,099</u>	<u>1,458,509</u>	<u>6,757,765</u>
-	-	98,773
-	-	1,651,563
-	-	983,723
-	-	4,576,502
-	-	2,387,477
-	-	(6,805,160)
<u>-</u>	<u>-</u>	<u>2,892,878</u>
1,230,099	1,458,509	9,650,643
<u>-</u>	<u>-</u>	<u>33,409</u>
<u>\$ 1,230,099</u>	<u>\$ 1,458,509</u>	<u>\$ 9,684,052</u>
\$ 37,972	\$ 100	\$ 142,429
-	311,385	311,385
-	35,000	35,000
<u>37,972</u>	<u>346,485</u>	<u>488,814</u>
-	492,831	492,831
-	-	240,833
<u>-</u>	<u>492,831</u>	<u>733,664</u>
37,972	839,316	1,222,478
-	-	26,428
-	-	2,892,878
1,192,127	619,193	5,542,268
<u>1,192,127</u>	<u>619,193</u>	<u>8,435,146</u>
<u>\$ 1,230,099</u>	<u>\$ 1,458,509</u>	<u>\$ 9,684,052</u>

CITY OF ROBBINSDALE

Internal Service Funds
 Combining Statement of Revenue, Expenses,
 and Changes in Net Position
 Year Ended December 31, 2015

	Central Garage Fund	Central Services Fund	Equipment Replacement Fund
	<u> </u>	<u> </u>	<u> </u>
Operating revenues			
Sales, fees, and charges	\$ 926,743	\$ 1,093,483	\$ -
Operating expenses			
Personal services	240,686	154,425	-
Supplies	191,413	78,423	-
Other services and charges	160,860	672,884	4,866
Depreciation	309,515	40,007	49,805
Total operating expenses	<u>902,474</u>	<u>945,739</u>	<u>54,671</u>
Operating income (loss)	24,269	147,744	(54,671)
Nonoperating revenues (expenses)			
Intergovernmental	-	-	-
Interest and dividends	20,584	20,186	20,934
Net change in fair value of investments	(8,567)	(8,401)	(8,712)
Gain (loss) on disposal of capital assets	23,927	-	(4,026)
Total nonoperating revenues (expenses)	<u>35,944</u>	<u>11,785</u>	<u>8,196</u>
Income (loss) before transfers	60,213	159,529	(46,475)
Transfers			
Transfers in	<u>-</u>	<u>-</u>	<u>50,000</u>
Change in net position	60,213	159,529	3,525
Net position			
Beginning, as previously reported	3,296,684	1,431,657	1,899,850
Change in accounting principle	(134,446)	(93,186)	-
Beginning, as restated	<u>3,162,238</u>	<u>1,338,471</u>	<u>1,899,850</u>
End of year	<u>\$ 3,222,451</u>	<u>\$ 1,498,000</u>	<u>\$ 1,903,375</u>

Risk Insurance Fund	Benefit Accrual Fund	Total
\$ 506,639	\$ 4,525	\$ 2,531,390
-	-	395,111
-	-	269,836
434,828	4,354	1,277,792
-	-	399,327
<u>434,828</u>	<u>4,354</u>	<u>2,342,066</u>
71,811	171	189,324
8,606	-	8,606
16,284	20,219	98,207
(6,778)	(8,417)	(40,875)
-	-	19,901
<u>18,112</u>	<u>11,802</u>	<u>85,839</u>
89,923	11,973	275,163
-	-	50,000
89,923	11,973	325,163
1,102,204	607,220	8,337,615
-	-	(227,632)
<u>1,102,204</u>	<u>607,220</u>	<u>8,109,983</u>
<u>\$ 1,192,127</u>	<u>\$ 619,193</u>	<u>\$ 8,435,146</u>

CITY OF ROBBINSDALE

Internal Service Funds
 Combining Statement of Cash Flows
 Year Ended December 31, 2015

	Central Garage Fund	Central Services Fund	Equipment Replacement Fund
Cash flows from operating activities			
Cash received from customers and users, including deposits	\$ 926,743	\$ 1,093,483	\$ -
Cash payments to suppliers	(299,628)	(791,156)	(4,866)
Cash payments to employees	(243,994)	(156,570)	-
Net cash flows from operating activities	<u>383,121</u>	<u>145,757</u>	<u>(4,866)</u>
Cash flows from noncapital financing activities			
Intergovernmental	-	-	-
Cash flows from capital and related financing activities			
Transfers from other funds	-	-	50,000
Acquisition of property and equipment	(314,415)	(83,337)	-
Proceeds from the disposal of property and equipment	23,927	-	5,711
Net cash flows from capital and related financing activities	<u>(290,488)</u>	<u>(83,337)</u>	<u>55,711</u>
Cash flows from investing activities			
Proceeds from maturities of investments	436,085	453,048	480,177
Purchases of investments	(255,666)	(249,086)	(259,395)
Interest on investments	20,607	20,435	21,259
Net cash flows from investing activities	<u>201,026</u>	<u>224,397</u>	<u>242,041</u>
Net change in cash and cash equivalents	293,659	286,817	292,886
Cash and cash equivalents at beginning of year	<u>481,105</u>	<u>482,978</u>	<u>507,730</u>
Cash and cash equivalents at end of year	<u>\$ 774,764</u>	<u>\$ 769,795</u>	<u>\$ 800,616</u>
Reconciliation of operating income (loss) to net cash flows from operating activities			
Operating income (loss)	\$ 24,269	\$ 147,744	\$ (54,671)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities			
Depreciation	309,515	40,007	49,805
(Increase) decrease in assets and deferred outflows			
Accounts receivable	-	-	-
Prepaid items	-	-	-
Deferred outflows for pensions	(13,997)	(9,702)	-
Increase (decrease) in liabilities and deferred inflows			
Accounts payable	52,799	(39,849)	-
Accrued salaries and benefits	(6,982)	(4,691)	-
Due to other governments	(154)	-	-
Compensated absences payable	-	-	-
Net pension liability	2,062	1,429	-
Deferred inflows for pensions	15,609	10,819	-
Total adjustments	<u>358,852</u>	<u>(1,987)</u>	<u>49,805</u>
Net cash flows from operating activities	<u>\$ 383,121</u>	<u>\$ 145,757</u>	<u>\$ (4,866)</u>
Noncash investing, capital, and financing activities			
Net change in fair value of investments	\$ (8,567)	\$ (8,401)	\$ (8,712)
Net book value on disposals	\$ -	\$ -	\$ 9,737

Risk Insurance Fund	Benefit Accrual Fund	Total
\$ 485,075	\$ 7,032	\$ 2,512,333
(434,721)	-	(1,530,371)
-	285,371	(115,193)
50,354	292,403	866,769
8,606	-	8,606
-	-	50,000
-	-	(397,752)
-	-	29,638
-	-	(318,114)
387,885	190,405	1,947,600
(215,726)	(347,435)	(1,327,308)
16,456	16,997	95,754
188,615	(140,033)	716,046
247,575	152,370	1,273,307
414,582	438,726	2,325,121
\$ 662,157	\$ 591,096	\$ 3,598,428
\$ 71,811	\$ 171	\$ 189,324
-	-	399,327
(21,564)	2,507	(19,057)
(298)	(9,057)	(9,355)
-	-	(23,699)
405	100	13,455
-	275,618	263,945
-	-	(154)
-	23,064	23,064
-	-	3,491
-	-	26,428
(21,457)	292,232	677,445
\$ 50,354	\$ 292,403	\$ 866,769
\$ (6,778)	\$ (8,417)	\$ (40,875)
\$ -	\$ -	\$ 9,737



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
 for the Year Ended December 31, 2015

	Balance January 1, 2015	Additions	Deductions	Balance December 31, 2015
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Deputy Registrar				
Assets				
Cash and cash equivalents	\$ 1,567	\$ 9,858,492	\$ 9,792,083	\$ 67,976
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Liabilities				
Due to other governments	\$ 1,567	\$ 9,858,492	\$ 9,792,083	\$ 67,976
	<u> </u>	<u> </u>	<u> </u>	<u> </u>



READER'S NOTES:

SUPPLEMENTARY FINANCIAL INFORMATION

Individual Account and Other Schedules

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, 2015

	TIF District No. 2000-1	TIF District No. 2000-2	TIF District No. 2000-4	TIF District No. 2000-5	TIF District No. 2000-6
Assets					
Cash	\$ 13	\$ 1,094	\$ -	\$ -	\$ -
Receivables					
Notes	-	-	-	-	177,354
Property held for resale	-	-	-	-	-
Total assets	\$ 13	\$ 1,094	\$ -	\$ -	\$ 177,354
Liabilities					
Due to other governments	\$ 550	\$ 595	\$ 579	\$ 573	\$ 559
Advance from other funds	-	-	379,219	340,323	478,696
Total liabilities	550	595	379,798	340,896	479,255
Deferred inflows of resources					
Unavailable revenue – notes	-	-	-	-	177,354
Fund balances (deficits)					
Unassigned	(537)	499	(379,798)	(340,896)	(479,255)
Total liabilities, deferred inflows of resources, and fund balances	\$ 13	\$ 1,094	\$ -	\$ -	\$ 177,354

TIF District No. 2000-7	TIF District No. 2000-8	TIF District Project 8 42nd & Regent	TIF District Project 8-A Krantz	TIF District Project 9	TIF District Project 10	TIF District Project 11	Total
\$ -	\$ -	\$ -	\$ -	\$ 2,997	\$ -	\$ -	\$ 4,104
-	-	-	-	-	-	-	177,354
-	40,000	-	-	-	-	-	40,000
<u>\$ -</u>	<u>\$ 40,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,997</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 221,458</u>
\$ 713	\$ -	\$ -	\$ 569	\$ 542	\$ 557	\$ 535	\$ 5,772
822,443	340,571	22	262,582	-	362,947	20,697	3,007,500
<u>823,156</u>	<u>340,571</u>	<u>22</u>	<u>263,151</u>	<u>542</u>	<u>363,504</u>	<u>21,232</u>	<u>3,013,272</u>
-	-	-	-	-	-	-	177,354
<u>(823,156)</u>	<u>(300,571)</u>	<u>(22)</u>	<u>(263,151)</u>	<u>2,455</u>	<u>(363,504)</u>	<u>(21,232)</u>	<u>(2,969,168)</u>
<u>\$ -</u>	<u>\$ 40,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,997</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 221,458</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, 2015

	<u>TIF District No. 2000-1</u>	<u>TIF District No. 2000-2</u>	<u>TIF District No. 2000-4</u>	<u>TIF District No. 2000-5</u>	<u>TIF District No. 2000-6</u>
Revenues					
Tax increments	\$ 7,141	\$ 22,316	\$ 16,374	\$ 17,053	\$ -
Charges for services	-	-	-	-	19,489
Land sales	-	-	-	-	-
Interest and dividends	117	520	87	92	183
Total revenues	<u>7,258</u>	<u>22,836</u>	<u>16,461</u>	<u>17,145</u>	<u>19,672</u>
Expenditures					
Current					
Community development	<u>600</u>	<u>62,369</u>	<u>15,817</u>	<u>14,342</u>	<u>20,859</u>
Net change in fund balances	6,658	(39,533)	644	2,803	(1,187)
Fund balances (deficits)					
Beginning of year	<u>(7,195)</u>	<u>40,032</u>	<u>(380,442)</u>	<u>(343,699)</u>	<u>(478,068)</u>
End of year	<u>\$ (537)</u>	<u>\$ 499</u>	<u>\$ (379,798)</u>	<u>\$ (340,896)</u>	<u>\$ (479,255)</u>

TIF District No. 2000-7	TIF District No. 2000-8	TIF District Project 8 42nd & Regent	TIF District Project 8-A Krantz	TIF District Project 9	TIF District Project 10	TIF District Project 11	Total
\$ 9,244	\$ -	\$ -	\$ 14,713	\$ -	\$ 9,254	\$ -	\$ 96,095
-	-	-	-	-	-	-	19,489
-	59,000	-	-	-	-	-	59,000
-	206	-	78	73	50	-	1,406
<u>9,244</u>	<u>59,206</u>	<u>-</u>	<u>14,791</u>	<u>73</u>	<u>9,304</u>	<u>-</u>	<u>175,990</u>
<u>35,481</u>	<u>278,309</u>	<u>22</u>	<u>11,255</u>	<u>4,142</u>	<u>14,895</u>	<u>4,175</u>	<u>462,266</u>
(26,237)	(219,103)	(22)	3,536	(4,069)	(5,591)	(4,175)	(286,276)
<u>(796,919)</u>	<u>(81,468)</u>	<u>-</u>	<u>(266,687)</u>	<u>6,524</u>	<u>(357,913)</u>	<u>(17,057)</u>	<u>(2,682,892)</u>
<u>\$ (823,156)</u>	<u>\$ (300,571)</u>	<u>\$ (22)</u>	<u>\$ (263,151)</u>	<u>\$ 2,455</u>	<u>\$ (363,504)</u>	<u>\$ (21,232)</u>	<u>\$ (2,969,168)</u>

CITY OF ROBBINSDALE

Special Revenue Fund
 Forfeiture Fund Accounts
 Balance Sheet by Account
 December 31, 2015

	<u>DWI Forfeiture</u>	<u>Other Forfeiture</u>	<u>Total</u>
Assets			
Cash	\$ 2,350	\$ 271	\$ 2,621
Investments	16,150	1,875	18,025
Receivables			
Accrued interest	82	10	92
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 18,582</u>	<u>\$ 2,156</u>	<u>\$ 20,738</u>
Liabilities			
Accounts payable	\$ 744	\$ -	\$ 744
Fund balances			
Restricted	17,838	-	17,838
Assigned	-	2,156	2,156
	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>17,838</u>	<u>2,156</u>	<u>19,994</u>
	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balances	<u>\$ 18,582</u>	<u>\$ 2,156</u>	<u>\$ 20,738</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, 2015

	<u>DWI Forfeiture</u>	<u>Other Forfeiture</u>	<u>Total</u>
Revenues			
Interest and dividends	\$ 285	\$ 27	\$ 312
Net change in fair value of investments	(118)	(11)	(129)
Miscellaneous	20,078	830	20,908
Total revenues	<u>20,245</u>	<u>846</u>	<u>21,091</u>
Expenditures			
Current			
Public safety	9,515	901	10,416
Capital outlay	13,388	-	13,388
Total expenditures	<u>22,903</u>	<u>901</u>	<u>23,804</u>
Net change in fund balances	(2,658)	(55)	(2,713)
Fund balances			
Beginning of year	<u>20,496</u>	<u>2,211</u>	<u>22,707</u>
End of year	<u>\$ 17,838</u>	<u>\$ 2,156</u>	<u>\$ 19,994</u>

CITY OF ROBBINSDALE

Special Revenue Fund
 City Code Compliance Fund Accounts
 Balance Sheet by Account
 December 31, 2015

	<u>Emergency Sewer and Water</u>	<u>Forced Tree Removal</u>	<u>Nuisance Abatements</u>	<u>Total</u>
Assets				
Cash	\$ 10,802	\$ 3,912	\$ 16,376	\$ 31,090
Investments	75,691	27,003	111,054	213,748
Receivables				
Accrued interest	387	138	567	1,092
Special assessments	171,046	8,765	11,176	190,987
Accounts	<u>14,955</u>	<u>667</u>	<u>3,883</u>	<u>19,505</u>
Total assets	<u><u>\$ 272,881</u></u>	<u><u>\$ 40,485</u></u>	<u><u>\$ 143,056</u></u>	<u><u>\$ 456,422</u></u>
Liabilities				
Accounts payable	\$ 3,000	\$ -	\$ -	\$ 3,000
Deferred inflows of resources				
Unavailable revenue – special assessments	170,831	8,765	11,291	190,887
Fund balances				
Committed	<u>99,050</u>	<u>31,720</u>	<u>131,765</u>	<u>262,535</u>
Total liabilities, deferred inflows of resources, and fund balances	<u><u>\$ 272,881</u></u>	<u><u>\$ 40,485</u></u>	<u><u>\$ 143,056</u></u>	<u><u>\$ 456,422</u></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, 2015

	Emergency Sewer and Water	Forced Tree Removal	Nuisance Abatements	Total
Revenues				
Special assessments	\$ 52,323	\$ 7,251	\$ 2,966	\$ 62,540
Charges for services	12,422	700	13,792	26,914
Interest and dividends	1,058	428	1,966	3,452
Net change in fair value of investments	(440)	(178)	(818)	(1,436)
Total revenues	<u>65,363</u>	<u>8,201</u>	<u>17,906</u>	<u>91,470</u>
Expenditures				
Current				
Public safety	<u>36,596</u>	<u>7,450</u>	<u>9,783</u>	<u>53,829</u>
Net change in fund balances	28,767	751	8,123	37,641
Fund balances				
Beginning of year	<u>70,283</u>	<u>30,969</u>	<u>123,642</u>	<u>224,894</u>
End of year	<u><u>\$ 99,050</u></u>	<u><u>\$ 31,720</u></u>	<u><u>\$ 131,765</u></u>	<u><u>\$ 262,535</u></u>

CITY OF ROBBINSDALE

Debt Service Fund
 General Debt Service Fund Accounts
 Balance Sheet by Account
 December 31, 2015

	2009 G.O. Capital Equipment Notes	2006 G.O. Street Reconstruction Bonds	2013 G.O. Street Reconstruction Bonds
	<u> </u>	<u> </u>	<u> </u>
Assets			
Cash	\$ 11,878	\$ 169,897	\$ 157,591
Investments	81,575	108,857	20,498
Receivables			
Accrued interest	417	556	105
Taxes	-	822	673
Special assessments	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 93,870</u>	<u>\$ 280,132</u>	<u>\$ 178,867</u>
Deferred inflows of resources			
Unavailable revenue – special assessments	\$ -	\$ -	\$ -
Fund balances			
Restricted	<u>93,870</u>	<u>280,132</u>	<u>178,867</u>
	<u> </u>	<u> </u>	<u> </u>
Total deferred inflows of resources, and fund balances	<u>\$ 93,870</u>	<u>\$ 280,132</u>	<u>\$ 178,867</u>

Special Assessment

2010 G.O. Refunding Street Improvement Bonds	2012 G.O. Street Improvement Bonds	2015 G.O. Street Improvement Bonds	Total
\$ 1,817	\$ 2,951	\$ 25,874	\$ 370,008
12,479	236,324	212,369	672,102
64	1,207	1,085	3,434
-	206	-	1,701
982	461,503	645,164	1,107,649
<u>\$ 15,342</u>	<u>\$ 702,191</u>	<u>\$ 884,492</u>	<u>\$ 2,154,894</u>
\$ 982	\$ 461,023	\$ 645,164	\$ 1,107,169
<u>14,360</u>	<u>241,168</u>	<u>239,328</u>	<u>1,047,725</u>
<u><u>\$ 15,342</u></u>	<u><u>\$ 702,191</u></u>	<u><u>\$ 884,492</u></u>	<u><u>\$ 2,154,894</u></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, 2015

	2009 G.O. Capital Equipment Notes	2006 G.O. Street Reconstruction Bonds	2013 G.O. Street Reconstruction Bonds
Revenues			
Property taxes	\$ -	\$ 205,768	\$ 168,420
Special assessments	-	-	-
Interest and dividends	1,464	1,522	406
Net change in fair value of investments	(609)	(633)	(169)
Total revenues	<u>855</u>	<u>206,657</u>	<u>168,657</u>
Expenditures			
Debt service			
Principal	-	170,000	110,000
Interest and fees	340	20,385	22,549
Total expenditures	<u>340</u>	<u>190,385</u>	<u>132,549</u>
Excess (deficiency) of revenues over (under) expenditures	515	16,272	36,108
Other financing sources (uses)			
Premium on debt issuance	-	-	-
Transfer out	-	-	(13,154)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(13,154)</u>
Net change in fund balances	515	16,272	22,954
Fund balances			
Beginning of year	<u>93,355</u>	<u>263,860</u>	<u>155,913</u>
End of year	<u>\$ 93,870</u>	<u>\$ 280,132</u>	<u>\$ 178,867</u>

Special Assessment

<u>2010 G.O. Refunding Street Improvement Bonds</u>	<u>2012 G.O. Street Improvement Bonds</u>	<u>2015 G.O. Street Improvement Bonds</u>	<u>Total</u>
\$ –	\$ 51,471	\$ –	\$ 425,659
–	134,105	237,165	371,270
224	2,536	1,672	7,824
<u>(93)</u>	<u>(1,055)</u>	<u>(696)</u>	<u>(3,255)</u>
131	187,057	238,141	801,498
–	140,000	–	420,000
52	36,778	46,864	126,968
<u>52</u>	<u>176,778</u>	<u>46,864</u>	<u>546,968</u>
79	10,279	191,277	254,530
–	–	48,051	48,051
–	–	–	(13,154)
<u>–</u>	<u>–</u>	<u>48,051</u>	<u>34,897</u>
79	10,279	239,328	289,427
<u>14,281</u>	<u>230,889</u>	<u>–</u>	<u>758,298</u>
<u>\$ 14,360</u>	<u>\$ 241,168</u>	<u>\$ 239,328</u>	<u>\$ 1,047,725</u>

CITY OF ROBBINSDALE

Capital Project Fund
 Capital Improvement Fund Accounts
 Balance Sheet by Account
 December 31, 2015

	Cable Grant	Government Building Improvements	Park Capital Improvements	Total
Assets				
Cash	\$ 36,506	\$ 10,087	\$ 106,089	\$ 152,682
Investments	251,128	69,248	724,568	1,044,944
Receivables				
Accrued interest	1,283	354	3,700	5,337
Due from other governments	2,759	-	-	2,759
Notes	-	-	619,510	619,510
Total assets	\$ 291,676	\$ 79,689	\$ 1,453,867	\$ 1,825,232
Liabilities				
Accounts payable	\$ -	\$ -	\$ 7,964	\$ 7,964
Unearned revenue	-	-	619,510	619,510
Total liabilities	-	-	627,474	627,474
Fund balances				
Committed	291,676	79,689	525,100	896,465
Assigned	-	-	301,293	301,293
Total fund balances	291,676	79,689	826,393	1,197,758
Total liabilities and fund balances	\$ 291,676	\$ 79,689	\$ 1,453,867	\$ 1,825,232

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, 2015

	Cable Grant	Government Building Improvements	Park Capital Improvements	Total
Revenues				
Intergovernmental	\$ 29,695	\$ -	\$ -	\$ 29,695
Interest and dividends	4,331	1,253	10,976	16,560
Net change in fair value of investments	(1,803)	(522)	(4,568)	(6,893)
Miscellaneous	2,760	9,001	1,050	12,811
Total revenues	<u>34,983</u>	<u>9,732</u>	<u>7,458</u>	<u>52,173</u>
Expenditures				
Current				
General government	1,007	291	341	1,639
Recreation	-	-	24,917	24,917
Capital outlay and improvements	-	6,930	41,863	48,793
Total expenditures	<u>1,007</u>	<u>7,221</u>	<u>67,121</u>	<u>75,349</u>
Excess (deficiency) of revenues over (under) expenditures	33,976	2,511	(59,663)	(23,176)
Other financing sources				
Transfer in	-	-	200,000	200,000
Net change in fund balances	33,976	2,511	140,337	176,824
Fund balances				
Beginning of year	<u>257,700</u>	<u>77,178</u>	<u>686,056</u>	<u>1,020,934</u>
End of year	<u>\$ 291,676</u>	<u>\$ 79,689</u>	<u>\$ 826,393</u>	<u>\$ 1,197,758</u>

CITY OF ROBBINSDALE

Schedule of Long-Term Debt Issues Payable
December 31, 2015

	<u>Year</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Street Bonds					
General Obligation Street Improvement					
Bonds of 2015A					
	2016	3.00%	\$ -	\$ 117,687	\$ 117,687
	2017	3.00%	320,000	92,150	412,150
	2018	3.00%	325,000	82,475	407,475
	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	40,850	410,850
	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>3,630,000</u>	<u>585,662</u>	<u>4,215,662</u>
General Obligation Street Improvement					
Bonds of 2013A					
	2016	3.00%	120,000	38,600	158,600
	2017	3.00%	155,000	34,475	189,475
	2018	3.00%	160,000	29,750	189,750
	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>1,475,000</u>	<u>182,451</u>	<u>1,657,451</u>
General Obligation Street Improvement					
Bonds of 2012A					
	2016	0.60%	145,000	15,038	160,038
	2017	0.75%	145,000	14,059	159,059
	2018	1.00%	145,000	12,790	157,790
	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>1,200,000</u>	<u>75,915</u>	<u>1,275,915</u>
General Obligation Street Reconstruction					
Bonds of 2006A					
	2016	4.38%	180,000	12,031	192,031
	2017	4.38%	185,000	4,046	189,046
Subtotal			<u>365,000</u>	<u>16,077</u>	<u>381,077</u>
Total General Obligation Street Bonds			<u>\$ 6,670,000</u>	<u>\$ 860,105</u>	<u>\$ 7,530,105</u>

(continued)

CITY OF ROBBINSDALE

Schedule of Long-Term Debt Issues Payable (continued)
December 31, 2015

	<u>Year</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Tax Increment Bonds					
General Obligation Tax Increment					
Bonds of 2010A					
	2016	2.25%	\$ 140,000	\$ 156,813	\$ 296,813
	2017	2.50%	155,000	153,300	308,300
	2018	2.75%	165,000	149,094	314,094
	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
			<u>\$ 4,565,000</u>	<u>\$ 1,713,344</u>	<u>\$ 6,278,344</u>
Total General Obligation Tax Increment Bonds					

(continued)

CITY OF ROBBINSDALE

Schedule of Long-Term Debt Issues Payable (continued)
December 31, 2015

	<u>Year</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Housing Refunding Bonds					
General Obligation Housing					
Refunding Bonds – Series 2015A					
	2016	2.00%	\$ 250,000	\$ 94,520	\$ 344,520
	2017	2.00%	235,000	72,575	307,575
	2018	2.00%	240,000	67,825	307,825
	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	48,175	303,175
	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>\$ 3,670,000</u>	<u>\$ 631,883</u>	<u>\$ 4,301,883</u>
Total General Obligation Housing Refunding Bonds					

(continued)

CITY OF ROBBINSDALE

Schedule of Long-Term Debt Issues Payable (continued)
December 31, 2015

	Year	Interest Rate	Principal	Interest	Total
General Obligation Utility Revenue Bonds					
General Obligation Utility Revenue					
Bonds of 2015A					
	2016	3.00%	\$ -	\$ 90,981	\$ 90,981
	2017	3.00%	250,000	71,200	321,200
	2018	3.00%	250,000	63,700	313,700
	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			2,805,000	452,056	3,257,056
General Obligation Utility Revenue					
Bonds of 2013A					
	2016	3.00%	255,000	67,006	322,006
	2017	3.00%	265,000	59,206	324,206
	2018	3.00%	270,000	51,181	321,181
	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			2,580,000	313,928	2,893,928
General Obligation Utility Revenue					
Bonds of 2012A					
	2016	0.60%	250,000	26,145	276,145
	2017	0.75%	250,000	24,458	274,458
	2018	1.00%	255,000	22,245	277,245
	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			2,085,000	131,903	2,216,903
General Obligation Utility Revenue					
Bonds of 2006B					
	2016	4.15%	420,000	27,195	447,195
	2017	4.20%	440,000	9,240	449,240
Subtotal			860,000	36,435	896,435
Total General Obligation Utility Revenue Bonds			<u>\$ 8,330,000</u>	<u>\$ 934,322</u>	<u>\$ 9,264,322</u>
Total long-term debt issues payable			<u>\$ 23,235,000</u>	<u>\$ 4,139,654</u>	<u>\$ 27,374,654</u>



READER'S NOTES:

STATISTICAL SECTION

(UNAUDITED)

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			
	2006	2007	2008	2009
Governmental activities				
Net investment in capital assets	\$ 15,748,190	\$ 17,745,376	\$ 20,044,810	\$ 20,986,539
Restricted	3,546,708	3,774,299	5,306,950	4,340,185
Unrestricted	14,387,113	14,149,027	11,229,098	12,985,212
Total governmental activities net position	<u>\$ 33,682,011</u>	<u>\$ 35,668,702</u>	<u>\$ 36,580,858</u>	<u>\$ 38,311,936</u>
Business-type activities				
Net investment in capital assets	\$ 6,365,536	\$ 7,352,373	\$ 8,682,059	\$ 9,895,291
Unrestricted	9,042,271	9,147,136	8,942,806	8,682,243
Total business-type activities net position	<u>\$ 15,407,807</u>	<u>\$ 16,499,509</u>	<u>\$ 17,624,865</u>	<u>\$ 18,577,534</u>
Primary government				
Net investment in capital assets	\$ 22,113,726	\$ 25,097,749	\$ 28,726,869	\$ 30,881,830
Restricted	3,546,708	3,774,299	5,306,950	4,340,185
Unrestricted	23,429,384	23,296,163	20,171,904	21,667,455
Total primary government net position	<u>\$ 49,089,818</u>	<u>\$ 52,168,211</u>	<u>\$ 54,205,723</u>	<u>\$ 56,889,470</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.

2010	2011	2012	2013	2014	2015
\$ 23,463,188	\$ 23,776,331	\$ 24,538,707	\$ 26,411,500	\$ 26,187,960	\$ 26,904,236
7,141,972	7,595,341	8,080,478	7,804,118	8,722,641	9,510,363
8,199,538	9,207,928	10,727,036	9,566,617	10,751,418	6,986,669
<u>\$ 38,804,698</u>	<u>\$ 40,579,600</u>	<u>\$ 43,346,221</u>	<u>\$ 43,782,235</u>	<u>\$ 45,662,019</u>	<u>\$ 43,401,268</u>
\$ 11,163,407	\$ 13,765,560	\$ 15,162,769	\$ 15,639,673	\$ 16,695,757	\$ 17,274,903
9,049,633	9,141,500	9,345,577	10,020,143	10,403,372	10,832,374
<u>\$ 20,213,040</u>	<u>\$ 22,907,060</u>	<u>\$ 24,508,346</u>	<u>\$ 25,659,816</u>	<u>\$ 27,099,129</u>	<u>\$ 28,107,277</u>
\$ 34,626,595	\$ 37,541,891	\$ 39,701,476	\$ 42,051,173	\$ 42,883,717	\$ 44,179,139
7,141,972	7,595,341	8,080,478	7,804,118	8,722,641	9,510,363
17,249,171	18,349,428	20,072,613	19,586,760	21,154,790	17,819,043
<u>\$ 59,017,738</u>	<u>\$ 63,486,660</u>	<u>\$ 67,854,567</u>	<u>\$ 69,442,051</u>	<u>\$ 72,761,148</u>	<u>\$ 71,508,545</u>

CITY OF ROBBINSDALE

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

	Fiscal Year			
	2006	2007	2008	2009
Expenses				
Governmental activities				
General government	\$ 1,049,589	\$ 1,021,438	\$ 1,141,359	\$ 1,096,856
Community development	2,369,643	1,448,035	1,149,841	2,059,442
Public safety	3,869,833	3,808,379	4,080,471	4,051,535
Recreation	1,513,183	1,527,831	1,331,959	1,298,539
Public works	1,365,549	1,909,203	2,241,390	2,215,989
Human services	19,133	1,600	1,700	4,830
Interest on long-term debt	337,565	469,848	383,544	527,820
Total governmental activities expenses	<u>10,524,495</u>	<u>10,186,334</u>	<u>10,330,264</u>	<u>11,255,011</u>
Business-type activities				
Water utility	966,178	1,009,200	1,006,173	1,028,542
Sanitary sewer utility	1,369,615	1,368,433	1,396,520	1,442,525
Storm sewer utility	212,160	240,535	249,502	333,634
Solid waste utility	1,146,931	1,199,735	996,067	1,157,282
Liquor operations	2,006,001	2,089,831	2,326,877	2,407,183
Broadway Court	921,423	511,213	646,977	623,985
Deputy registrar	306,247	324,699	336,435	306,467
Total business-type activities expenses	<u>6,928,555</u>	<u>6,743,646</u>	<u>6,958,551</u>	<u>7,299,618</u>
Total primary government expenses	<u>\$ 17,453,050</u>	<u>\$ 16,929,980</u>	<u>\$ 17,288,815</u>	<u>\$ 18,554,629</u>
Program revenues				
Government activities				
Charges for services				
General government	\$ 496,483	\$ 470,307	\$ 928,742	\$ 828,171
Community development	1,325,412	911,293	310,165	454,962
Public safety	679,693	575,020	292,400	413,046
Recreation	172,860	170,235	152,906	149,784
Public works	793,648	964,135	348,025	63,087
Operating grants and contributions	294,927	424,164	376,447	388,076
Capital grants and contributions	1,925,124	85,833	59,364	1,327,312
Total governmental activities program revenues	<u>5,688,147</u>	<u>3,600,987</u>	<u>2,468,049</u>	<u>3,624,438</u>

2010	2011	2012	2013	2014	2015
\$ 1,106,459	\$ 1,037,556	\$ 989,271	\$ 973,641	\$ 975,344	\$ 1,042,240
3,044,249	1,134,987	1,254,540	1,421,508	1,282,571	1,777,385
4,282,407	4,397,904	4,459,174	4,557,142	4,553,069	4,850,345
1,272,513	1,228,887	1,322,374	1,308,459	1,352,324	1,475,916
2,136,832	2,391,935	2,308,828	2,620,443	2,426,864	2,252,185
5,572	9,287	9,938	6,235	1,500	1,800
313,314	299,696	260,509	391,858	266,408	393,147
<u>12,161,346</u>	<u>10,500,252</u>	<u>10,604,634</u>	<u>11,279,286</u>	<u>10,858,080</u>	<u>11,793,018</u>
950,138	934,582	995,704	1,021,889	1,084,196	1,071,815
1,446,157	1,391,133	1,409,068	1,538,450	1,539,728	1,628,374
402,715	380,028	400,964	822,609	640,688	786,404
1,067,228	1,178,725	1,187,660	1,138,785	1,167,234	1,195,337
2,438,123	2,540,598	652,729	641,549	659,839	724,292
637,144	648,730	643,637	679,991	793,486	764,961
283,385	289,334	345,079	346,636	345,878	380,960
<u>7,224,890</u>	<u>7,363,130</u>	<u>5,634,841</u>	<u>6,189,909</u>	<u>6,231,049</u>	<u>6,552,143</u>
<u>\$ 19,386,236</u>	<u>\$ 17,863,382</u>	<u>\$ 16,239,475</u>	<u>\$ 17,469,195</u>	<u>\$ 17,089,129</u>	<u>\$ 18,345,161</u>
\$ 852,568	\$ 843,093	\$ 975,673	\$ 818,056	\$ 847,045	\$ 920,187
521,134	252,697	281,728	238,867	214,011	272,315
363,590	486,557	619,592	593,931	418,788	384,984
153,612	163,736	161,150	138,562	106,521	110,781
25,077	172,560	119,723	113,420	124,571	66,358
439,595	484,766	449,139	544,750	1,168,773	472,137
1,534,501	947,020	2,348,028	1,252,500	898,623	1,824,891
<u>3,890,077</u>	<u>3,350,429</u>	<u>4,955,033</u>	<u>3,700,086</u>	<u>3,778,332</u>	<u>4,051,653</u>

(continued)

CITY OF ROBBINSDALE

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

	Fiscal Year			
	2006	2007	2008	2009
Program revenues (continued)				
Business-type activities				
Charges for services				
Water utility	1,284,073	1,273,413	1,302,235	1,393,085
Sanitary sewer utility	1,379,471	1,455,471	1,435,943	1,511,743
Storm sewer utility	436,038	486,436	502,944	584,252
Solid waste utility	1,193,393	1,231,954	1,291,993	1,335,313
Liquor operations	1,982,472	2,159,658	2,475,473	2,613,894
Broadway Court	683,452	729,821	679,654	623,403
Deputy registrar	321,732	324,552	308,660	285,532
Operating grants and contributions	35,973	36,656	41,739	41,409
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	<u>7,316,604</u>	<u>7,697,961</u>	<u>8,038,641</u>	<u>8,388,631</u>
Total primary government program revenues	<u>\$ 13,004,751</u>	<u>\$ 11,298,948</u>	<u>\$ 10,506,690</u>	<u>\$ 12,013,069</u>
Net (expense) revenue				
Governmental activities	\$ (4,836,348)	\$ (6,585,347)	\$ (7,862,215)	\$ (7,630,573)
Business-type activities	<u>388,049</u>	<u>954,315</u>	<u>1,080,090</u>	<u>1,089,013</u>
Total primary government net expense	<u>\$ (4,448,299)</u>	<u>\$ (5,631,032)</u>	<u>\$ (6,782,125)</u>	<u>\$ (6,541,560)</u>
Program revenue and transfers				
Governmental activities				
Property taxes	\$ 4,633,684	\$ 4,729,048	\$ 4,865,778	\$ 5,207,900
Tax increments	403,679	462,906	858,422	582,440
Unrestricted grants and contributions	1,467,355	1,288,363	1,260,527	1,513,062
Franchise fee tax	617,774	626,873	665,885	572,380
Investment earnings, including FMV change	916,612	1,113,326	828,530	404,427
Land sales and gain on sale of assets	131,685	17,034	8,500	793,845
Transfers	258,406	334,488	286,729	287,597
Total governmental activities	<u>8,429,195</u>	<u>8,572,038</u>	<u>8,774,371</u>	<u>9,361,651</u>
Business-type activities				
Investment earnings, including FMV change	421,985	471,875	331,995	151,253
Transfers	<u>(258,406)</u>	<u>(334,488)</u>	<u>(286,729)</u>	<u>(287,597)</u>
Total business-type activities	<u>163,579</u>	<u>137,387</u>	<u>45,266</u>	<u>(136,344)</u>
Total primary government	<u>\$ 8,592,774</u>	<u>\$ 8,709,425</u>	<u>\$ 8,819,637</u>	<u>\$ 9,225,307</u>
Change in net position				
Governmental activities	\$ 3,592,847	\$ 1,986,691	\$ 912,156	\$ 1,731,078
Business-type activities	<u>551,628</u>	<u>1,091,702</u>	<u>1,125,356</u>	<u>952,669</u>
Total primary government	<u>\$ 4,144,475</u>	<u>\$ 3,078,393</u>	<u>\$ 2,037,512</u>	<u>\$ 2,683,747</u>

2010	2011	2012	2013	2014	2015
1,393,631	1,531,358	1,555,498	1,656,907	1,551,314	1,663,593
1,488,173	1,578,373	1,625,636	1,850,570	1,673,454	1,833,145
699,952	732,042	806,383	757,519	814,133	878,926
1,393,672	1,448,813	1,489,942	1,504,128	1,545,736	1,606,246
2,647,370	2,725,843	770,279	764,436	827,669	824,676
679,582	704,559	723,657	758,607	758,703	792,501
285,074	381,557	430,840	416,912	460,277	489,175
42,444	42,101	41,340	55,387	41,550	47,132
57,348	942,652	141,498	–	–	483,000
<u>8,687,246</u>	<u>10,087,298</u>	<u>7,585,073</u>	<u>7,764,466</u>	<u>7,672,836</u>	<u>8,618,394</u>
<u>\$ 12,577,323</u>	<u>\$ 13,437,727</u>	<u>\$ 12,540,106</u>	<u>\$ 11,464,552</u>	<u>\$ 11,451,168</u>	<u>\$ 12,670,047</u>
\$ (8,271,269)	\$ (7,149,823)	\$ (5,649,601)	\$ (7,579,200)	\$ (7,079,748)	\$ (7,741,365)
<u>1,462,356</u>	<u>2,724,168</u>	<u>1,950,232</u>	<u>1,574,557</u>	<u>1,441,787</u>	<u>2,066,251</u>
<u>\$ (6,808,913)</u>	<u>\$ (4,425,655)</u>	<u>\$ (3,699,369)</u>	<u>\$ (6,004,643)</u>	<u>\$ (5,637,961)</u>	<u>\$ (5,675,114)</u>
\$ 5,862,472	\$ 5,346,373	\$ 5,426,522	\$ 5,477,294	\$ 5,310,453	\$ 5,748,706
428,833	436,806	369,999	283,035	279,418	353,947
1,251,515	1,250,114	1,181,930	1,191,387	1,627,954	1,692,688
553,215	582,971	507,460	594,792	654,308	575,494
351,633	685,626	268,021	(178,589)	598,936	194,835
337,653	266,904	200,667	287,706	230,773	523,450
(21,290)	355,931	461,623	359,589	257,690	505,059
<u>8,764,031</u>	<u>8,924,725</u>	<u>8,416,222</u>	<u>8,015,214</u>	<u>8,959,532</u>	<u>9,594,179</u>
151,860	325,783	112,677	(63,498)	255,216	79,329
21,290	(355,931)	(461,623)	(359,589)	(257,690)	(505,059)
<u>173,150</u>	<u>(30,148)</u>	<u>(348,946)</u>	<u>(423,087)</u>	<u>(2,474)</u>	<u>(425,730)</u>
<u>\$ 8,937,181</u>	<u>\$ 8,894,577</u>	<u>\$ 8,067,276</u>	<u>\$ 7,592,127</u>	<u>\$ 8,957,058</u>	<u>\$ 9,168,449</u>
\$ 492,762	\$ 1,774,902	\$ 2,766,621	\$ 436,014	\$ 1,879,784	\$ 1,852,814
<u>1,635,506</u>	<u>2,694,020</u>	<u>1,601,286</u>	<u>1,151,470</u>	<u>1,439,313</u>	<u>1,640,521</u>
<u>\$ 2,128,268</u>	<u>\$ 4,468,922</u>	<u>\$ 4,367,907</u>	<u>\$ 1,587,484</u>	<u>\$ 3,319,097</u>	<u>\$ 3,493,335</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>
2006	\$ 4,633,684	\$ 403,679	\$ 617,774	\$ 5,655,137
2007	4,729,048	462,906	626,873	5,818,827
2008	4,865,778	858,422	665,885	6,390,085
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

CITY OF ROBBINSDALE

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

	Fiscal Year			
	2006	2007	2008	2009
General Fund				
Reserved	\$ 7,285	\$ 6,790	\$ 6,900	\$ -
Unreserved	4,279,813	4,472,900	4,383,127	4,748,267
Nonspendable	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total General Fund	<u>\$ 4,287,098</u>	<u>\$ 4,479,690</u>	<u>\$ 4,390,027</u>	<u>\$ 4,748,267</u>
All other governmental funds				
Reserved	\$ 6,275,348	\$ 6,894,300	\$ 9,261,117	\$ 8,205,820
Unreserved, reported in				
Special revenue funds	1,775,289	918,229	(679,842)	(425,410)
Debt service funds	(54,101)	(10,312)	-	-
Capital project funds	7,255,854	5,825,135	4,879,022	4,506,191
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total all other governmental funds	<u>\$ 15,252,390</u>	<u>\$ 13,627,352</u>	<u>\$ 13,460,297</u>	<u>\$ 12,286,601</u>

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

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5,281,704	-	-	-	-	-
-	4,522	3,554	2,640	340	340
-	140,801	33,698	45,814	83,116	124,345
-	4,843,517	4,328,998	4,592,204	4,498,956	4,864,657
<u>\$ 5,281,704</u>	<u>\$ 4,988,840</u>	<u>\$ 4,366,250</u>	<u>\$ 4,640,658</u>	<u>\$ 4,582,412</u>	<u>\$ 4,989,342</u>
\$ 5,257,568	\$ -	\$ -	\$ -	\$ -	\$ -
(127,690)	-	-	-	-	-
(460,956)	-	-	-	-	-
4,663,805	-	-	-	-	-
-	2,281	2,281	3,240	-	-
-	7,561,737	7,445,206	8,860,160	7,884,505	8,057,158
-	224,073	1,333,229	563,002	2,820,520	1,594,977
-	5,398,899	6,553,837	5,454,073	4,963,493	6,330,908
-	(2,588,475)	(3,049,329)	(3,301,650)	(3,540,974)	(3,903,918)
<u>\$ 9,332,727</u>	<u>\$ 10,598,515</u>	<u>\$ 12,285,224</u>	<u>\$ 11,578,825</u>	<u>\$ 12,127,544</u>	<u>\$ 12,079,125</u>

CITY OF ROBBINSDALE

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

	Fiscal Year			
	2006	2007	2008	2009
Revenues				
Property taxes	\$ 4,603,357	\$ 4,721,221	\$ 4,844,180	\$ 5,208,981
Tax increments	403,679	462,906	858,422	582,440
Special assessments	531,297	541,727	507,304	763,799
Licenses and permits	382,539	391,529	449,548	277,740
Intergovernmental	3,659,393	1,771,703	1,663,520	1,901,058
Charges for services	1,691,911	860,561	1,078,774	1,251,399
Fines and forfeitures	227,925	171,171	203,219	215,239
Franchise fee tax	617,774	626,873	665,886	572,380
Investment earnings	752,683	930,662	666,418	331,110
Other	1,160,164	309,628	63,031	906,314
Total revenues	<u>14,030,722</u>	<u>10,787,981</u>	<u>11,000,302</u>	<u>12,010,460</u>
Expenditures				
General government	990,636	973,968	1,083,493	968,799
Community development	2,366,226	1,448,898	1,150,909	2,055,531
Public safety	3,624,457	3,633,238	3,950,431	3,856,292
Recreation	1,369,046	1,379,462	1,341,943	1,129,610
Public works	1,199,080	1,349,011	1,585,959	1,771,977
Human services	19,133	1,600	1,700	4,830
Capital outlay	3,833,773	2,484,380	1,956,457	2,090,134
Debt service				
Principal	525,000	5,830,000	610,000	650,000
Interest	314,789	417,358	465,753	458,921
Other charges	-	-	-	-
Total expenditures	<u>14,242,140</u>	<u>17,517,915</u>	<u>12,146,645</u>	<u>12,986,094</u>
Excess (deficiency) of revenues over (under) expenditures	(211,418)	(6,729,934)	(1,146,343)	(975,634)
Other financing sources (uses)				
Transfers in	1,408,100	412,578	1,915,737	655,992
Transfers out	(1,073,994)	(580,090)	(1,026,112)	(1,248,032)
Sale of assets	-	-	-	2,218
Refunding of debt	-	-	-	-
Issuance of debt	1,535,000	5,465,000	-	750,000
Total other financing sources (uses)	<u>1,869,106</u>	<u>5,297,488</u>	<u>889,625</u>	<u>160,178</u>
Net change in fund balances	<u>\$ 1,657,688</u>	<u>\$(1,432,446)</u>	<u>\$ (256,718)</u>	<u>\$ (815,456)</u>
Debt service as a percentage of noncapital expenditures	<u>8.1%</u>	<u>41.6%</u>	<u>10.6%</u>	<u>10.2%</u>

2010	2011	2012	2013	2014	2015
\$ 5,866,841	\$ 5,381,400	\$5,448,207	\$ 5,488,515	\$ 5,348,292	\$ 5,727,334
428,833	436,806	369,999	283,035	279,418	353,947
577,387	538,101	571,140	692,394	554,521	894,731
343,634	434,501	544,442	382,861	410,277	482,250
2,963,756	2,182,047	3,779,540	1,760,904	3,243,969	2,702,251
1,005,335	958,497	1,051,824	1,000,482	1,145,967	934,125
190,979	300,654	460,080	431,109	323,094	218,482
553,215	582,971	507,460	594,792	654,308	575,494
268,264	532,861	208,630	(125,405)	422,113	137,503
391,290	444,777	133,131	343,650	561,899	564,037
<u>12,589,534</u>	<u>11,792,615</u>	<u>13,074,453</u>	<u>10,852,337</u>	<u>12,943,858</u>	<u>12,590,154</u>
1,022,579	915,452	942,397	918,589	938,023	993,622
3,042,189	1,124,405	1,254,590	1,418,412	1,279,288	1,768,682
4,088,345	4,172,999	4,442,975	4,457,050	4,503,316	4,841,779
1,121,555	1,055,748	1,054,146	1,033,545	1,057,303	1,132,014
1,681,808	1,598,566	1,666,416	1,935,272	1,694,136	1,599,662
5,572	9,287	9,938	6,235	1,500	1,800
2,753,706	1,297,771	2,739,296	2,757,747	2,227,310	5,316,730
6,243,500	740,000	815,000	500,500	576,000	550,000
367,049	351,929	272,350	289,929	284,199	330,287
117,245	-	-	-	-	-
<u>20,443,548</u>	<u>11,266,157</u>	<u>13,197,108</u>	<u>13,317,279</u>	<u>12,561,075</u>	<u>16,534,576</u>
(7,854,014)	526,458	(122,655)	(2,464,942)	382,783	(3,944,422)
1,296,981	1,349,273	883,969	538,036	1,085,403	676,496
(1,128,182)	(902,807)	(1,157,346)	(159,336)	(977,713)	(221,437)
-	-	-	-	-	-
(705,000)	-	-	-	-	-
5,969,778	-	1,460,151	1,654,251	-	3,847,874
<u>5,433,577</u>	<u>446,466</u>	<u>1,186,774</u>	<u>2,032,951</u>	<u>107,690</u>	<u>4,302,933</u>
<u>\$ (2,420,437)</u>	<u>\$ 972,924</u>	<u>\$ 1,064,119</u>	<u>\$ (431,991)</u>	<u>\$ 490,473</u>	<u>\$ 358,511</u>
<u>38.0%</u>	<u>11.2%</u>	<u>10.5%</u>	<u>7.6%</u>	<u>8.4%</u>	<u>8.0%</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>
2006	\$ 4,603,357	\$ 403,679	\$ 617,774	\$ 5,624,810
2007	4,721,221	462,906	626,873	5,811,000
2008	4,844,180	858,422	665,886	6,368,488
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

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
2006	\$ 976,950,300	\$ 6,571,400	\$ 983,521,700	37.214 %	\$ 1,050,761,600	93.6 %
2007	1,093,871,200	6,825,800	1,100,697,000	37.322	1,139,139,300	96.6
2008	1,166,049,400	6,712,200	1,172,761,600	36.305	1,180,923,800	99.3
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

Source: Hennepin County

CITY OF ROBBINSDALE

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

Fiscal Year	City Direct				County Tax Capacity Rate	Overlapping		Total Direct and Overlapping Rates
	Operating	Debt Service	HRA/EDA	Total City		ISD No. 281, Robbinsdale Area Schools Tax Capacity Rate	Special Districts	
2006	34.408	1.611	1.195	37.214	44.172	30.016	7.826	119.228
2007	33.781	2.302	1.239	37.322	39.110	28.750	7.427	112.609
2008	32.799	2.268	1.238	36.305	38.571	27.243	8.048	110.167
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

(1) 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	2015				2006			
	Taxable Market Value	Tax Capacity	Rank	Percentage of Total Tax Capacity	Taxable Market Value	Tax Capacity	Rank	Percentage of Total Tax Capacity
Oakdale Medical Buildings	\$12,121,000	\$ 242,420	1	2.76 %	\$ 14,812,000	\$ 296,240	1	2.94 %
Copperfield Hill Apartments	16,979,000	212,238	2	2.41	11,991,907	223,663	2	2.22
Robin Center	7,040,000	140,050	3	1.59	4,450,000	88,250	7	0.88
Beach South Apartments	7,603,000	95,038	4	1.08	7,451,000	93,138	6	0.92
Town Center	4,630,000	91,850	5	1.04	5,477,000	108,790	4	1.08
Terrace Mall	4,300,000	85,250	6	0.97	5,438,000	108,010	5	1.07
Xcel Energy	3,741,600	74,832	7	0.85	-	-	-	-
Windsor Court Apartments	4,162,000	52,026	8	0.59	-	-	-	-
NSP Utility	2,476,200	49,524	9	0.56	-	-	-	-
Walgreens	2,349,000	46,230	10	0.53	-	-	-	-
North Memorial Medical Center – taxable portion	-	-	-	-	-	-	-	-
	-	-	-	-	5,638,000	111,260	3	1.10
Robins Landing	-	-	-	-	6,073,000	45,548	8	0.45
U.S. Bank	-	-	-	-	2,083,000	40,910	9	0.41
Trevilla Nursing Home	-	-	-	-	3,085,000	38,563	10	0.38
Total	\$65,401,800	\$ 1,089,458		12.39 %	\$ 66,498,907	\$ 1,154,372		11.45 %

Note: Total city property tax capacity payable for 2015 is \$8,795,474.

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
2006	\$ 4,418,526	\$ 4,339,831	98.22 %	\$ 78,695	\$ 4,418,526	100.00 %
2007	4,834,598	4,737,545	97.99	97,053	4,834,598	100.00
2008	4,950,925	4,847,344	97.91	103,581	4,950,925	100.00
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	71,385	5,451,674	99.97
2011	5,652,198	5,595,223	98.99	54,695	5,649,918	99.96
2012	5,378,607	5,331,953	99.13	42,113	5,374,066	99.92
2013	5,418,706	5,382,686	99.34	33,320	5,416,006	99.95
2014	5,486,896	5,443,230	99.20	39,060	5,482,290	99.92
2015	5,644,249	5,612,284	99.43	–	5,612,284	99.43

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	Net Premiums (Discounts)	General Obligation Revenue Bonds	General Obligation Housing Bonds
2006	\$ 3,545,000	\$ 6,050,000	\$ –	\$ –	\$ 7,043,000	\$ 4,730,000
2007	3,280,000	5,950,000	–	–	6,616,000	4,685,000
2008	2,915,000	5,705,000	–	–	5,866,000	4,580,000
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

(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)
\$ -	\$ 21,368,000	4.17 %	\$ 1,560
-	20,531,000	3.90	1,515
-	19,066,000	3.61	1,402
-	18,284,000	3.42	1,327
-	16,301,500	2.81	1,168
-	14,640,500	2.45	1,049
(14,049)	16,865,081	2.81	1,203
113,148	20,251,366	3.33	1,425
104,950	18,696,400	3.02	1,294
315,273	23,812,468	3.37	1,641

CITY OF ROBBINSDALE

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less Amounts Available in Debt Service Funds</u>	<u>Total</u>	<u>Percentage of Total Taxable Assessed Value of Property (1)</u>	<u>Per Capita (2)</u>
2006	\$ 21,368,000	\$ 718,953	\$ 20,649,047	2.10 %	\$ 1,507
2007	20,531,000	778,424	19,752,576	1.79	1,458
2008	19,066,000	832,443	18,233,557	1.55	1,341
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	986
2012	16,865,081	705,170	16,159,911	2.00	1,153
2013	20,251,366	693,247	19,558,119	2.64	1,376
2014	18,696,400	758,298	17,938,102	2.62	1,242
2015	23,812,468	1,047,725	22,764,743	2.86	1,569

(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, 2015

Governmental Unit	Gross Debt	Sinking Fund	Net Debt	City Percentage	Share Amount
Direct debt					
City of Robbinsdale	\$ 11,497,195	N/A	\$ 11,497,195	100.00 %	\$ 11,497,195
Overlapping debt					
ISD No. 281, Robbinsdale Area Schools	153,041,506	\$ 2,679,063	150,362,443	10.30	15,487,332
Hennepin County	706,625,000	17,108,816	689,516,184	0.60	4,137,097
Suburban Hennepin Three Rivers Park District	63,510,000	13,913,503	49,596,497	0.82	406,691
Hennepin County Regional RR Authority	34,695,000	305,502	34,389,498	0.82	281,994
Metropolitan Council (1)	<u>206,020,000</u>	<u>138,855,520</u>	<u>67,164,480</u>	0.28	<u>188,061</u>
Total overlapping debt	<u>1,163,891,506</u>	<u>172,862,404</u>	<u>991,029,102</u>		<u>20,501,174</u>
Total direct and overlapping debt	<u>\$ 1,175,388,701</u>	<u>\$ 172,862,404</u>	<u>\$ 1,002,526,297</u>		<u>\$ 31,998,369</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

	Fiscal Year			
	2006	2007	2008	2009
Debt limit	\$ 19,670,434	\$ 22,013,940	\$ 35,182,848	\$ 34,283,034
Total net debt applicable to limit	<u>1,891,576</u>	<u>1,746,576</u>	<u>1,274,147</u>	<u>1,734,147</u>
Legal debt margin	<u>\$ 17,778,858</u>	<u>\$ 20,267,364</u>	<u>\$ 33,908,701</u>	<u>\$ 32,548,887</u>
Total net debt applicable to the limit as a percentage of debt limit	9.62%	7.93%	3.62%	5.06%

Note: Under state finance law, the City's outstanding general obligation debt should not exceed 3 percent (2 percent for years prior to 2008) of total market property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

2010	2011	2012	2013	2014	2015
\$ 31,637,235	\$ 28,638,618	\$ 27,211,854	\$ 25,261,338	\$ 23,706,948	\$ 26,780,520
1,652,929	986,518	2,016,330	3,222,753	2,701,702	5,622,275
<u>\$ 29,984,306</u>	<u>\$ 27,652,100</u>	<u>\$ 25,195,524</u>	<u>\$ 22,038,585</u>	<u>\$ 21,005,246</u>	<u>\$ 21,158,245</u>
5.22%	3.44%	7.41%	12.76%	11.40%	20.99%

Legal Debt Margin Calculation for Fiscal Year 2015

Estimated taxable market value	\$ 892,684,000
Debt limit (3% of market value)	26,780,520
Debt applicable to limit	
General obligation bonds	6,670,000
Less amount set aside for repayment of general obligation debt	<u>1,047,725</u>
Total net debt applicable to limit	<u>5,622,275</u>
Legal debt margin	<u>\$ 21,158,245</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	
2006	\$ 3,099,582	\$ 1,947,416	\$ 1,152,166	\$ 430,000	\$ 229,141	1.75
2007	3,215,320	1,964,877	1,250,443	427,000	260,270	1.82
2008	3,241,122	2,012,506	1,228,616	750,000	234,939	1.25
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

(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)
2006	13,698	\$ 37,373	\$ 511,935,354	38	14	1,472	3.5 %
2007	13,551	38,859	526,578,309	38	14	1,519	4.6
2008	13,598	38,859	528,404,682	38	14	1,836	4.9
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	13,953	42,843	597,788,379	37	14	1,747	5.5
2012	14,014	42,843	600,401,802	38	14	1,697	4.9
2013	14,212	42,843	608,884,716	38	14	1,735	4.4
2014	14,445	42,843	618,867,135	36	14	1,760	3.3
2015	14,512	48,711	706,894,032	36	14	1,726	3.5

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 rate; the city rate is not available)—rate is an annual average (bls.gov.lau/data.htm)



READER'S NOTES:

CITY OF ROBBINSDALE

Principal Employers
Current Year and Nine Years Ago

Employer	2015			2006		
	Number of Employees	Rank	Percentage of Total City Employment (1)	Number of Employees	Rank	Percentage of Total City Employment (1)
North Memorial Medical Center	4,300	1	- %	5,000	1	- %
Independent School District No. 281, Robbinsdale Area Schools	244	2	-	255	2	-
Good Samaritan Specialty Care	135	3	-	-	-	-
Copperfield Hill	100	4	-	-	-	-
U.S. Bank	92	5	-	100	3	-
City of Robbinsdale	90	6	-	71	5	-
U.S. Post Office	49	7	-	-	-	-
EMI Audio	21	8	-	-	-	-
Rainbow Foods	-	-	-	90	4	-
Robbinsdale Farm, Garden & Pet Supply	-	-	-	27	6	-
Burmeister Electric Co.	-	-	-	25	7	-
Twin City Federal Bank	-	-	-	20	8	-
Citizens Independent Bank	-	-	-	15	9	-
Total	5,031		- %	5,603		- %

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

Sources: Principal employers are the result of surveys of employers in conjunction with city bond sales. The last bond sale was in 2015 and included only eight employers. The 2006 information is from the 2005 G.O. Bond sale, this is the best available information.

CITY OF ROBBINSDALE

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

Function	Fiscal Year			
	2006	2007	2008	2009
General government (3)	12.82	10.62	13.10	11.83
Community development	2.21	2.97	3.01	2.00
Public safety				
Police				
Officers	22.24	19.78	21.16	21.95
Civilians	10.53	10.87	9.77	9.45
Fire				
Firefighters – paid on call (1)	–	–	–	–
Building inspections	1.59	1.59	1.92	1.71
Recreation				
Recreation programming	7.82	6.38	6.65	6.57
Park maintenance	5.09	4.80	4.94	4.58
Public works				
Engineering	5.17	4.30	4.33	5.41
Maintenance (2)	8.16	9.86	8.09	7.62
Water	2.70	2.76	2.55	2.42
Sanitary sewer	1.54	1.80	1.63	1.45
Storm sewer	0.20	0.19	0.10	1.01
Liquor operations	6.30	5.58	5.73	6.02
Deputy registrar	5.15	5.12	4.91	4.50
Five cities	0.45	0.46	0.48	0.46
Total	91.97	87.08	88.37	86.98

(1) There are 29 paid on-call firefighters with the City. FTEs are not tracked for this department.

(2) Includes FTEs from 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.

Source: City payroll records

2010	2011	2012	2013	2014	2015
12.08	11.60	11.02	9.59	9.90	9.57
2.49	2.20	2.53	2.26	3.18	3.84
21.06	21.93	22.41	22.53	21.59	24.79
10.21	10.93	10.79	10.54	9.37	9.34
–	–	–	–	–	–
1.56	1.70	1.72	1.75	1.60	1.72
5.24	5.19	5.35	5.58	5.64	5.44
4.89	4.38	4.36	4.47	2.94	3.80
5.35	5.58	5.51	5.93	4.46	4.41
8.13	6.87	6.88	9.24	8.87	9.59
2.18	2.49	2.33	2.28	2.31	2.08
1.65	1.57	1.62	1.89	1.67	1.89
1.28	1.41	1.30	0.89	0.28	1.10
6.74	7.07	7.36	6.85	7.53	8.68
3.88	4.15	5.07	4.64	5.09	5.23
0.43	0.42	0.43	0.42	–	–
<u>87.17</u>	<u>87.49</u>	<u>88.68</u>	<u>88.86</u>	<u>84.43</u>	<u>91.48</u>

CITY OF ROBBINSDALE

Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year			
	2006	2007	2008	2009
Police				
Radio calls (1)	13,976	13,528	15,352	14,888
Arrests	884	873	362	863
Traffic violations	2,439	2,423	3,801	2,851
Parking violations	626	1,074	823	668
Part I crimes charged	556	547	611	527
Part II crimes charged	1,052	995	1,070	977
Investigative cases referred	233	245	301	297
Police reserve hours logged	2,848	2,414	1,902	2,880
Fire				
Number of calls answered	322	380	351	334
Recreation				
Annual program registrations	2,253	3,511	3,614	2,662
Picnic/shelter building reservations	125	55	55	43
Skating rink attendance	1,670	2,361	3,902	4,190
Wading pool				
Annual attendance	1,843	1,565	1,546	1,095
Resident passes purchased	114	192	142	202
Community gym statistics				
Annual attendance	11,069	10,657	11,882	15,782
Punch passes sold	90	81	62	90
Memberships sold	101	73	36	56
Water				
Total connections	5,052	5,046	4,945	5,034
Water main breaks	11	9	10	11
Average daily flow (thousands of gallons)	825	890	838	891

(1) The measurement basis changed in 2013 to the actual number of calls received by county dispatch. Prior year information has not been restated.

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

Sources: Various government departments

2010	2011	2012	2013	2014	2015
14,279	16,576	17,291	22,811	20,697	20,417
854	1,083	1,059	844	808	964
2,747	4,718	5,680	5,365	3,285	1,989
568	843	456	733	659	516
468	506	464	342	404	450
899	1,022	998	916	913	915
317	2,126	2,303	2,365	1,375	1,278
2,582	2,489	2,205	1,969	1,606	1,303
322	320	344	339	301	329
2,250	2,050	2,381	2,170	2,427	2,020
49	44	56	122	77	66
3,800	3,800	1,700	2,424	1,944	2,466
923	847	1,430	1,919	1,493	806
162	208	445	470	263	174
16,263	16,717	18,801	18,144	16,595	17,592
59	43	29	48	33	67
33	18	15	38	41	19
5,114	5,130	5,133	5,130	5,127	5,139
7	14	13	13	13	5
809	848	825	840	811	814

CITY OF ROBBINSDALE

Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	Fiscal Year			
	2006	2007	2008	2009
Public safety				
Police				
Stations	1	1	1	1
Patrol units	6	6	7	7
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	2	1	1	1
Tennis courts	4	4	4	4
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	17
Water				
Water mains (miles)	48.4	48.4	48.4	48.4
Fire hydrants	323	323	323	323
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.

Sources: Various city departments

2010	2011	2012	2013	2014	2015
1	1	1	1	1	1
7	8	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
4	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	591	591	591	601
17	17	18	19	19	19
48.4	48.4	48.4	48.4	48.4	48.4
340	365	373	380	389	405
43.0	43.0	43.0	43.0	43.0	43.0
19.5	19.5	19.5	19.5	19.5	19.8



READER'S NOTES: