

CITY OF SAINT PAUL, MINNESOTA
COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2007



Photo and Design Credits

The cover features just a few of the many things that make St. Paul America's most livable city: a vibrant and diverse community, unique and connected neighborhoods, great sports and entertainment, affordable living, a good business climate, and beautiful scenery.

Photo credits:

- Lake Phalen dragon boat race photo courtesy Dragon Festival 2006
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City of Saint Paul Minnesota

Comprehensive Annual Financial Report
For the Fiscal Year Ended
December 31, 2007



Office of Financial Services
Todd P. Hurley, Acting Director

City of Saint Paul

Comprehensive Annual Financial Report
For the Fiscal Year Ended December 31, 2007

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Office of the Mayor
Office of Financial Services

Todd P. Hurley, Acting Director



City of Saint Paul

Mayor Christopher B. Coleman

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July 25, 2008

To the Honorable Mayor, Members of the City Council, and Citizens of Saint Paul:

The City of Saint Paul's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2007 is hereby submitted. The purpose of this report is to provide the Mayor, City Council, City Staff, citizens, bondholders and other interested parties with useful information concerning the City's operations and financial position. Responsibility for both the accuracy of data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

The CAFR is presented in three main sections:

1. Introductory Section - includes this transmittal letter, the City's organizational chart and a list of principal officials.
2. Financial Section - includes the independent auditor's report, Management's Discussion and Analysis (MD&A), the basic financial statements, notes to the financial statements and supplementary information.
3. Statistical Section - contains selected financial and demographic information presented on a multi-year basis.

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

INTERNAL CONTROL

To provide a reasonable basis for making these representations, the City of Saint Paul has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City of Saint Paul's financial statements in conformity with Generally Accepted Accounting Principles. Because the cost of internal controls should not outweigh their benefits, the City of Saint Paul's comprehensive framework of internal controls has been designed to provide a reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. All internal control evaluations occur within this framework. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

INDEPENDENT AUDIT

State law requires the State Auditor to perform an annual audit of the City and other cities of the first class in Minnesota. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Saint Paul for the fiscal year ended December 31, 2007 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the City, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Saint Paul's financial statements for the fiscal year ended December 31, 2007 are fairly presented in conformity with GAAP. The State Auditor's report is presented as the first component of the financial section of this report. As part of their examination, the State Auditor is also issuing a Management and Compliance letter covering the review of the City's system of internal control over financial reporting and tests of compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The Management and Compliance letter will not modify or affect, in any way, this report.

The City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Information related to this single audit - including the schedule of expenditures of federal awards, findings and recommendations, and auditor's reports on internal control over financial reporting and tests of compliance with certain provisions of laws, regulations, contracts and grants - will be included in the State Auditor's separately-issued Management and Compliance letter.

PROFILE OF THE GOVERNMENT

The City of Saint Paul has been a municipal corporation since 1854. Saint Paul is the state capital and Minnesota's second largest city. The City covers an area of 56 square miles and is situated wholly in Ramsey County. Saint Paul's 2006 population, per the Metropolitan Council, is 286,620. Data recorded by the Metropolitan Council indicates that the number of households in the City has remained relatively stable, and is 113,574 for 2006, a 3.0% increase from 1990.

The City of Saint Paul, Minnesota has a Mayor-Council form of government. The Mayor is elected by the voters of the City at large for four years on a full-time basis. The City is divided into seven wards. Voters of each ward elect a member of the City Council for four years on a part-time basis. Executive power is vested in the Mayor; legislative power is vested in the Council. The Mayor has veto power, which the Council may override with a vote of five members.

City services include: police, fire, street, sewer and bridge maintenance, parks and recreation centers, libraries, licensing, building and housing code inspections, planning and economic development, zoning, public improvements and general administration.

REPORTING ENTITY

The City's financial statements include all funds of the City (primary government) and its component units. The primary government represents all funds under the ultimate control of the Mayor and City Council. The Library Agency and Housing and Redevelopment Authority (HRA) are legally separate; however they both function in essence as a department of the City of Saint Paul and, therefore, have been included as an integral part of the City of Saint Paul's financial statements. The City of Saint Paul is also financially accountable for the legally separate Saint Paul RiverCentre Convention & Visitors Authority, Saint Paul Regional Water Services and the Port Authority of the City of Saint Paul, all of which are reported separately as component units within the City of Saint Paul's financial statements. The nature of the activities of these organizations and the specific justification and methods for inclusion as component units of the City are discussed in the notes to the financial statements.

BUDGET CONTROL

The annual budget serves as a foundation for the City of Saint Paul's financial planning and control. In August of each year, the Mayor presents the budget to the City Council for the following calendar year. The budget includes proposed expenditures and means of financing them. The Council then holds a public hearing to obtain taxpayer comments. The budget is legally adopted through the passage of a Council resolution.

City budget amendments that authorize an increase in total fund spending require approval of the City Council. In addition, City Council approval is required for budget amendments transferring appropriations between departments within the General Fund.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, Library Agency and the HRA General Fund, this is presented on pages 147-149 as part of the required supplementary comparison information. For other governmental funds with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts on page 160.

ECONOMIC OUTLOOK

Saint Paul is an important part of the overall strong Twin Cities metro area economy. The area gained 34,100 jobs between December 2005 and December 2006. Minneapolis-Saint Paul is 6th among the 25 largest MSAs in recent job growth.¹

Saint Paul compares favorably when ranked among the 20 largest northeast and midwest cities on certain economic and social factors². Among these peer cities:

- Saint Paul had the 3rd lowest annual unemployment rate in 2006 (4.1%).
- Saint Paul ranks 3rd highest in both median household income (\$43,654) and median family income (\$54,537) and 7th highest in per capita income (\$23,675).
- Saint Paul is 8th lowest in percent of people who have lived below poverty level in past year (20.9%)
- Saint Paul is 4th highest in percent of housing that is owner occupied (59.0%).
- The median value of owner-occupied houses in Saint Paul is 6th highest compared to peer cities (\$209,800).
- Saint Paul is 4th highest in percentage of occupied housing units (90.7%).
- Saint Paul ranked 3rd highest in percent of population over 25 years with a bachelor's degree (22.6%)

Over the years, Saint Paul has consistently registered a lower unemployment rate than that of the U.S. as a whole. For 2006, the City's 4.1% unemployment rate was lower than the U.S. rate of 4.6%. Saint Paul's largest employment sector is Education and Health Services (51,239 jobs in 2006; 28.4% of total). Other large super sectors include Trade, Transportation and Utilities (22,333 jobs; 12.4% of total), Public Administration (21,894 jobs; 12.1% of total), and Professional and Business Services (21,528 jobs; 11.9% of total).³

Similarly, tax base growth has been strong and sustained: From Pay 2003 to estimates for Pay 2008, Saint Paul's taxable market values have increased 82% (from \$12,659 billion to \$23,097 billion). This strong growth rate is due to the combination of a number of factors, including:

- Strong residential and apartment markets in 2003-2006.
- A state law that is gradually phasing out preferential treatment that limited year-to-year growth in homestead taxable values (known as "limited market value"). Recently, the taxable market value growth rate has slowed slightly as the phase out of limited market value nears completion.

¹ Metropolitan Council, *State of the Region 2007: Regional Economic Indicators*.

² The cities are Baltimore, Boston, Buffalo, Chicago, Cincinnati, Cleveland, Columbus, Detroit, Indianapolis, Kansas City, Milwaukee, Minneapolis, New York, Newark, Omaha, Philadelphia, Pittsburgh, St. Louis and Toledo.

³ Minnesota Department of Employment and Economic Development's Quarterly Census Employment and Wages (QCEW) tool, available at <http://www.deed.state.mn.us/lmi/tools/qcew.htm>.

Strong growth in the tax capacity of commercial and industrial properties has offset slowing in the residential market. Net tax capacities for commercial and industrial properties were projected to grow by 12.9%, compared to 9.7% for residential properties in the 2007 assessment year (for taxes payable in 2008).

Saint Paul began collecting a ½¢ sales tax at the end of 1993, and added a use tax in 2000. Annual net sales and use tax revenues have increased from \$8.4 million in 1994 to \$15.7 million in 2007. In 2008, sales tax revenues are estimated to decrease by 4.6%.

MAJOR INITIATIVES

To maintain this economic growth, the City will continue to develop and implement strategic plans to encourage private investment in housing and economic development projects in Saint Paul.

Two major foundations for economic development activities have been set during 2007:

City Strategic Plan

A new strategic vision for the City was developed by the Mayor's administration in consultation with other stakeholders. To support a vision of Saint Paul as the most livable city in America, it identifies 6 strategic goals:

Ready for School, Ready for Life: Education is core to the quality of life in our great City. Saint Paul will strive to ensure that learning opportunities are quality-driven and accessible for all. We will work to leverage City and community resources, building on the strengths of our people. Saint Paul will work in concert with its many education resources: our world-class public, private and charter schools; premier colleges and universities; libraries; and a network of informal learning institutions. Education will be at the forefront of closing the gap between the "haves" and "have-nots."

Safe Streets and Safe Homes: A sense of security on our sidewalks and in our homes is essential to our City's quality of life. This feeling of safety comes from a strong sense of community and confidence in our exceptional public safety system. Our residents know that safety comes first in Saint Paul and have come to expect that our world-class police and fire departments will deliver the best possible emergency services quickly and equitably.

Expanding Economic Opportunity: Saint Paul is at the heart of state and regional government, health care industries, bio-science/medical development and the arts community. We will build our economic future on the foundation of the City's strengths—a well-educated citizenry, safe neighborhoods, a diverse and affordable housing mix, sound infrastructure, and local businesses rich with growth potential. Saint Paul will invest in supporting our homegrown entrepreneurs and our small and mid-sized businesses within the fabric of our community. We will also work to continue and expand the presence of large businesses who embrace the tradition of engaged corporate citizenry. While aggressively pursuing more commerce in our community, we will be strong stewards of our historic structures, which are continual reminders of our City's foundation. We will continue with inclusive, responsible community planning efforts to ensure our development work is reflective of the community's vision.

Healthy Communities = Healthy Living: Saint Paul will be a leader in sustainable urban living by "acting locally" to help reverse the negative effects of global warming. Environmental stewardship must start at home. We will implement the vision of the National Great River Park by focusing development on a more natural, more urban and more connected Saint Paul. Our healthy community will encourage healthy lifestyles. The health and welfare of our community and our residents will help attract and retain quality businesses and a quality workforce.

Quality Infrastructure: Saint Paul's mission to become the most livable City in America is grounded in our assets and infrastructure. The principles of sound infrastructure, quality public amenities and proactive environmental stewardship will guide our work.

The Soul of Saint Paul: The soul of Saint Paul can be experienced within our neighborhoods and among our diverse people. We will enhance the spirit of our City to fuel our economic vitality. We will capitalize on Saint Paul's national leadership in civic health by strengthening our neighborhood engagement. We will work to expand access to exciting parks, cultural institutions, vibrant music and artistic brilliance. We will use technology to connect residents and visitors to the great character of our City.

Invest St. Paul Initiative

Invest St. Paul is a collaborative effort to strategically channel City and private resources into revitalization strategies and redevelopment projects in four strong neighborhoods being challenged by recent economic and social downturns and persistent disinvestment: Dayton's Bluff, Lower Eastside, Frogtown and North End neighborhoods. These neighborhood communities still offer growth opportunities and have been targeted based on their current and potential assets.

MAJOR DEVELOPMENTS

Central Corridor

The Central Corridor begins in the downtown and runs along University Avenue from the State Capitol to Minneapolis. It has attracted significant investment in the past few years, and stands to attract more in the future if Light Rail Transit (LRT) is developed on University Avenue, a final decision on which is expected in the next couple of years. If funding is secured, construction will begin in 2010. The City Council recently adopted the "Central Corridor Development Strategy", which is a vision and set of strategies for how Central Corridor can grow and change over time in response to the LRT investment. The City has undertaken more detailed station area planning in the Fall of 2007, planning for the areas within approximately 1/4 mile of proposed station locations.

Fort Road

Also called West Seventh Street, Fort Road runs southwest from the downtown to Fort Snelling, parallel to the Mississippi River. Recent developments in this corridor include Gateway Village with 578 units of new rental and ownership housing, expansion of United and Children's hospitals, and construction on the \$13 million United Family Practice Health Center has begun.

Phalen Corridor

Formerly a blighted and underutilized industrial corridor served by railroads, the Phalen Corridor runs northeast from downtown to the Phalen Village neighborhood. The last section of the new 2.5-mile, \$61 million Phalen Boulevard opened in 2006. It is the first new road built in Saint Paul in more than 20 years, and it gives the East Side direct access to Interstate 35E. Major developments in the corridor include Phalen Village, with a new \$60 million building for the State Bureau of Criminal Apprehension and over \$50 million in more than 400 units of new and rehabilitated housing adjacent to a repositioned commercial center, in which a new Cub supermarket is located. At the west end of Phalen Boulevard are the Williams Hill Business Center, the Metro Transit bus barns, and the Westminster Junction Business Center, which together provide almost 1,500 new jobs developed on former brownfields that used to provide only about 50 jobs.

Downtown District

The downtown extends from the State Capitol campus on the north to the West Side Flats across the river. Important headquarters companies have expanded downtown including Travelers Insurance, Minnesota Mutual, and Ecolab. In 2003, US Bancorp moved its downtown employees into a new 350,000-square-foot back office operations center across the river, and in 2005, Gander Mountain moved their headquarters downtown. In 2005, the State of Minnesota completed two new downtown office buildings adjacent to Interstate 94. Regions Hospital has begun a \$150 million hospital expansion project, with completion of the 10-story medical tower and parking ramp anticipated in 2009, and St. Joseph's \$96 million expansion is almost complete. Since 2002, about 1,400 new housing units have been developed in new and rehabilitated buildings in four downtown neighborhoods: Lowertown, the North Quadrant, the Upper Landing, and the West Side Flats. Some of these units have been in obsolete office buildings converted into apartments and condominiums, which has the added benefit of reducing the amount of uncompetitive Class C office space.

CASH AND INVESTMENT MANAGEMENT

Cash balances during the year were invested in U.S. Treasuries, Agencies of the Federal Government, commercial paper, certificates of deposit, municipal securities, money market funds and guaranteed investment contracts, in accordance with Minnesota State Statute 118A and the City's Investment Policy. A new investment policy was adopted by the City Council in July 2003 to improve management of the City's investment portfolio. The investment policy's goal is to preserve safety by minimizing credit and market risks, while ensuring liquidity and maintaining a competitive yield on the portfolio.

The City has contracted investment management services with four external managers to manage a portion of the portfolio. As of December 31, 2007, the effective yield on the portfolio was 5.05% and reported interest on investments was \$10 million. All securities purchased by the City are held by a third party safekeeping agent in the City's name.

DEBT MANAGEMENT

The City of Saint Paul partners with Ramsey County and Independent School District #625 (Saint Paul Public Schools) as members of the Joint Property Tax Advisory Committee (JPTAC). The JPTAC, created by Minnesota law, is charged with the obligation to reduce the overall tax burden on the citizens of Saint Paul. The Joint Debt Advisory Committee (JDAC), a subcommittee of JPTAC, is charged with overseeing and reporting to the public on joint debt activities. This group evaluates compliance by the jurisdictions within the adopted target ranges for satisfactory debt management and releases its findings in the Joint Debt Book, which is published every two years.

The City of Saint Paul's overall general obligation debt, adjusted to inflation, decreased 5.4% from 2006 to 2007. The major debt position indicators fall into average or below average range according to the Standard & Poor's ranges for Cities with population over 150,000.

The City maintained its AAA bond rating from Standard & Poor's and Aa2 bond rating from Moody's due to strong management and financial performance.

RISK MANAGEMENT

The City has a centralized Risk Management Division within the Office of Human Resources that provides direction, management, coordination and planning services for risk, insurance and employee benefit programs. The risk management effort covers significant loss exposures, applies effective and reasonable risk controls and suggests funding arrangements for both insured and self-funded risks to ensure that the financial integrity of the City is not impaired after a loss.

The Risk and Management Division also provides administrative and management services in the areas of health and welfare benefits, tort liability, workers' compensation, occupational health, loss control and safety, emergency preparedness, contract review and property insurance. Additional information on the City of Saint Paul's risk management activities can be found in Note VIII.C of the notes to the financial statements.

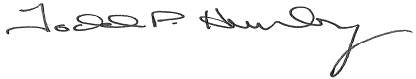
AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Saint Paul, Minnesota for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2006. This was the 31st consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently-organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

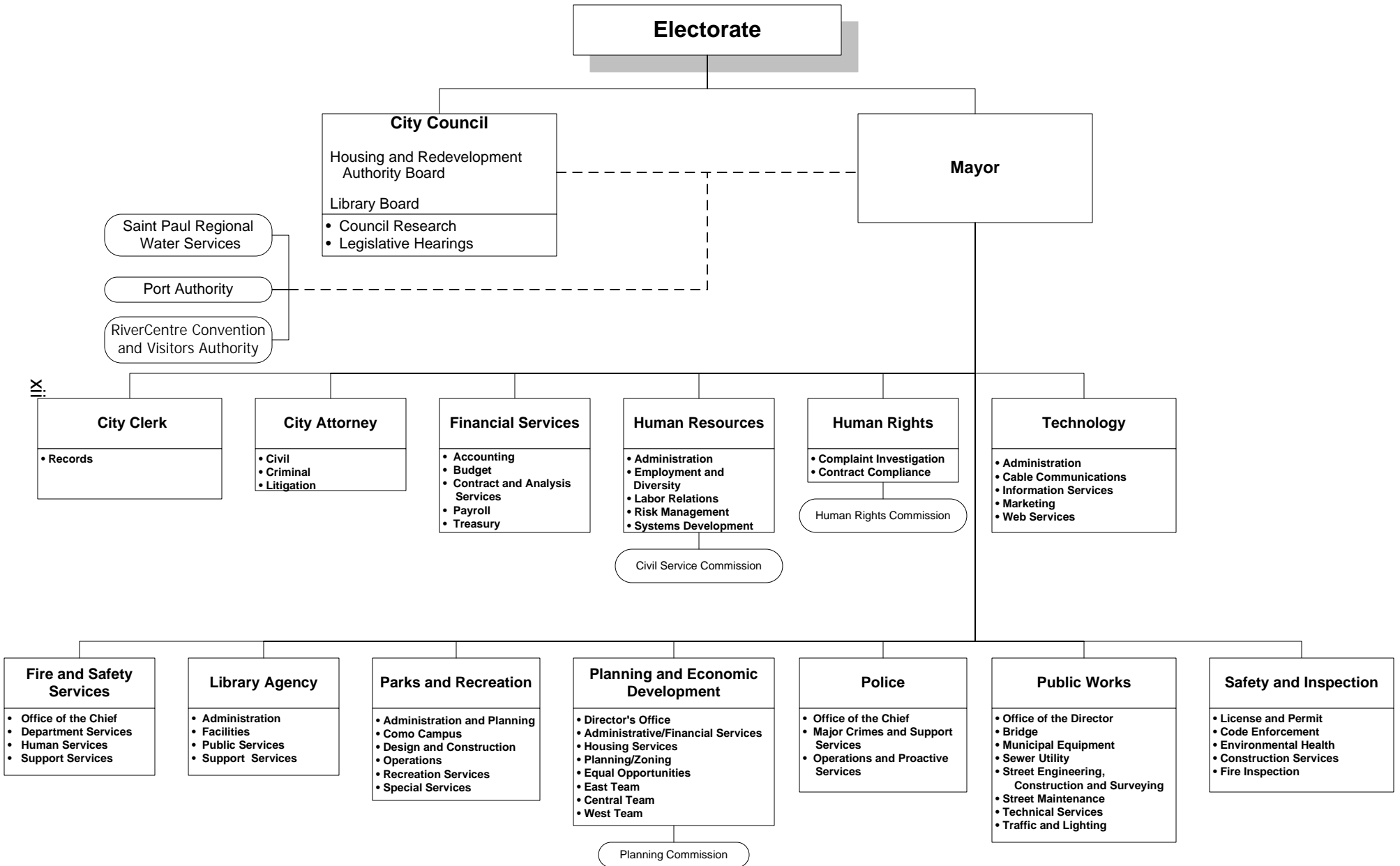
The preparation of the 2007 Comprehensive Annual Financial Report was accomplished through the combined efforts of the Office of Financial Services' accounting staff and departmental accountants. The State Auditor's cooperation in scheduling staff to review statements as they were prepared was very helpful and appreciated.

Cordially,

A handwritten signature in black ink, appearing to read "Todd P. Hurley". The signature is written in a cursive style with a prominent loop at the end.

Todd P. Hurley, Acting Director
Office of Financial Services

City of Saint Paul, Minnesota Organizational Chart



**City of Saint Paul, Minnesota
Elected and Appointed Officials
As of December 31, 2007**

Elected Officials

Office	Name	Term Expires
Mayor	Christopher B. Coleman	January 1, 2010
Councilmember—Ward 1 **	Debbie Montgomery	January 1, 2008
	Melvin Carter **	January 1, 2012
Councilmember—Ward 2	Dave Thune	January 1, 2012
Councilmember—Ward 3	Patrick Harris	January 1, 2012
Councilmember—Ward 4 **	Jay Benanav	January 1, 2008
	Russ Stark **	January 1, 2012
Councilmember—Ward 5	Lee Helgen	January 1, 2012
Councilmember—Ward 6	Dan Bostrom	January 1, 2012
Councilmember—Ward 7	Kathy Lantry	January 1, 2012

Appointed Officials

Department/Division/Office	Director's Name	Term Expires
Citizen Services	Shari Moore	*
City Attorney	John Choi	*
Financial Services	Matt Smith/Todd Hurley	***
Fire and Safety Services	Tim Butler	November 24, 2013
Human Rights	Tyrone Terrill	*
Human Resources	Angela Nalezny	*
Library Agency	Melanie Huggins	*
Mayor's Chief of Staff	Ann Mulholland	*
Parks and Recreation	Bob Bierscheid	*
Planning and Economic Development	Cecile Bedor	*
Police	John Harrington	June 30, 2010
Public Works	Bruce Beese	*
Safety and Inspection	Bob Kessler	*
Saint Paul Regional Water Services	Stephen Schneider	*
Technology and Communications	Andrea Casselton	*

* Serves at the pleasure of the Mayor.

** Newly elected Councilmembers with terms beginning January 2, 2008.

*** Matt Smith resigned as Director of Financial Services on June 6, 2008; Mayor Coleman appointed Todd Hurley as Acting Director.

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Saint Paul
Minnesota

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Charles S. Cox

President

Jeffrey R. Emer

Executive Director



REBECCA OTTO
STATE AUDITOR

STATE OF MINNESOTA

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INDEPENDENT AUDITOR'S REPORT

The Honorable Christopher B. Coleman, Mayor,
and Members of the City Council
City of Saint Paul, Minnesota

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Saint Paul, Minnesota, as of and for the year ended December 31, 2007, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Saint Paul RiverCentre Convention and Visitors Authority, which represent 2 percent, less than 1 percent, and 18 percent, respectively, and the Port Authority of the City of Saint Paul, which represent 28 percent, 12 percent, and 20 percent, respectively, of the assets, net assets, and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Saint Paul RiverCentre Convention and Visitors Authority and the Port Authority of the City of Saint Paul, is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Saint Paul RiverCentre Convention and Visitors Authority and the Port Authority of the City of Saint Paul were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Saint Paul as of December 31, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note VIII. B. to the financial statements, during the year ended December 31, 2007, the City of Saint Paul implemented Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*.


The Management's Discussion and Analysis and the required supplementary information listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming opinions on the financial statements that collectively comprise the City of Saint Paul's basic financial statements. The supplementary information and the other supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we are also issuing a report dated July 25, 2008, on our consideration of the City of Saint Paul's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit. It does not include the Saint Paul RiverCentre Convention and Visitors Authority or the Port Authority of the City of Saint Paul, which were audited by other auditors.



REBECCA OTTO
STATE AUDITOR



GREG HIERLINGER, CPA
DEPUTY STATE AUDITOR

July 25, 2008

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2007

OVERVIEW OF THE FINANCIAL STATEMENTS

As management of the City of Saint Paul, we offer readers of the City's financial statement this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2007. We encourage readers to consider the information presented here in conjunction with the City's financial statements and the additional information that we have furnished in our letter of transmittal, which can be found on pages v-xi of this report.

FINANCIAL HIGHLIGHTS

- The assets of the City of Saint Paul exceeded its liabilities at the close of the most recent fiscal year by \$1,253.6 million (*net assets*). Of this amount, \$86.1 million (*unrestricted net assets*) may be used to meet the government's obligations to citizens and creditors; \$31.5 million is restricted for specific purposes and \$1,136.0 million is invested in capital assets net of related debt. The total net assets include all major infrastructure networks.
- The City's total net assets increased by \$10.1 million. Governmental activities increased by \$21.7 million and business-type activities decreased by \$11.6 million.
- The City of Saint Paul's governmental funds reported combined ending fund balances of \$196.9 million, an increase of \$29.5 million in comparison with the prior year. Approximately 88.6% of this amount or, \$174.6 million, is unreserved and available for use within the City's designations and policies.
- The City adopted a fund balance policy for the General and General Debt Service Funds. The policy established specific goals and guidance for future decisions regarding the appropriate level and use of fund balance. The General Fund balance should be maintained at 15% of the next year's planned budget for the General Fund and the Library Agency Fund which is financed by property taxes and local government aid. The General Debt Service fund balance should maintain an amount equal to the first half of the subsequent year's debt service, plus 7.5%, in addition to any reserves required by bond indentures, covenants, ordinances, other debt obligations and any net unrealized gains or losses associated with the fair value of investments.
- At the end of the fiscal year, fund balance for the General Fund was \$35.0 million, an increase of \$4.7 million. The City is in compliance with the Fund Balance Policy. The General Fund balance is 17.8% of the budgeted 2008 General Fund expenditures of \$182.4 million plus the Library Agency expenditures of \$14.5 million.
- At the end of the fiscal year, fund balance for the General Debt Service Fund was \$19.0 million or 94.1% of the 2008 budgeted annual debt service payments, which includes principal and interest of \$20.1 million.
- The City's total long-term bonds and notes decreased by \$0.7 million, a 0.13% decrease from 2006 for a total outstanding on December 31, 2007 of \$534.4 million.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2007

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

The *Statement of Net Assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. To assess the overall health of the City, one needs to consider additional non-financial factors such as changes in the City's property tax base and the condition of the City's infrastructure.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, highways and streets, sanitation, health, culture and recreation, and housing and economic development. The business-type activities of the City of Saint Paul include sewer; development loan programs; parking; parks, recreation and athletics; impound lot; and printing.

The government-wide financial statements include not only the City of Saint Paul itself (known as the primary government), but also Saint Paul RiverCentre Convention & Visitors Authority (RCVA), Saint Paul Regional Water Services (SPRWS) and Port Authority of the City of Saint Paul, which are separate legal entities for which the City of Saint Paul is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The Housing and Redevelopment Authority of the City of Saint Paul (HRA) and the Saint Paul Library Agency, although legally separate, function for all practical purposes as departments of the City of Saint Paul; and therefore, have been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 25-27 of this report.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2007

OVERVIEW OF THE FINANCIAL STATEMENTS

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 fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The City maintains 53 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Library Agency, HRA General, General Debt Service, HRA General Debt Service, Capital Improvement Projects and City Sales Tax funds, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 28-34 of this report.

Proprietary Funds – The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Sewer Utility, HRA Loan Enterprise, HRA Parking, Special Services, Watergate Marina, Impounding Lot and RiverPrint Saint Paul/Ramsey County activities. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses its internal service funds to account for City Attorney-Outside Services, Risk Management Retention, Internal Borrowing, Purchasing's Value Added Services, Information Systems, City-Wide Data Processing, Equipment Services Fire-Police, Public Works Engineering, Energy Conservation Investment, Public Works Traffic, Signal and Lighting Maintenance, Asphalt Plant, Public Works Equipment, Public Works Administration, Parks and Recreation Special Projects, Parks and Recreation Supply and Maintenance, and Planning and Economic Development Administration. The services provided by these funds predominately benefit the governmental rather than the business-type functions. They have been included within governmental activities in the government-wide financial statements.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2007

OVERVIEW OF THE FINANCIAL STATEMENTS

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Sewer Utility, HRA Loan Enterprise and HRA Parking funds, since they are considered to be major funds of the City. Data from the other enterprise funds are combined into a single aggregated presentation. All internal service funds are combined into a separate single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 35-41 of this report.

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

The basic fiduciary fund financial statements can be found on page 43 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 47-146 of this report.

Other Supplementary Information

In addition to the basic financial statements and accompanying notes, *Required Supplementary Information*, presents a detailed budgetary comparison schedule for the General Fund, Library Agency and the HRA General Fund to demonstrate compliance with the budget. In accordance with the requirements of GASB Statement 45, it also includes other post-employment benefit plan information: a) schedule of funding progress and b) schedule of employer contributions. These schedules can be found on pages 147-152 of this report. The combining statements referred to earlier in connection with nonmajor governmental funds, proprietary funds, internal service funds and other information related to the individual funds are presented immediately following the required supplementary information. Combining and individual statements and schedules can be found on pages 158-214 of this report.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2007

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

The analysis of the City's financial position begins with a review of the *Statement of Net Assets* and the *Statement of Changes in Net Assets*. These two statements report the City's net assets and changes therein. It should be noted that the financial position can also be affected by non-financial factors, including economic conditions, population growth and new regulations. Net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Saint Paul, assets exceeded liabilities by \$1,253.6 million as of December 31, 2007. The City is able to report positive balances in all categories of net assets, for the government as a whole, as well as for its separate categories – governmental and business-type activities.

CONDENSED STATEMENT OF NET ASSETS

(in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total		Total Percent Change
	2007	2006	2007	2006	2007	2006	
Current and Other Assets	\$ 448,947	\$ 429,570	\$ 105,698	\$ 147,052	\$ 554,645	\$ 576,622	(3.81)%
Capital Assets	1,115,391	1,109,240	369,949	355,403	1,485,340	1,464,643	1.41%
Total Assets	<u>\$1,564,338</u>	<u>\$1,538,810</u>	<u>\$ 475,647</u>	<u>\$ 502,455</u>	<u>\$2,039,985</u>	<u>\$2,041,265</u>	(0.06)%
Long-Term Liabilities	\$ 476,517	\$ 455,551	\$ 132,156	\$ 146,459	\$ 608,673	\$ 602,010	1.11%
Other Liabilities	168,085	185,257	9,673	10,507	177,758	195,764	(9.20)%
Total Liabilities	<u>\$ 644,602</u>	<u>\$ 640,808</u>	<u>\$ 141,829</u>	<u>\$ 156,966</u>	<u>\$ 786,431</u>	<u>\$ 797,774</u>	(1.42)%
Net Assets:							
Invested in Capital Assets, Net of Related Debt	\$ 876,865	\$ 873,833	\$ 259,106	\$ 242,733	\$1,135,971	\$1,116,566	1.74%
Restricted	14,398	13,395	17,067	17,621	31,465	31,016	1.45%
Unrestricted	<u>28,473</u>	<u>10,774</u>	<u>57,645</u>	<u>85,135</u>	<u>86,118</u>	<u>95,909</u>	(10.21)%
Total Net Assets	<u><u>\$ 919,736</u></u>	<u><u>\$ 898,002</u></u>	<u><u>\$ 333,818</u></u>	<u><u>\$ 345,489</u></u>	<u><u>\$1,253,554</u></u>	<u><u>\$1,243,491</u></u>	0.81%

The largest portion of the City's net assets, \$1,136.0 million (approximately 90.6%), reflects its investments in capital assets (e.g., land, building, improvements, equipment, infrastructure, and construction in progress), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide service to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net assets, \$31.5 million (approximately 2.5%), represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net assets, \$86.1 million (approximately 6.9%), may be used to meet the government's ongoing obligation to citizens and creditors.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2007

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

Analysis of the City's Operations – The following table provides a summary of the City's operations for the year ended December 31, 2007. Overall, both the governmental and business-type activities revenue and expenses remained stable. Governmental activities increased the City of Saint Paul's net assets by \$21.7 million. Business-type activities decreased the City's net assets by \$11.6 million. Compared to last year's change in net assets, the governmental activities experienced an increase of \$24.8 million and the business-type activities incurred a decrease of \$10.8 million.

CONDENSED STATEMENT OF CHANGES IN NET ASSETS

(in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total		Total Percent Change
	2007	2006	2007	2006	2007	2006	
Revenues:							
Program Revenues							
Charges for Services	\$ 92,632	\$ 89,920	\$ 61,802	\$ 66,636	\$ 154,434	\$ 156,556	(1.36)%
Operating Grants and Contributions	35,593	29,672	300	1,316	35,893	30,988	15.83%
Capital Grants and Contributions	15,446	16,944	11,413	6,239	26,859	23,183	15.86%
General Revenues							
Property Taxes	84,443	77,548	1,276	1,397	85,719	78,945	8.58%
City Sales Tax	15,664	14,789	-	-	15,664	14,789	5.92%
Franchise Fees and Other Taxes	26,151	24,697	-	-	26,151	24,697	5.89%
Local Government Aid	59,961	59,545	-	-	59,961	59,545	0.70%
Grants and Contributions Not Restricted	13,076	10,038	-	-	13,076	10,038	30.26%
Investment Income	22,090	16,133	2,549	2,957	24,639	19,090	29.07%
Gain on Sale of Capital Assets	46	1,774	1	71	47	1,845	(97.45)%
Miscellaneous	13,778	4,405	32	4,013	13,810	8,418	64.05%
Total Revenues	\$ 378,880	\$ 345,465	\$ 77,373	\$ 82,629	\$ 456,253	\$ 428,094	6.58%

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2007

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

CONDENSED STATEMENT OF CHANGES IN NET ASSETS (in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total		Total Percent Change
	2007	2006	2007	2006	2007	2006	
Expenses:							
General Government	\$ 35,161	\$ 32,449	\$ -	\$ -	\$ 35,161	\$ 32,449	8.36%
Public Safety	146,989	132,379	-	-	146,989	132,379	11.04%
Highway and Streets	57,724	50,495	-	-	57,724	50,495	14.32%
Sanitation	9,997	11,583	-	-	9,997	11,583	(13.69)%
Health	3,985	3,635	-	-	3,985	3,635	9.63%
Culture and Recreation	66,125	65,014	-	-	66,125	65,014	1.71%
Housing and Economic Development	32,449	42,549	-	-	32,449	42,549	(23.74)%
Interest and Fiscal Charges	28,779	30,245	-	-	28,779	30,245	(4.85)%
Sewer	-	-	30,543	26,355	30,543	26,355	15.89%
Development Loan Programs	-	-	14,298	17,396	14,298	17,396	(17.81)%
Parking	-	-	11,256	11,495	11,256	11,495	(2.08)%
Parks, Recreation and Athletics	-	-	4,646	4,772	4,646	4,772	(2.64)%
Impound Lot	-	-	2,858	2,402	2,858	2,402	18.98%
Printing	-	-	1,380	1,279	1,380	1,279	7.90%
Total Expenses	\$ 381,209	\$ 368,349	\$ 64,981	\$ 63,699	\$ 446,190	\$ 432,048	3.27%
Change in Net Assets before Transfers	\$ (2,329)	\$ (22,884)	\$ 12,392	\$ 18,930	\$ 10,063	\$ (3,954)	354.50%
Transfers	24,063	19,840	(24,063)	(19,840)	-	-	
Change in Net Assets	\$ 21,734	\$ (3,044)	\$ (11,671)	\$ (910)	\$ 10,063	\$ (3,954)	354.50%
Net Assets, January 1	\$ 898,002	\$ 901,046	\$ 345,489	\$ 346,399	\$1,243,491	\$1,247,445	(0.32)%
Net Assets, December 31	\$ 919,736	\$ 898,002	\$ 333,818	\$ 345,489	\$1,253,554	\$1,243,491	0.81%

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2007

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

Governmental Activities

Governmental activities increased the City's net assets by \$21.7 million, accounting for the total expansion in the City's total net assets. The revenues increased by \$33.4 million or 9.67%; while expenses increased by \$12.9 million or 3.49% as compared to the previous year. Increase in revenues mainly came from the following:

- Public Safety charges for services \$4.7 million
- General Government operating grants and contributions \$3.6 million
- Property Taxes \$6.9 million
- Miscellaneous General Revenues from District Energy Corporation \$8.0 million

Increase in expenses mainly came from public safety activities of \$14.6 million. Part of this increase came from the following expenses:

- a) General Fund
 - Police and Fire's Salaries and Fringes \$1.8 million
 - Police and Fire's Services and Supplies \$2.6 million
- b) a new fund – Emergency Communications Center Consolidation \$3.3 million

Overall, the increase in net assets in governmental activities can also be attributed to the transfer from the business-type activities of \$24.1 million.

Business-type Activities

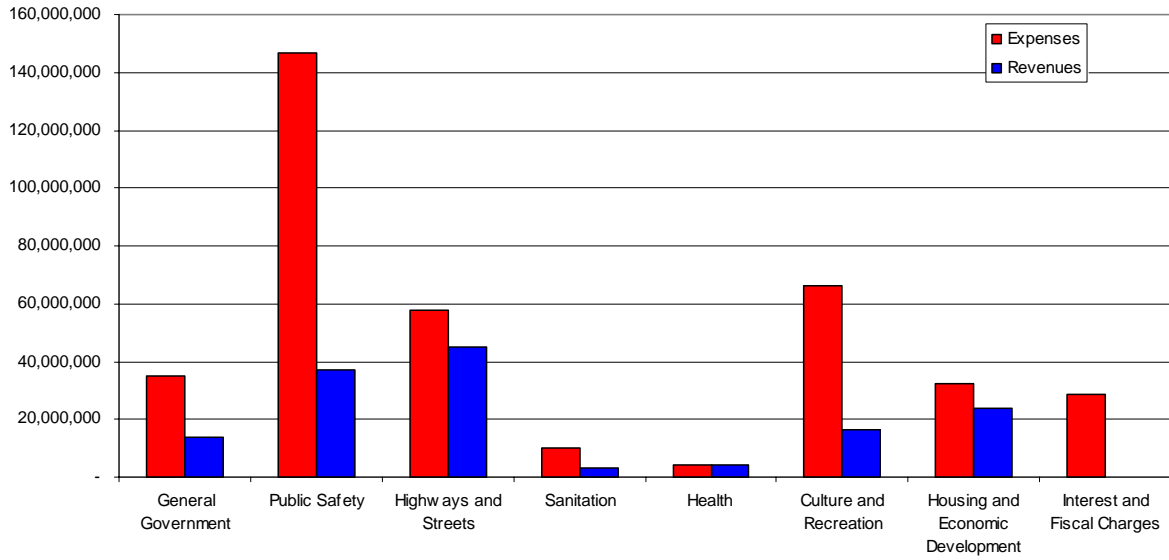
Business-type activities experienced a contraction in net assets of \$11.6 million. This is mainly attributed to the transfers to governmental activities of \$24.1 million. However, before these transfers, the business-type activities increased the net assets by \$12.4 million. The increase in the net assets of the business-type activities can be attributed to either the sewer revenues exceeding expenses by \$11.7 million or the capital contribution reported by the HRA Parking Enterprise Fund for the value of the Smith Avenue Transit Hub land received from the state.

CITY OF SAINT PAUL, MINNESOTA

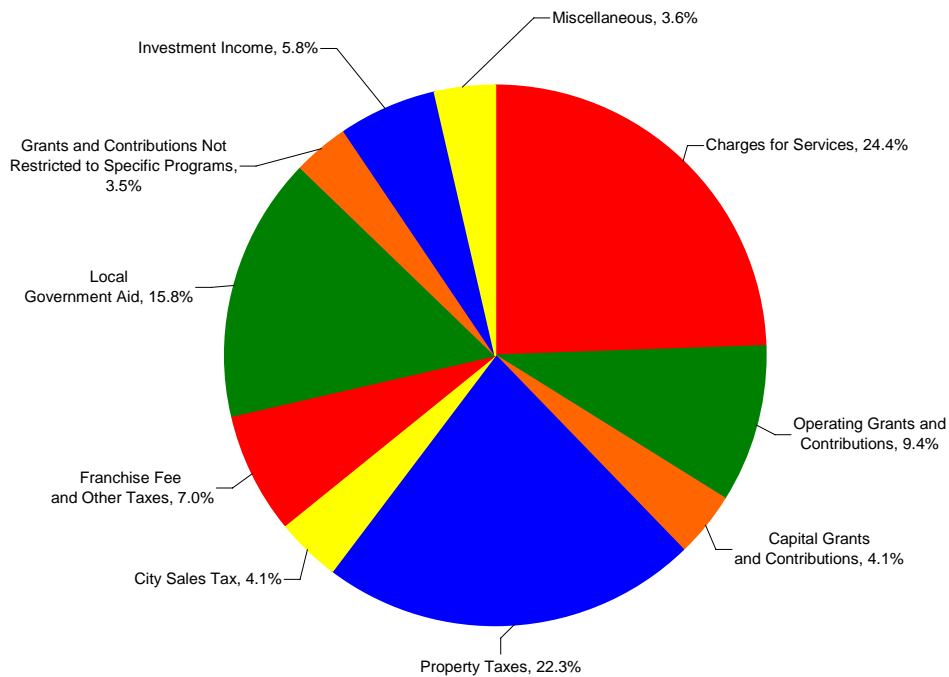
MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2007

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

Expenses and Program Revenues – Governmental Activities



Revenue by Source – Governmental Activities

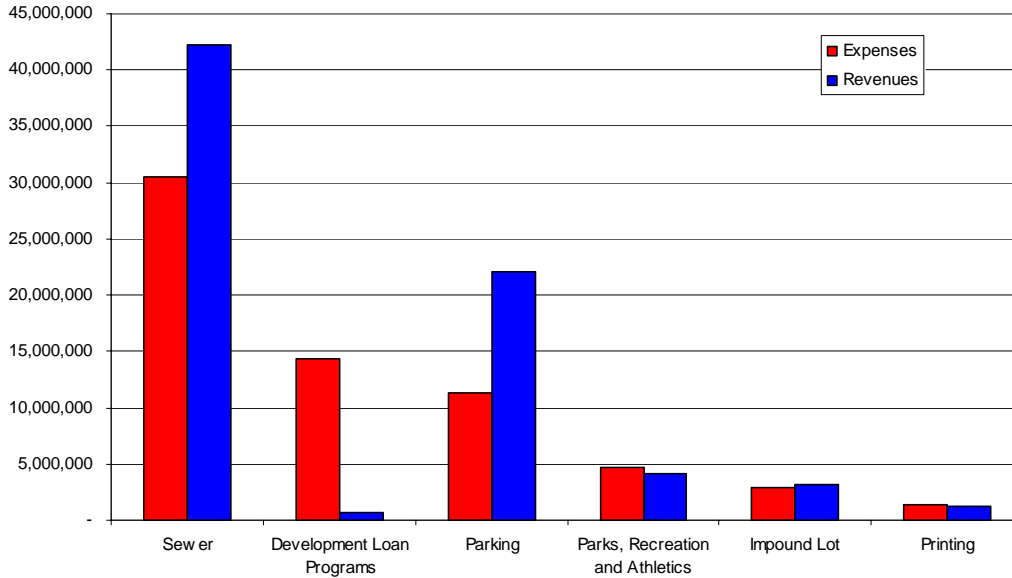


CITY OF SAINT PAUL, MINNESOTA

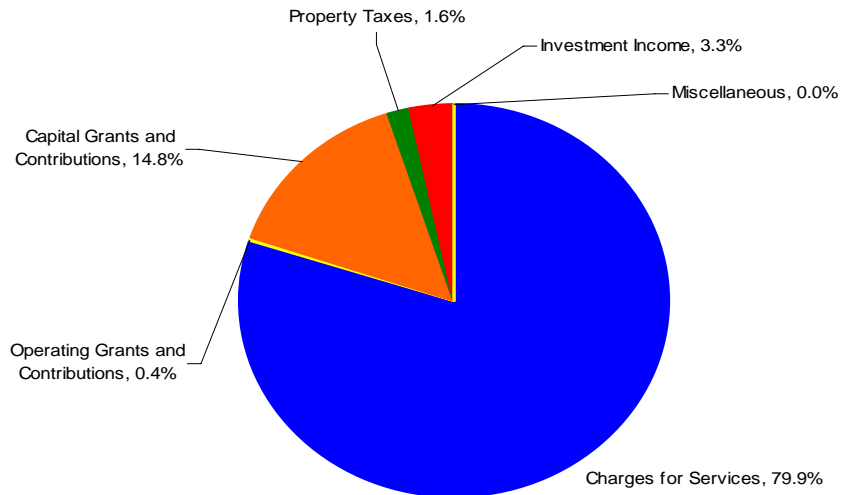
MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2007

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

Expenses and Program Revenues – Business-type Activities



Revenues by Source – Business-type Activities



CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2007

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds

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

At the end of current fiscal year, the City of Saint Paul's governmental funds reported combined ending fund balances of \$196.9 million. Approximately 88.6% of this total amount (\$174.6 million) constitutes unreserved fund balance. The remainder of the fund balance is reserved to indicate that it is not available for new spending, because it has already been committed to pay for:

	(in thousands)
Encumbrances	\$ 17,054
Imprest Funds	101
Advances to Other Funds	900
Advance to Component Unit	1,756
Long-Term Receivable	630
Mandatory 5% for Debt Retirement	1,374
Revenue Shortfalls and Unforeseen Expenditures	522
Permanent Funds' Activities	35
	<u>\$ 22,372</u>

Of the \$174.6 million unreserved fund balance, the use is available for specific purposes in which these funds were collected.

	(in thousands)
General Fund	\$ 31,753
Special Revenue Funds	34,696
Debt Service Funds	61,109
Capital Projects Funds	46,965
Permanent Funds	34
Total	<u>\$ 174,557</u>

General Fund: The General Fund is the primary operating fund of the City. Total fund balance as of December 31, 2007, was \$35.0 million, of which \$31.8 million was unreserved. It may be useful to compare unreserved fund balance to total fund balance and total fund expenditures as a measure of the fund's liquidity. Unreserved fund balance represents 90.8% of total fund balance and 17.7% of total 2007 fund expenditures including transfers out. The fund balance increased by \$4.7 million during the current fiscal year.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2007

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

The following tables provide an overview of General Fund revenues by source and expenditures by function.

Revenues by Source	2007	2006	Total Percent Change
Property Tax	\$ 46,624,315	\$ 46,014,519	1.33%
Franchise Fees and Other Taxes	23,011,945	19,369,250	18.81%
Intergovernmental	63,829,793	63,746,052	0.13%
Fees, Sales and Services	16,760,509	15,828,606	5.89%
Interest	14,695,984	10,221,265	43.78%
Miscellaneous	1,052,891	1,056,559	(0.35)%
Transfers In	17,651,528	19,692,272	(10.36)%
Sale of Capital Asset	1,262	1,413,257	(99.91)%
Total	<u>\$ 183,628,227</u>	<u>\$ 177,341,780</u>	3.54%

Overall, General Fund revenues have increased by \$6.3 million or 3.54% as compared to 2006.

In 2007, property tax revenue increased by \$609,796, primarily because the General Fund's portion of the total general property tax levy increased by \$1.7 million.

Franchise fees and other taxes increased by \$3.6 million. Franchise fee revenue from the district heating franchise agreement with District Energy Saint Paul was shifted from the General Debt Service Fund to the General Fund which accounts for an increase of \$1.2 million. An additional \$2.4 million in franchise fees was a result of negotiations with Xcel Energy for new gas and electric franchise agreements.

Fees, sales and services increased by \$931,903. Paramedic fees increased by \$400,000 as compared to last year because the number of transports increased by 658. An additional \$500,000 was generated from fire protection services and hazardous materials response by the Fire Department.

Interest earnings increasing by \$4.5 million is mainly associated with the termination of an interest rate swap agreement relating to the 1999 Taxable Sales Tax Revenue Bonds. The net swap termination amount to the City was \$3,754,100. The General Fund also recorded an increase in fair value of investments of \$818,105.

Transfers In decreased by \$2 million. One time transfers from the License and Permit Special Revenue, Equipment Services Fire-Police Internal Service, and HRA Loan Enterprise funds were eliminated as part of the Mayor's goal to restore structural balance by 2010. These transfers were replaced mainly by the property tax increase.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2007

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Expenditures by Function	2007	2006	Total Percent Change
General Government	\$ 23,140,421	\$ 22,279,210	3.87%
Public Safety	116,786,009	110,888,728	5.32%
Highways and Streets	1,498,232	1,530,528	(2.11)%
Culture and Recreation	24,299,349	23,866,883	1.81%
Miscellaneous	4,148,543	5,144,659	(19.36)%
Debt	7,099,361	7,767,476	(8.60)%
Transfers Out	1,949,294	2,846,479	(31.52)%
Total	<u>\$ 178,921,209</u>	<u>\$ 174,323,963</u>	2.64%

Total General Fund expenditures increased by \$4.6 million or 2.64% as compared to 2006. The majority of increases occurred in salary and fringe benefit expenditures. An additional \$3.4 million or 3.4% was spent for salaries and \$1.3 million or 3.7% was spent in fringe benefits.

Public Safety expenditures have increased by \$5.9 million, \$4.1 million in Police expenditures and \$1.8 million in the new Department of Safety and Inspection (DSI) expenditures. The new department consolidated four separate units related to inspection services in one department: the Office of License, Inspection and Environmental Protection; the Citizen Service Office; the Department of Neighborhood Housing and Property Improvement; and Fire Inspection. In 2007 the Police department's budget authorized 26 additional police officers and increased overtime by \$200,000.

Library Agency Fund: The City's Library Agency Fund accounts for the general operations of the Saint Paul Public Library. The purpose of separating the Library from the General Fund was to increase its visibility within the community. Revenues to support the agency are from property taxes, local government aid and market value homestead credit. Revenues reported from these sources totaled \$14 million with expenditures including transfers out of \$13.9 million. The net change in fund balance was \$139,172. The fund is reporting a fund balance on December 31, 2007, of \$401,089.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2007

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

HRA General Fund: The HRA General Fund is the chief operating fund of the HRA. Revenues include the HRA property tax levy, fees from conduit revenue bond issues, property rentals, land sale proceeds, and investment earnings. The major spending activities are for staff administration of HRA programs, maintenance of HRA properties, and professional services for HRA programs and projects. The fund balance in the HRA General Fund increased during 2007 by \$670,534 to a total of \$8.7 million at December 31, 2007, which is quite healthy relative to 2007 fund total spending of \$3.1 million.

General Debt Service Fund: The City's General Debt Service Fund accounts for the revenues and expenditures relating to the City's general obligation debt that is supported by property tax revenues. During 2007, \$8.3 million was received in taxes and \$365,011 was received from the State of Minnesota for the Market Value Homestead Credit. Interest earnings received in 2007 were \$470,294. The \$11.7 million in transfers in 2007 brought the total fund revenues to \$21.2 million. The expenditures for debt payments during 2007 totaled \$21.7 million resulting in a decrease in fund balance of \$792,832. This use of fund balance was less than budgeted due to higher interest earnings than anticipated. The remaining fund balance of \$19 million at the end of the fiscal year is to be used for future debt service payments.

HRA General Debt Service Fund: The HRA General Debt Service Fund accumulates resources and pays debt service for the HRA's debt that is not financed by the two enterprise funds. Debt service on the bonds is financed by property tax increments, City sales taxes, lease payments from the City, and investment earnings. At December 31, 2007, the fund balance was \$24.5 million, which is entirely reserved for future debt service. Total debt spending during 2007 was \$20.8 million, of which \$3.9 million was to retire existing bonds using refunding proceeds.

Capital Improvement Projects Fund: The City's Capital Improvement Projects Fund accounts for the major capital improvement projects relating to City-owned capital assets. Total expenditures (not including transfers) reported by this fund in 2007 were \$54.9 million. The fund reported reserves for existing contracts of \$13.3 million. The total fund balance at December 31, 2007 was a negative \$10.2 million. The negative fund balance will be resolved as money is received for capital projects financed by grants upon their completion. The City's Residential Street Vitality Program, Major Sewer Repairs, Phalen Boulevard Project, Jimmy Lee Recreation Center, River's Edge Improvements/Raspberry, and McMurray Soccer Fields were among the projects with the largest amount of expenditures in 2007.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2007

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

City Sales Tax Fund: The focus of the fund is to provide information on sources and uses of the city's ½ percent sales tax revenues and bond proceeds (if any) to fund various capital projects designed to spur or enhance economic development and/or enhance the quality of life in the City of St. Paul. Capital projects (via loans or grants to eligible entities) are undertaken to make commercial or urban improvements. Such information is useful in assessing the fund's ability to make loans or grants and fund commitments for existing projects. For example, loans receivable indicate the amount due from borrowers for loans made. Unreserved fund balance may serve as a useful measure of the fund's net resources available at the end of the fiscal year to meet such on-going commitments.

At December 31, 2007, the City Sales Tax Fund reported a total fund balance of \$25.8 million which represents an increase of approximately \$9.4 million over the year end 2006 balance. \$231,000 of this is an advance to a component unit and therefore is reserved and not available for new spending. The unreserved balance totals \$25.5 million. 100% of the total unreserved fund balance has been designated for capital projects. Of this \$17.0 million (66.6%) is designated for the Invest-In-St. Paul program and the remainder for other capital projects.

The fund's primary source of revenue is from the ½ percent sales tax on items subject to Minnesota state sales tax purchased within the city limits of St. Paul. 50% is allocated to the Neighborhood STAR loan and grant programs, 40% is allocated to the RiverCentre, and 10% is allocated for the Cultural STAR loan and grant programs. For 2007 total sales tax revenue was approximately \$15.7 million. This represents approximately 84% of total revenues. The remainder of revenue, \$1.4 million, was generated from interest on invested cash and repayment of principal and interest from Neighborhood and Cultural STAR program loan borrowers.

In 2007, the fund received approximately \$27.3 million in bond proceeds from the issuance of 2007 Taxable Subordinate Sales Tax Revenue Bonds, Series 2007A and 2007B. \$16.7 million and \$10.6 million were from taxable and tax exempt bonds, respectively. Such proceeds were used to fund capital projects such as Invest-In-St. Paul and other capital projects and certain bond issuance costs discussed below. Revenues from the ½ percent sales tax are to be used to retire the 2007 bonds.

Expenditures (not including transfers) were approximately \$6.2 million of which \$5.5 million was for loans and grants, \$420,000 was for bond issuance costs, \$90,000 for equipment for the fire department, and \$206,600 for administrative costs.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2007

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Proprietary Funds

The City of Saint Paul's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Sewer Utility Fund: The Sewer Utility Enterprise Fund had another year of strong performance in 2007, with an unrestricted net asset balance of \$32.0 million at December 31, 2007. Operating cash is being maintained in the \$30-\$35 million range. Revenues continue their constant trend with a five percent (5.0%) increase in sanitary rates and a ten percent (10.0%) increase in storm rates, which was recommended by the Mayor and adopted by the City Council in late 2007 for implementation January 1, 2008.

In the next couple of years the Sewer Utility Enterprise Fund anticipates a decrease in unrestricted net assets as a result of the Ford Motor Plant closing, continuation of an Inflow / Infiltration program, major reconstruction of storm sewer tunnels, and other construction repair work.

At this time the only restrictions placed on resources in the Sewer Utility Enterprise Fund are those related to outstanding debt, which are not unusual in their nature or restrictions. In March 2008, Standard & Poor's Rating Group indicated their support of Sewer Utility management by maintaining their rating of the Sewer Utility's revenue bonds as AAA and Moody's maintained their rating as Aa2.

HRA Loan Enterprise Fund: The HRA Loan Enterprise Fund accounts for loans issued and related servicing for various housing and economic development programs and projects. The Fund has unrestricted net assets totaling \$16.2 million at December 31, 2007. The assets of the Fund include loans receivable and accrued interest on these loans which are reported at \$6.7 million (net of allowance) and in many cases have long repayment terms before there will be liquidation to cash. Cash and investments are reported at \$11.0 million at December 31, 2007. The Fund had an overall decrease in net assets of \$24.4 million for 2007, primarily due to the issuance of large development loans with credit risk ratings of "loss" and "forgivable", and the transfer of \$13.8 million to the HRA Development Capital Fund.

HRA Parking Fund: The HRA Parking Fund accounts for the operation of HRA owned parking facilities in Saint Paul. The Fund has unrestricted net assets of \$10.8 million at December 31, 2007. Assets in the Fund include capital assets for parking facilities reported at the depreciated amount of \$107.7 million. Long-term debt used for financing the construction of the parking facilities is \$86.2 million in principal outstanding at December 31, 2007. The Fund had operating income of \$4.0 million during 2007.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2007

GENERAL FUND BUDGETARY HIGHLIGHTS

The final amended budget for the General Fund includes the original adopted budget, plus any previously appropriated funds set aside for the purpose of honoring legally-incurred obligations (prior year encumbrances and commitments), plus any additional supplemental appropriations that were legislated by City Council during the year. The total original adopted financing and spending budgets including transfers was \$171.9 million, plus reserved for encumbrances carried forward of \$1.6 million, for total original appropriations of \$173.5 million. This compared to final appropriations of \$181.3 million, is \$7.8 million greater than the original budget. The 2007 final General Fund appropriations are \$2.7 million more than 2006 final appropriations of \$178.6 million.

The majority of the difference between the adopted and final budget was related to the following items:

- \$6.1 million additional interest expense relating to security lending transactions which was offset by interest earnings of \$6.2 million.
- \$1.1 million adjustment recognizing additional transfers for increased summary nuisance abatement activity and demolition of vacant buildings.
- \$179,500 in additional financing and spending by providing police services to the Taste of Minnesota and Minnesota State Fair.
- \$105,000 to fund a GIS Manager position in the Office of Technology and Communications.

2007 actual spending including transfers out was \$178.9 million, as compared to final budget of \$181.3 million resulted in a \$2.4 million positive variance. Actual expenditures were 98.7% of the final budgeted amount. Over the past ten years, the City's actual expenditures compared to budget have averaged 97%.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2007

CAPITAL ASSETS

At the end of 2007, the City had invested a total of \$1,485.3 million in capital assets (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, infrastructure and construction in progress of the City, including the capital assets recorded for the City's internal service funds which have a depreciated value of \$11.0 million.

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

Public Works completed its twelfth year of the Residential Street Vitality Program (RSVP) by awarding the Hubbard/Griggs, the Griggs/Jefferson and the White Bear/Burns projects in the amount of \$10.9 million.

The Sewer System Rehabilitation program is now in its tenth year. The City awarded contracts for the Jessie/Jenks Relining project in the amount of \$1.3 million, the Hamline/Lincoln Lining project in the amount of \$1.2 million, the Frank/York Sewer Lining project in the amount of \$1.1 million and the 7th/Central Sewer Lining project in the amount of \$0.5 million. All projects have an estimated completion date of November 30, 2008. A contract for the rehabilitation of the St. Peter/Rondo Storm Tunnel Phase II was awarded in late fall of 2007 so that work could take place during the winter months.

Public Works substantially completed the reconstruction of Davern Street from West 7th to Shepard Road.

Construction on the Smith Avenue Transit Center was completed in 2007. The Transit Center consists of a 603 space parking ramp near the RiverCentre complex, plus a bus layover facility for Metro Transit buses.

The Oxford Community Center will open in the spring of 2008. This \$14.5 million complex will be like no other Saint Paul Parks and Recreation facility. This comprehensive community center will combine water park features with superior recreational options. The Oxford Community Center will house the Jimmy Lee Recreation Center and the Great River Water Park, along with partnerships with the Summit-University Loft Teen Center and Saint Paul Public Schools. The Recreation Center will have four gymnasiums, a walking track, a fitness room, a dance studio, a teaching kitchen, a computer learning center, and an arts and crafts room. The Great River Water Park will consist of two water slides, a children's splash and activity area, a party room and a lap and leisure pool. This complex will not only serve the Summit-University area well but the City of Saint Paul as a whole.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2007

CAPITAL ASSETS

CAPITAL ASSETS AT YEAR-END NET OF ACCUMULATED DEPRECIATION (in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total		Total Percent Change
	2007	2006	2007	2006	2007	2006	
Land	\$ 141,967	\$ 141,438	\$ 33,822	\$ 23,061	\$ 175,789	\$ 164,499	6.86%
Buildings	362,917	374,198	80,787	65,553	443,704	439,751	0.90%
Improvements other than Buildings	66,434	63,382	-	-	66,434	63,382	4.82%
Public Improvements	-	-	253,644	254,726	253,644	254,726	(0.42)%
Equipment	25,694	26,788	1,696	1,965	27,390	28,753	(4.74)%
Infrastructure	484,771	465,762	-	-	484,771	465,762	4.08%
Construction in Progress	33,608	37,672	-	10,098	33,608	47,770	(29.65)%
Total	\$ 1,115,391	\$ 1,109,240	\$ 369,949	\$ 355,403	\$ 1,485,340	\$ 1,464,643	1.41%

Additional information on the City of Saint Paul's capital assets can be found in Note VI.E on pages 88-89 of this report.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2007

LONG-TERM OBLIGATIONS

During 2007, the City issued \$49.9 million in bonds and retired/defeased \$46.7 million in bonds, resulting in \$466.4 million in bonds payable and \$68.0 million in notes payable at the end of 2007. Of the bonded debt, \$99.8 million is considered to be gross direct general property tax supported debt; considering the \$19.0 million available in the General Debt Service Fund, the net general property tax supported debt at year end was \$80.8 million or \$282 per capita.

The City's General Obligation bonds issued in 2007 continued their Aa2 rating from Moody's Investors Service, Inc. and AAA rating from Standard & Poor's Corporation. The Sales Tax Revenue bonds issued in 2007 received a AAA rating from Standard & Poor's Corporation. The HRA Tax Increment Koch-Mobil bonds issued in 2007 carry the City's General Obligation bond rating of Aa2 from Moody's Investors Service, Inc. and AAA from Standard & Poor's Corporation.

OUTSTANDING DEBT GENERAL OBLIGATION, REVENUE, LEASE REVENUE AND SALES TAX NOTES AND BONDS (in thousands)

	Governmental Activities		Business-Type Activities		Total		Total Percent Change
	2007	2006	2007	2006	2007	2006	
General Obligation Bonds	\$ 156,315	\$ 160,745	\$ 36,320	\$ 37,980	\$ 192,635	\$ 198,725	(3.06)%
Revenue Bonds	-	-	21,880	27,830	21,880	27,830	(21.38)%
Sales Tax Revenue Bonds	92,000	66,280	-	-	92,000	66,280	38.81%
HRA Tax Increment Revenue Bonds	50,464	53,931	-	-	50,464	53,931	(6.43)%
HRA Parking Facilities Revenue Bonds	-	-	51,980	53,795	51,980	53,795	(3.37)%
HRA Loan Enterprise Revenue Bonds	-	-	9,135	12,455	9,135	12,455	(26.66)%
HRA Sales Tax Revenue Bonds	42,185	43,585	-	-	42,185	43,585	(3.21)%
HRA Lease Revenue Bonds	6,145	6,570	-	-	6,145	6,570	(6.47)%
Revenue Notes	41,291	42,951	13,967	14,911	55,258	57,862	(4.50)%
HRA Revenue Notes	11,568	12,820	1,155	1,225	12,723	14,045	(9.41)%
Total	\$ 399,968	\$ 386,882	\$ 134,437	\$ 148,196	\$ 534,405	\$ 535,078	(0.13)%

Additional information on the City of Saint Paul's long-term obligations can be found in Note VI.G on pages 93-115 of this report.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2007

CURRENTLY KNOWN FACTS/ECONOMIC CONDITIONS

Financial Outlook

The City's budget, and in particular the General, Library Agency and General Debt Service funds, remain heavily influenced by state budget decisions of previous years to reduce Local Government Aid payments, and subsequent City budget management decisions which, to date, have not completely restored an ongoing balance between annual operating revenues and expenditures.

State aid payments are the single largest source of financing for the City's General Fund budget. In the 2008 adopted budget, state aid including Local Government Aid (LGA), supported 35% of total spending (by comparison, property taxes provide 31% of financing in 2008). In the 2003 legislative session, the state resolved its budget deficit in part by sharply reducing aid payments to local governments. In Saint Paul, this has the effect of reducing LGA transfers for 2008 by \$19 million below the originally-certified 2003 level.

Since 2003, permanent revenue and spending adjustments have not completely offset the loss of state aid payments. Despite a substantial increase (15%) in the city's property tax levy for 2008, the combined state aid and local tax levy (which together comprise nearly two-thirds of total general fund revenues) remain slightly lower in 2008 than they were in the 2003 budget. In the aftermath of state aid reductions City budgets came to rely increasingly on one-time financing and spending measures to balance the annual operating budget.

Beginning with the 2007 budget, the Mayor identified a goal of restoring structural balance to the general operating budget by 2010 through measured steps to increase permanent revenues more rapidly and adopt management measures (such as service delivery system restructurings and increased attention to internal cost recovery from other funds) to contain overall spending growth. The 2008 adopted budget continued to make significant progress in this regard, adding approximately \$10 million in newly budgeted General Fund revenues, primarily through a significant increase in the property tax levy.

The City's financial outlook for 2009 and future years will continue to be influenced primarily by state policymakers' decisions on property tax levy limits and LGA funding levels (during the 2008 Legislative session, the Governor signed legislation which will provide an additional \$6 million in state aid for Saint Paul in 2009 with strict limits on property tax levy growth), and City officials' ability to balance competing budget needs. On one hand, the need for continued growth in local revenues (which is expected to come from a combination of LGA funding increases passed during the 2009 session and maximizing property tax levy growth within the framework of state authorized levy limits), balanced against citizens' concerns about both the current level of property taxation and preserving the scope and quality of municipal services.

CITY OF SAINT PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2007

CURRENTLY KNOWN FACTS/ECONOMIC CONDITIONS

Employment Outlook

The 2007 annual average unemployment rate for the City of Saint Paul was reported by the Minnesota Department of Employment and Economic Development at 4.6%. This is the same as the state unemployment rate of 4.6% and a U.S. average rate of 4.6%. Saint Paul has a balanced, diversified employment base with no single industry sector dominating. Employment is not overly reliant on slowing and cyclical sectors, like manufacturing, but is centered with stable and growing industries. Saint Paul's largest employment sector is education and health services (51,239 jobs in 2006; 28.4% of total). Other large super sectors include trade, transportation, and utilities assistance (22,333 jobs, 12.4%); public administration (21,894 jobs, 12.1%); and professional and business services (21,528 jobs, 11.9%).

In 2006, Saint Paul employers paid an average of \$45,817 to employees annually. This level was less than that of the entire Twin Cities Metropolitan Council Area (\$48,100); Bloomington (\$52,364) and Minneapolis (\$55,172).

REQUESTS FOR INFORMATION

The financial report is designed to provide our citizens, customers, investors and creditors with general overview of the City's finances. If you have questions about this report or need any additional information, contact the Office of Financial Services, Attn: Lori Lee, at 15 W. Kellogg Blvd., Room 700; Saint Paul, Minnesota 55102, call 651-266-8822, or e-mail lori.lee@ci.stpaul.mn.us.

General information relating to the City of Saint Paul, Minnesota, can be found at the City's website, www.stpaul.gov.

City of Saint Paul, Minnesota
STATEMENT OF NET ASSETS
December 31, 2007

Exhibit 1

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Totals	
ASSETS				
Cash and Investments	200,016,262	48,447,821	248,464,083	11,588,265
Investments	-	460,143	460,143	5,808,598
Securities Lending Collateral	111,271,267	-	111,271,267	-
Receivables (Net of Allowance for Uncollectibles)	81,563,852	6,125,741	87,689,593	45,568,139
Due from Component Units	247,486	2,757,347	3,004,833	-
Due from Primary Government	-	-	-	86,903
Due from Other Governmental Units	30,102,999	224,874	30,327,873	597,759
Advance to Component Units	1,756,126	-	1,756,126	-
Internal Balances	(728,934)	728,934	-	-
Inventories	7,734,038	13,618,749	21,352,787	2,063,567
Other Assets	6,611,965	1,304,776	7,916,741	651,231
Restricted Cash and Investments	35,000	25,290,387	25,325,387	42,926,050
Long Term Receivables	10,337,069	6,739,318	17,076,387	833,875
Capital Assets Not Being Depreciated				
Land	141,967,296	33,821,831	175,789,127	8,497,764
Construction in Progress	33,607,969	-	33,607,969	9,710,503
Capital Assets Net of Accumulated Depreciation				
Buildings and Structures	362,917,048	80,787,293	443,704,341	63,697,884
Improvements Other than Buildings	66,433,489	-	66,433,489	-
Public Improvements	-	253,644,189	253,644,189	143,199,431
Equipment	25,694,454	1,695,904	27,390,358	27,279,785
Infrastructure	484,770,937	-	484,770,937	-
Total Assets	1,564,338,323	475,647,307	2,039,985,630	362,509,754
LIABILITIES				
Accounts Payable and Other Current Liabilities	23,167,222	4,018,633	27,185,855	3,591,371
Accrued Salaries	10,410,452	361,584	10,772,036	815,419
Due to Component Units	25,919	60,984	86,903	-
Due to Primary Government	-	-	-	3,004,833
Due to Other Governmental Units	2,902,718	11,765	2,914,483	3,047,090
Unearned Revenue	20,307,421	162	20,307,583	3,734,043
Obligations Under Securities Lending	111,271,267	-	111,271,267	-
Liabilities Payable from Restricted Assets	-	5,220,250	5,220,250	9,850,207
Advance from Primary Government	-	-	-	1,756,126
Noncurrent Liabilities:				
Due Within One Year	42,100,626	8,663,195	50,763,821	2,089,144
Due in More than One Year	434,416,941	123,492,218	557,909,159	99,126,513
Total Liabilities	644,602,566	141,828,791	786,431,357	127,014,746
NET ASSETS				
Investment in Capital Assets, Net of Related Debt	876,864,683	259,106,106	1,135,970,789	181,148,356
Restricted for:				
Public Safety	2,979,778	-	2,979,778	-
Culture and Recreation	1,680,040	-	1,680,040	-
Economic Development	-	-	-	18,230,523
Debt Service	9,669,769	13,729,142	23,398,911	13,648,161
Permanent Activities				
Expendable	33,878	-	33,878	-
Nonexpendable	35,000	-	35,000	-
Operations and Maintenance	-	3,337,412	3,337,412	-
Unrestricted	28,472,609	57,645,856	86,118,465	22,467,968
Total Net Assets	919,735,757	333,818,516	1,253,554,273	235,495,008

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

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City of Saint Paul, Minnesota
STATEMENT OF ACTIVITIES
 For The Fiscal Year Ended December 31, 2007

Exhibit 2

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Totals	
Primary Government								
Governmental Activities								
General Government	35,161,482	9,166,672	4,085,384	300,294	(21,609,132)	-	(21,609,132)	-
Public Safety	146,989,216	31,359,017	5,529,421	-	(110,100,778)	-	(110,100,778)	-
Highways and Streets	57,723,703	33,295,801	4,223,571	7,719,357	(12,484,974)	-	(12,484,974)	-
Sanitation	9,996,866	2,540,827	540,176	-	(6,915,863)	-	(6,915,863)	-
Health	3,985,174	3,789,730	-	675,000	479,556	-	479,556	-
Culture and Recreation	66,125,420	5,188,558	5,337,942	5,943,233	(49,655,687)	-	(49,655,687)	-
Housing and Economic Development	32,448,793	7,291,601	15,876,972	808,000	(8,472,220)	-	(8,472,220)	-
Interest and Fiscal Charges	28,779,314	-	-	-	(28,779,314)	-	(28,779,314)	-
Total Governmental Activities	381,209,968	92,632,206	35,593,466	15,445,884	(237,538,412)	-	(237,538,412)	-
Business-Type Activities								
Sewer	30,542,650	42,180,934	71,427	-	-	11,709,711	11,709,711	-
Development Loan Programs	14,297,712	427,676	228,546	-	-	(13,641,490)	(13,641,490)	-
Parking	11,256,264	10,667,979	-	11,412,775	-	10,824,490	10,824,490	-
Parks, Recreation and Athletics	4,645,706	4,136,411	-	-	-	(509,295)	(509,295)	-
Impound Lot	2,858,214	3,212,873	-	-	-	354,659	354,659	-
Printing	1,380,224	1,176,609	-	-	-	(203,615)	(203,615)	-
Total Business-Type Activities	64,980,770	61,802,482	299,973	11,412,775	-	8,534,460	8,534,460	-
Total Primary Government	446,190,738	154,434,688	35,893,439	26,858,659	(237,538,412)	8,534,460	(229,003,952)	-
Component Units								
RiverCentre Convention & Visitors Authority	11,021,112	7,920,821	834,598	1,350,294	-	-	-	(915,399)
Regional Water Services	37,437,886	38,665,346	77,960	734,226	-	-	-	2,039,646
Port Authority	13,647,682	7,739,060	1,732,221	-	-	-	-	(4,176,401)
Total Component Units	62,106,680	54,325,227	2,644,779	2,084,520	-	-	-	(3,052,154)
General Revenues								
Taxes								
Property Taxes, Levied for General Purposes					62,817,701	1,276,002	64,093,703	-
Property Taxes, Levied for Debt Service					21,625,442	-	21,625,442	1,601,223
City Sales Tax					15,664,067	-	15,664,067	-
Gross Earnings Franchise Fee					23,094,436	-	23,094,436	-
Other Taxes					3,056,451	-	3,056,451	1,563,683
Revenues Not Restricted to Specific Programs								
Local Government Aid					59,961,201	-	59,961,201	-
Grants and Contributions					13,076,214	-	13,076,214	-
Investment Income								
Interest Earned on Investments					9,670,021	2,018,152	11,688,173	3,223,863
Increase in Fair Value of Investments					2,160,885	530,935	2,691,820	265,365
Other Investment Income					10,258,865	-	10,258,865	-
Gain on Sale of Capital Assets					46,145	868	47,013	98,746
Miscellaneous					13,777,578	31,703	13,809,281	1,034,075
Transfers					24,063,004	(24,063,004)	-	-
Total General Revenues and Transfers					259,272,010	(20,205,344)	239,066,666	7,786,955
Change in Net Assets					21,733,598	(11,670,884)	10,062,714	4,734,801
Net Assets, January 1					898,002,159	345,489,400	1,243,491,559	230,760,207
Net Assets, December 31					919,735,757	333,818,516	1,253,554,273	235,495,008

City of Saint Paul, Minnesota
 BALANCE SHEET
 GOVERNMENTAL FUNDS
 December 31, 2007

Exhibit 3

	General	Library Agency	HRA General Fund	General Debt Service	HRA General Debt Service	Capital Improvement Projects	City Sales Tax	Other Governmental Funds	Total Governmental Funds
ASSETS									
Cash and Investments with Treasurer	14,543,614	1,134,004	9,135,526	18,852,063	11,497,881	-	40,119,612	66,318,166	161,600,866
Cash and Investments with Trustees	-	-	-	-	12,962,873	-	448,390	16,106,765	29,518,028
Interfund Receivable for Pooled									
Cash and Investments Overdrafts	16,218,084	-	-	-	-	-	-	-	16,218,084
Imprest Funds	59,980	-	-	-	-	-	-	40,880	100,860
Securities Lending Collateral (Note VI.A)	111,271,267	-	-	-	-	-	-	-	111,271,267
Receivables									
Property Taxes - Due from Ramsey County	487,990	107,757	10,396	87,318	74,176	-	-	12,156	779,793
Property Taxes - Delinquent	1,464,272	360,152	29,162	138,185	196,926	-	-	144,196	2,332,893
Accounts (net of allowance for estimated uncollectible)	1,353,875	-	155,456	1,750	7,834	420,638	-	2,296,438	4,235,991
Assessments	-	-	-	-	-	13,786,990	-	28,006,635	41,793,625
Notes and Loans	13,815,275	-	-	-	-	-	5,096,401	12,157,759	31,069,435
Accrued Interest	1,223,717	-	94,891	89,914	130,169	10,426	492,312	1,340,481	3,381,910
Due from Xcel Energy	1,100,578	-	-	-	-	-	-	-	1,100,578
Due from Other Funds	13,460,535	11,288	-	-	63,982	4,338,421	-	18,466,113	36,340,339
Due from Component Units	7,833	-	-	-	-	28,556	-	153,097	189,486
Due from Other Governmental Units	757,965	-	-	-	-	15,388,219	1,789,192	8,604,407	26,539,783
Advance to Other Funds	34,800	-	628,310	-	-	-	-	236,400	899,510
Advance to Component Units	1,525,000	-	-	-	-	-	231,126	-	1,756,126
Land Held for Resale	-	-	1,507,168	-	-	-	-	3,858,320	5,365,488
TOTAL ASSETS	177,324,785	1,613,201	11,560,909	19,169,230	24,933,841	33,973,250	48,177,033	157,741,813	474,494,062

continued

City of Saint Paul, Minnesota
 BALANCE SHEET
 GOVERNMENTAL FUNDS
 December 31, 2007

Exhibit 3

	General	Library Agency	HRA General Fund	General Debt Service	HRA General Debt Service	Capital Improvement Projects	City Sales Tax	Other Governmental Funds	Total Governmental Funds
LIABILITIES AND FUND BALANCES									
Liabilities									
Interfund Payable for Pooled									
Cash and Investments Overdrafts	-	-	-	-	-	7,569,412	-	4,365,174	11,934,586
Accrued Salaries Payable	6,993,101	482,612	-	9,891	-	3,352	-	1,727,947	9,216,903
Obligations Under Securities Lending (Note VI.A)	111,271,267	-	-	-	-	-	-	-	111,271,267
Accounts Payable	2,437,532	186,153	30,159	22,445	-	2,003,015	-	2,776,839	7,456,143
Contracts/Retention Payable	-	-	674,217	-	-	7,882,489	-	115,000	8,671,706
Due to Other Funds	974,656	183,195	534,027	1,800	163,994	405,149	17,029,318	8,858,152	28,150,291
Due to Component Units	-	-	-	-	-	947	-	-	947
Due to Other Governmental Units	2,287,395	-	12,910	-	1,072	-	-	338,400	2,639,777
Advance from Other Funds	75,000	-	-	-	-	-	-	8,580,593	8,655,593
Accrued Interest Payable - Securities Lending	431,521	-	-	-	-	-	-	-	431,521
Deferred Revenue	17,874,721	360,152	1,628,132	174,153	243,665	24,278,700	5,375,204	22,422,025	72,356,752
Unearned Revenue	-	-	-	-	-	2,036,136	-	14,743,240	16,779,376
Total Liabilities	142,345,193	1,212,112	2,879,445	208,289	408,731	44,179,200	22,404,522	63,927,370	277,564,862
Fund Balances									
Reserved for									
Encumbrances	1,606,408	1,326	60,234	-	-	13,332,349	-	2,053,545	17,053,862
Imprest Funds	59,980	-	-	-	-	-	-	40,880	100,860
Advance to Other Funds	34,800	-	628,310	-	-	-	-	236,400	899,510
Advance to Component Units	1,525,000	-	-	-	-	-	231,126	-	1,756,126
Long-Term Receivable	-	-	-	-	-	-	-	630,467	630,467
Mandatory 5% for Retirement of Debt	-	-	-	1,044,116	-	-	-	330,233	1,374,349
Revenue Shortfalls and Unforeseen Expenditures	-	-	-	522,058	-	-	-	-	522,058
Permanent Fund Activities	-	-	-	-	-	-	-	35,000	35,000
Unreserved, Reported in									
General Fund	31,753,404	-	-	-	-	-	-	-	31,753,404
Special Revenue Funds	-	399,763	7,992,920	-	-	-	-	26,302,938	34,695,621
Debt Service Funds	-	-	-	17,394,767	24,525,110	-	-	19,189,573	61,109,450
Capital Projects Funds	-	-	-	-	-	(23,538,299)	25,541,385	44,961,528	46,964,614
Permanent Funds	-	-	-	-	-	-	-	33,879	33,879
Total Fund Balances	34,979,592	401,089	8,681,464	18,960,941	24,525,110	(10,205,950)	25,772,511	93,814,443	196,929,200
TOTAL LIABILITIES AND FUND BALANCES	177,324,785	1,613,201	11,560,909	19,169,230	24,933,841	33,973,250	48,177,033	157,741,813	474,494,062

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

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City of Saint Paul, Minnesota
**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET AND
 THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS**
 December 31, 2007

Exhibit 4

Total Fund Balances - Governmental Funds	\$ 196,929,200
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.	1,104,371,175
Some receivables that are not currently available are reported as deferred revenue in the fund financial statements, but are recognized as revenue when earned in the government-wide statements.	71,580,136
Internal Service funds are used by management to charge the costs of various services provided to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Assets	20,851,323
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(473,996,077)</u>
Net Assets of Governmental Activities	<u><u>\$ 919,735,757</u></u>

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

City of Saint Paul, Minnesota
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 For the Fiscal Year Ended December 31, 2007

Exhibit 5

	General	Library Agency	HRA General Fund	General Debt Service	HRA General Debt Service	Capital Improvement Projects	City Sales Tax	Other Governmental Funds	Total Governmental Funds
REVENUES									
Taxes									
Property Taxes									
Current Taxpayer	45,742,893	8,516,183	989,098	8,125,065	-	-	-	3,054,007	66,427,246
Current Tax Increment	-	-	-	-	12,826,437	-	-	3,941,625	16,768,062
Delinquent Taxpayer	661,618	130,346	8,723	106,513	-	-	-	-	907,200
Delinquent Tax Increment	219,804	-	-	-	109,903	-	-	162,376	492,083
Total Property Taxes	46,624,315	8,646,529	997,821	8,231,578	12,936,340	-	-	7,158,008	84,594,591
City Sales Tax	-	-	-	-	-	-	15,664,067	-	15,664,067
Gross Earnings Franchise Fees	22,127,647	-	-	100,000	-	-	-	2,046,481	24,274,128
Hotel-Motel Tax	815,041	-	-	-	220,000	-	-	2,032,612	3,067,653
Other Taxes	69,257	-	-	-	-	-	-	-	69,257
Total Taxes	69,636,260	8,646,529	997,821	8,331,578	13,156,340	-	15,664,067	11,237,101	127,669,696
Licenses and Permits	955,820	-	-	-	-	-	-	8,832,514	9,788,334
Intergovernmental Revenue (Schedule 36)	63,829,793	5,355,290	44,056	365,011	139,542	12,557,234	-	29,197,394	111,488,320
Fees, Sales and Services	15,804,689	-	1,705,648	45,371	12,871	92,097	5,000	26,378,096	44,043,772
Assessments	-	-	-	-	-	3,577,762	-	23,975,152	27,552,914
Investment Income									
Interest Earned on Investments	3,798,214	-	424,559	470,294	908,866	37,844	1,044,757	3,386,111	10,070,645
Increase in Fair Value of Investments	818,105	-	111,133	188,158	82,782	4,136	234,625	745,626	2,184,565
Interest Earned on Securities Lending	6,242,385	-	-	-	-	-	-	-	6,242,385
Other Investment Income	3,754,100	-	-	-	-	-	-	-	3,754,100
Interest Earned - Other	83,180	-	-	-	419,321	-	510,439	75,097	1,088,037
Miscellaneous Revenue									
Program Income	-	-	-	-	-	-	-	2,777,359	2,777,359
Other	1,052,891	21,839	6,000	38,709	1,554,752	3,054,954	1,180,077	8,092,529	15,001,751
Total Revenues	165,975,437	14,023,658	3,289,217	9,439,121	16,274,474	19,324,027	18,638,965	114,696,979	361,661,878

continued

City of Saint Paul, Minnesota
**STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES**
GOVERNMENTAL FUNDS
 For the Fiscal Year Ended December 31, 2007

Exhibit 5

	General	Library Agency	HRA General Fund	General Debt Service	HRA General Debt Service	Capital Improvement Projects	City Sales Tax	Other Governmental Funds	Total Governmental Funds
EXPENDITURES									
Current									
General Government	23,140,421	-	-	277,350	-	525,166	-	3,636,590	27,579,527
Public Safety	116,786,009	-	-	-	-	1,280,620	-	23,901,644	141,968,273
Highways and Streets	1,498,232	-	-	-	-	6,369,056	-	21,104,869	28,972,157
Sanitation	-	-	-	-	-	7,309,432	-	2,673,843	9,983,275
Health	-	-	-	-	-	-	-	3,789,730	3,789,730
Culture and Recreation	24,299,349	13,405,800	-	-	-	1,009,723	-	11,103,354	49,818,226
Housing and Economic Development	-	-	3,028,186	-	742,122	1,490,225	5,739,688	19,027,670	30,027,891
Miscellaneous	4,148,543	-	-	-	-	-	-	-	4,148,543
Capital Outlay	-	10,761	-	-	-	36,845,342	90,074	2,694,017	39,640,194
Debt Service									
Bond Principal	-	-	-	17,985,000	6,672,183	-	-	5,375,000	30,032,183
Other Debt Principal	510,000	-	-	-	1,251,818	-	-	2,329,494	4,091,312
Interest - Bonds	-	-	-	3,698,544	7,552,068	-	-	6,729,560	17,980,172
Interest - Securities Lending	6,053,144	-	-	-	-	-	-	-	6,053,144
Interest - Other Debt	536,217	-	-	-	716,031	-	-	3,324,971	4,577,219
Bond Issuance Costs	-	-	-	-	6,777	86,103	419,899	59,673	572,452
Total Expenditures	176,971,915	13,416,561	3,028,186	21,960,894	16,940,999	54,915,667	6,249,661	105,750,415	399,234,298
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,996,478)	607,097	261,031	(12,521,773)	(666,525)	(35,591,640)	12,389,304	8,946,564	(37,572,420)
OTHER FINANCING SOURCES (USES)									
Transfers In	17,651,528	-	477,989	11,729,494	18,266,135	17,912,663	10,056,733	44,651,973	120,746,515
Transfers Out	(1,949,294)	(467,925)	(68,486)	(553)	(13,579,413)	(1,976,992)	(40,709,090)	(41,421,231)	(100,172,984)
Bonds Issued	-	-	-	-	3,895,000	12,500,000	27,280,000	6,250,000	49,925,000
Refunded Bonds	-	-	-	-	(3,895,000)	-	-	-	(3,895,000)
Premium on Bonds Issued	-	-	-	-	44,831	-	397,702	61,422	503,955
Discount on Bonds Issued	-	-	-	-	-	(6,376)	(57,804)	-	(64,180)
Sale of Capital Assets	1,262	-	-	-	-	-	-	32,625	33,887
Total Other Financing Sources (Uses)	15,703,496	(467,925)	409,503	11,728,941	4,731,553	28,429,295	(3,032,459)	9,574,789	67,077,193
Net Change in Fund Balances	4,707,018	139,172	670,534	(792,832)	4,065,028	(7,162,345)	9,356,845	18,521,353	29,504,773
FUND BALANCES, January 1	30,272,574	261,917	8,010,930	19,753,773	20,460,082	(3,043,605)	16,415,666	75,293,090	167,424,427
FUND BALANCES, December 31	34,979,592	401,089	8,681,464	18,960,941	24,525,110	(10,205,950)	25,772,511	93,814,443	196,929,200

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

City of Saint Paul, Minnesota
**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**
For the Fiscal Year Ended December 31, 2007

Exhibit 6

Net Change in Fund Balances - Total Governmental Funds	\$ 29,504,773
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlay as expenditures. However, in the Statement of Net Assets, the cost of these assets is capitalized and depreciated over their estimated useful lives with depreciation expense reported in the Statement of Activities.	6,230,245
Net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins) is to increase net assets.	(419,406)
Receivables not currently available are reported as deferred revenue in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.	6,840,387
Debt and lease proceeds provide current financial resources to governmental funds, but issuing these obligations increases long-term liabilities in the Statement of Net Assets. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.	(11,844,317)
Governmental funds report the effect 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.	132,677
Some expenses in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(7,878,209)
Internal Service funds are used by management to charge the costs of various services provided to individual funds. The net revenues of certain activities of internal service funds are reported with governmental activities.	<u>(832,552)</u>
Change in Net Assets of Governmental Activities	<u>\$ 21,733,598</u>

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

City of Saint Paul, Minnesota
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
December 31, 2007

Exhibit 7

	Business-Type Activities - Enterprise Funds				Totals	Governmental Activities - Internal Service Funds
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds		
ASSETS						
Current Assets						
Cash and Investments with Treasurer	32,793,364	3,669,770	10,673,089	1,304,948	48,441,171	8,830,533
Investments	460,143	-	-	-	460,143	-
Imprest Funds	150	-	-	6,500	6,650	975
Restricted Cash and Cash Equivalents						
Cash for General Obligation Bond Debt Service	30,841	-	4,569,163	-	4,600,004	-
Cash for Revenue Bond Debt Service	1,487,454	7,309,507	3,322,856	-	12,119,817	-
Cash for Revenue Bond Operations and Maintenance	-	-	686,198	-	686,198	-
Cash for Revenue Bond Construction	-	-	723,224	-	723,224	-
Receivables						
Delinquent Taxes Receivable	-	-	42,282	-	42,282	-
Accounts (net of allowance for estimated uncollectibles)	33,679	9,115	278,835	341,091	662,720	661,079
Assessments	5,173,773	725	-	-	5,174,498	-
Accrued Interest	56,170	136,773	85,864	9,716	288,523	97,850
Due from Other Funds	141,609	-	-	48,986	190,595	4,401,889
Due from Component Units	2,727,014	-	-	30,333	2,757,347	58,000
Due from Other Governmental Units	55,870	1,018	-	125,704	182,592	450,530
Inventories						
Materials and Supplies	111,967	-	-	173,513	285,480	2,368,550
Impounded Cars	-	-	-	224,172	224,172	-
Prepaid Items	-	-	-	-	-	4,240,801
Land Held for Resale	-	13,109,097	-	-	13,109,097	-
Total Current Assets	43,072,034	24,236,005	20,381,511	2,264,963	89,954,513	21,110,207
Noncurrent Assets						
Restricted Assets						
Cash for Revenue Bond Operations and Maintenance	2,651,214	-	-	-	2,651,214	-
Cash for Budget and Rate Stabilization	3,843,180	-	-	-	3,843,180	-
Investment for Revenue Bond Debt Service Reserve	-	-	-	666,750	666,750	-
Total Restricted Assets	6,494,394	-	-	666,750	7,161,144	-
Other Assets						
Contract Receivable - Metropolitan Council Environmental Services (Note VI.B)	13,225	-	-	-	13,225	-
Advance to Other Funds	448,733	6,087,323	-	-	6,536,056	2,222,343
Deferred Charges	203,938	-	999,476	101,362	1,304,776	-
Other Long-Term Loans Receivable	-	5,911,449	-	-	5,911,449	10,337,069
Accrued Interest Receivable on Loans	-	814,644	-	-	814,644	-
Total Other Assets	665,896	12,813,416	999,476	101,362	14,580,150	12,559,412

continued

City of Saint Paul, Minnesota
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
December 31, 2007

Exhibit 7

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds	
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds		Totals
Capital Assets						
Land	82,186	-	30,275,590	3,464,055	33,821,831	80,907
Buildings and Structures	3,108,731	-	106,359,204	2,742,671	112,210,606	10,079,705
Less: Accumulated Depreciation	(413,351)	-	(29,976,448)	(1,033,514)	(31,423,313)	(5,639,831)
Public Improvements	355,333,710	-	1,656,749	-	356,990,459	-
Less: Accumulated Depreciation	(102,693,517)	-	(652,753)	-	(103,346,270)	-
Equipment	2,008,347	-	51,634	3,351,339	5,411,320	26,383,591
Less: Accumulated Depreciation	(1,192,734)	-	(19,833)	(2,502,849)	(3,715,416)	(19,884,354)
Total Capital Assets	256,233,372	-	107,694,143	6,021,702	369,949,217	11,020,018
Total Noncurrent Assets	263,393,662	12,813,416	108,693,619	6,789,814	391,690,511	23,579,430
TOTAL ASSETS	306,465,696	37,049,421	129,075,130	9,054,777	481,645,024	44,689,637
LIABILITIES						
Current Liabilities (Payable from Current Assets)						
Interfund Payable for Pooled						
Cash and Investments Overdrafts	-	-	-	2,757,890	2,757,890	1,525,608
Accrued Salaries Payable	169,197	-	-	192,387	361,584	1,193,549
Accounts Payable	365,244	215,497	390,452	399,610	1,370,803	1,143,658
Contracts Payable	-	1,933,562	-	-	1,933,562	-
Due to Other Funds	429,148	2,549,366	89,355	45,006	3,112,875	9,678,322
Due to Component Units	60,984	-	-	-	60,984	24,972
Due to Other Governmental Units	-	368	-	11,397	11,765	262,941
Unearned Revenue	-	-	-	162	162	3,528,045
Compensated Absences Payable	16,347	-	-	10,915	27,262	88,502
General Obligation Bonds Payable	201,667	-	-	-	201,667	-
Revenue Bonds Payable	3,790,416	2,245,395	861,315	220,000	7,117,126	-
Revenue Notes Payable	980,834	195,190	70,000	-	1,246,024	-
Capital Lease Payable	-	-	-	71,116	71,116	149,908
Accrued Interest Payable						
Revenue Bonds	-	-	418,715	80,159	498,874	-
Revenue Notes	161,960	-	52,800	-	214,760	-
Capital Lease	-	-	-	174	174	23,275
Total Current Liabilities (Payable from Current Assets)	6,175,797	7,139,378	1,882,637	3,788,816	18,986,628	17,618,780

continued

City of Saint Paul, Minnesota
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
December 31, 2007

Exhibit 7

	Business-Type Activities - Enterprise Funds				Totals	Governmental Activities - Internal Service Funds
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds		
Current Liabilities (Payable from Restricted Assets)						
Accounts Payable	-	-	344,773	-	344,773	-
General Obligation Bonds Payable	18,333	-	1,570,000	-	1,588,333	-
Revenue Bonds Payable	344,584	448,605	1,408,685	-	2,201,874	-
Accrued Interest Payable						
General Obligation Bonds	12,508	-	733,482	-	745,990	-
Revenue Bonds	48,983	37,500	252,797	-	339,280	-
Total Current Liabilities (Payable from Restricted Assets)	424,408	486,105	4,309,737	-	5,220,250	-
Total Current Liabilities	6,600,205	7,625,483	6,192,374	3,788,816	24,206,878	17,618,780
Noncurrent Liabilities						
General Obligation Bonds Payable	2,840,000	-	31,690,000	-	34,530,000	-
Less: Unamortized Discount	(31,855)	-	-	-	(31,855)	-
Revenue Bonds Payable	10,850,000	6,441,000	49,710,000	6,675,000	73,676,000	-
Add: Unamortized Premium	160,870	-	80,231	200,086	441,187	-
Less: Unamortized Discount	(50,029)	-	-	-	(50,029)	-
Revenue Notes Payable	12,986,597	-	890,000	-	13,876,597	-
Capital Lease Payable	-	-	-	-	-	1,928,250
Advance from Other Funds	-	-	-	-	-	1,002,316
Compensated Absences Payable	197,013	-	-	589,362	786,375	2,388,642
Net Other Postemployment Benefits Obligation	110,975	-	-	152,968	263,943	1,027,738
Total Noncurrent Liabilities	27,063,571	6,441,000	82,370,231	7,617,416	123,492,218	6,346,946
TOTAL LIABILITIES	33,663,776	14,066,483	88,562,605	11,406,232	147,699,096	23,965,726
NET ASSETS						
Invested in Capital Assets, Net of Related Debt	238,109,386	-	22,141,220	(1,144,500)	259,106,106	8,458,327
Restricted for:						
Debt Service	-	6,823,402	6,905,740	-	13,729,142	-
Operation and Maintenance	2,651,214	-	686,198	-	3,337,412	-
Total Restricted	2,651,214	6,823,402	7,591,938	-	17,066,554	-
Unrestricted	32,041,320	16,159,536	10,779,367	(1,206,955)	57,773,268	12,265,584
TOTAL NET ASSETS	272,801,920	22,982,938	40,512,525	(2,351,455)	333,945,928	20,723,911
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds					(127,412)	
Net Assets of Business-Type Activities					333,818,516	

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

City of Saint Paul, Minnesota
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
For the Fiscal Year Ended December 31, 2007

Exhibit 8

	Business Type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds	Totals	
OPERATING REVENUES						
Fees, Sales and Services	42,177,133	290,376	10,667,979	7,850,968	60,986,456	39,911,143
Rents and Leases	-	1,400	-	655,877	657,277	1,645,518
Interest Earned on Loans	-	137,300	-	-	137,300	675,404
Miscellaneous	6,269	-	23,917	19,165	49,351	1,184,743
Total Operating Revenues	42,183,402	429,076	10,691,896	8,526,010	61,830,384	43,416,808
OPERATING EXPENSES						
Cost of Merchandise Sold	-	-	-	203,373	203,373	589,223
Salaries	3,037,077	-	-	3,360,398	6,397,475	18,938,972
Employee Fringe Benefits	1,331,043	-	-	1,031,633	2,362,676	9,401,241
Agent	-	-	3,131,860	-	3,131,860	-
Services	19,149,445	4,892,487	944,645	2,437,444	27,424,021	7,506,026
Materials and Supplies	781,948	-	85,710	1,215,791	2,083,449	10,120,076
Depreciation	4,417,947	-	2,455,651	331,266	7,204,864	1,889,756
Bad Debts	(8,191)	5,996,935	-	10,489	5,999,233	104,986
Forgivable Loans	-	944,676	-	-	944,676	-
Miscellaneous	256,091	-	102,076	-	358,167	453,293
Total Operating Expenses	28,965,360	11,834,098	6,719,942	8,590,394	56,109,794	49,003,573
OPERATING INCOME (LOSS)	13,218,042	(11,405,022)	3,971,954	(64,384)	5,720,590	(5,586,765)
NON-OPERATING REVENUES (EXPENSES)						
Property Tax Increment	-	-	1,276,002	-	1,276,002	-
Intergovernmental Revenue (Schedule 36)	71,427	134,746	-	-	206,173	2,402,276
Operating Grants	-	-	-	-	-	677,000
Gain on Sale of Assets	868	-	-	-	868	25,093
Investment Income						
Interest Earned on Investments	296,574	1,095,443	583,494	42,641	2,018,152	-
Increase in Fair Value of Investments	104,515	292,983	130,519	2,918	530,935	-
Interest Earned - Other	3,801	-	-	-	3,801	-
Noncapital Contributions	-	93,800	-	-	93,800	-
Loss on Retirement of Assets	(287)	-	-	-	(287)	(5,922)
Interest Expense						
General Obligation Bonds	(161,862)	-	(1,785,856)	-	(1,947,718)	-
Revenue Bonds	(621,707)	(547,960)	(2,557,804)	(314,799)	(4,042,270)	-
Capital Lease	-	-	-	(6,550)	(6,550)	(110,309)
Revenue Notes	(504,733)	(5,181)	(57,950)	-	(567,864)	-
Contracts	-	(13,731)	-	-	(13,731)	-
Advance from Other Funds	-	-	-	-	-	(49,513)
Amortization of Bond Issuance Costs	(190,573)	-	(112,053)	(5,684)	(308,310)	-
Miscellaneous Other Expense	(2,730)	(1,867,547)	(1,308,529)	-	(3,178,806)	(30,897)
Total Non-Operating Revenues (Expenses)	(1,004,707)	(817,447)	(3,832,177)	(281,474)	(5,935,805)	2,907,728
Income (Loss) Before Capital Contributions and Transfers	12,213,335	(12,222,469)	139,777	(345,858)	(215,215)	(2,679,037)
Capital Contributions	-	-	11,412,775	-	11,412,775	-
Transfers In	-	2,126,433	-	296,000	2,422,433	3,583,864
Transfers Out	(9,936,654)	(14,262,113)	(448,428)	(529,713)	(25,176,908)	(1,851,348)
Change in Net Assets	2,276,681	(24,358,149)	11,104,124	(579,571)	(11,556,915)	(946,521)
NET ASSETS, January 1	270,525,239	47,341,087	29,408,401	(1,771,884)		21,670,432
NET ASSETS, December 31	272,801,920	22,982,938	40,512,525	(2,351,455)		20,723,911
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds					(113,969)	
Total change in net assets of business-type activities					(11,670,884)	

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

City of Saint Paul, Minnesota
 STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 For the Fiscal Year Ended December 31, 2007

Exhibit 9

	Business-type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Funds
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds		
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from Loan Recipients and Other Customers	39,757,381	379,500	10,766,393	7,851,585	58,754,859	7,250,083
Receipts from Other Funds for Services Provided	1,727,838	-	-	398,582	2,126,420	35,825,760
Other Operating Receipts	-	-	-	-	-	263,227
Payment to Suppliers	(18,650,328)	(3,620,415)	(6,833,125)	(3,321,198)	(32,425,066)	(14,426,721)
Payment to Employees	(4,263,700)	-	-	(4,213,708)	(8,477,408)	(27,049,491)
Payment to Other Funds for Services Used	(2,049,787)	(1,132,184)	(603,621)	(332,982)	(4,118,574)	(5,141,686)
Other Operating Payments	-	-	-	-	-	(43,907)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	16,521,404	(4,373,099)	3,329,647	382,279	15,860,231	(3,322,735)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers In from Other Funds	-	2,126,433	-	296,000	2,422,433	3,901,061
Transfers Out to Other Funds	(10,031,925)	(14,262,113)	(490,289)	(529,713)	(25,314,040)	(1,822,687)
Operating Grants Received	71,427	134,097	-	-	205,524	2,275,255
Noncapital Contributions Received from Outside Sources	-	93,800	-	-	93,800	677,000
Advance Received for Pooled Cash and Investments Overdraft	-	-	-	370,324	370,324	1,350,295
Advance Received From Other Funds	-	-	-	-	-	8,301,983
Repayment of Advance Made to Other Funds	993,045	-	-	-	993,045	25,000
Proceeds from Issuance of Notes	-	1,902,000	-	-	1,902,000	-
Principal Paid on Noncapital Related Revenue Bonds	-	(3,320,000)	-	-	(3,320,000)	-
Principal Paid on Noncapital Related Notes	-	(1,902,000)	-	-	(1,902,000)	-
Interest Paid on Noncapital Related Revenue Bonds	-	(569,468)	-	-	(569,468)	-
Interest Paid on Long-Term Notes for Noncapital Items	-	(5,363)	-	-	(5,363)	-
Interest Paid on Noncapital Contracts	-	(13,732)	-	-	(13,732)	-
Advance Made to Other Funds	-	(463,839)	-	-	(463,839)	-
Repayment of Advance Received for Pooled Cash and Investments Overdrafts	-	-	-	(27,111)	(27,111)	(35,218)
Repayment of Advance Received from Other Funds	-	-	-	-	-	(10,323,003)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	(8,967,453)	(16,280,185)	(490,289)	109,500	(25,628,427)	4,349,686
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Property Tax Increments Received for Financing Capital Debt	-	-	1,259,443	-	1,259,443	-
Payment Received on Current Value Credits						
Principal	81,060	-	-	-	81,060	-
Interest	3,801	-	-	-	3,801	-
Proceeds from Issuance of Capital Lease	-	-	-	-	-	2,150,657
Proceeds from Sale of Capital Assets						
Equipment	1,049	-	-	-	1,049	25,610
Cash Received for Capital Acquisition						
From Grants	-	-	2,149,308	-	2,149,308	-
Principal Paid On						
General Obligation Bonds	(215,000)	-	(1,445,000)	-	(1,660,000)	-
Revenue Bonds	(5,745,000)	-	(1,815,000)	(205,000)	(7,765,000)	-
Revenue Notes	(943,879)	-	(70,000)	-	(1,013,879)	-
Capital Lease	-	-	-	(279,318)	(279,318)	(2,248,841)
Advance From Other Funds	-	-	-	-	-	(341,645)
Payments for Acquisition and Construction of Capital Assets						
Buildings and Structures	-	-	(7,358,328)	-	(7,358,328)	(460,506)
Public Improvements	(3,052,102)	-	(15,300)	-	(3,067,402)	-
Equipment	(43,753)	-	(20,574)	(40,621)	(104,948)	(1,776,375)
Interest Paid On						
General Obligation Bonds	(159,773)	-	(1,804,069)	-	(1,963,842)	-
Revenue Bonds	(746,616)	-	(2,598,870)	(327,813)	(3,673,299)	-
Capital Lease	-	-	-	(7,233)	(7,233)	(110,309)
Revenue Notes	(515,506)	-	(61,800)	-	(577,306)	-
Advance From Other Funds	-	-	-	-	-	(49,513)
NET CASH PROVIDED (USED) IN CAPITAL AND RELATED FINANCING ACTIVITIES	(11,335,719)	-	(11,780,190)	(859,985)	(23,975,894)	(2,810,922)

continued

City of Saint Paul, Minnesota
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended December 31, 2007

Exhibit 9

	Business-type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Funds
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds		
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest and Dividends Received	343,345	1,305,962	619,854	42,765	2,311,926	-
Increase (Decrease) in Fair Value of Investments	97,218	290,082	129,790	2,889	519,979	-
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	440,563	1,596,044	749,644	45,654	2,831,905	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(3,341,205)	(19,057,240)	(8,191,188)	(322,552)	(30,912,185)	(1,783,971)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	44,147,408	30,036,517	28,165,718	1,634,000	103,983,643	10,615,479
CASH AND CASH EQUIVALENTS AT END OF YEAR	40,806,203	10,979,277	19,974,530	1,311,448	73,071,458	8,831,508
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating Income (Loss)	13,218,042	(11,405,022)	3,971,954	(64,384)	5,720,590	(5,586,765)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities						
Depreciation	4,417,947	-	2,455,651	331,266	7,204,864	1,889,756
Increase (Decrease) in Allowance for Uncollectible Accounts/Loans	(529,587)	(3,175,019)	-	(17,283)	(3,721,889)	(25,893)
Nonoperating Miscellaneous Other Expenses Paid	(2,730)	-	(1,274,075)	-	(1,276,805)	(38,689)
Changes in Assets and Liabilities (Increase) Decrease in						
Accounts Receivable	516,200	(2,335)	71,940	(214,544)	371,261	(146,207)
Assessments Receivable	210,172	81	-	-	210,253	-
Notes and Loans Receivable	-	9,751,449	-	-	9,751,449	1,427,702
Accrued Interest Receivable	-	311,274	-	-	311,274	15,108
Due from Other Funds	232,968	7,362	2,558	(7,426)	235,462	23,932
Due from Component Units	(1,135,517)	-	-	(13,321)	(1,148,838)	23,424
Due from Other Governmental Units	(610)	(777)	-	(12,943)	(14,330)	45,430
Inventories	(41,396)	-	-	(60,878)	(102,274)	(153,084)
Prepaid Items	-	-	-	-	-	(949,211)
Increase (Decrease) in						
Accrued Salaries Payable	21,187	-	-	33,396	54,583	99,797
Accounts Payable	(248,285)	(235,138)	(1,894,857)	297,056	(2,081,224)	(5,649)
Contracts and Retention Payable	-	115,022	-	-	115,022	-
Due to Other Funds	(216,504)	259,636	(3,481)	(1,953)	37,698	(108,273)
Due to Component Units	1,162	-	-	-	1,162	6,238
Due to Other Governmental Units	-	368	(43)	(9,297)	(8,972)	260,765
Unearned Revenue	-	-	-	162	162	(1,336,247)
Compensated Absences Payable	(32,620)	-	-	(30,540)	(63,160)	207,393
Net Other Postemployment Benefits Obligation	110,975	-	-	152,968	263,943	1,027,738
Total Adjustments	3,303,362	7,031,923	(642,307)	446,663	10,139,641	2,264,030
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	16,521,404	(4,373,099)	3,329,647	382,279	15,860,231	(3,322,735)

continued

City of Saint Paul, Minnesota
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended December 31, 2007

Exhibit 9

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds	
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds		Total
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET ASSETS						
Cash and Investments with Treasurer	32,793,364	3,669,770	10,673,089	1,304,948	48,441,171	8,830,533
Imprest Funds	150	-	-	6,500	6,650	975
Restricted Cash						
For General Obligation Bond Debt Service	30,841	7,309,507	4,569,163	-	11,909,511	-
For Revenue Bond Debt Service	1,487,454	-	3,322,856	-	4,810,310	-
For Revenue Bond Operation and Maintenance	2,651,214	-	686,198	-	3,337,412	-
For Revenue Bond Construction	-	-	723,224	-	723,224	-
For Cash for Budget and Rate Stabilization	3,843,180	-	-	-	3,843,180	-
TOTAL CASH AND CASH EQUIVALENTS	40,806,203	10,979,277	19,974,530	1,311,448	73,071,458	8,831,508
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES						
Capital Assets Purchased on Account						
Buildings and Structures	-	-	310,319	-	310,319	-
Public Improvements	147,887	-	-	-	147,887	-
Equipment	2,000	-	-	-	2,000	-
Contributions of Capital Assets from Outside Sources	-	-	10,760,600	-	10,760,600	-
Loss on Revaluation of Land Held for Resale	-	(1,867,547)	-	-	(1,867,547)	-
Loss on Retirement of Assets	-	-	-	-	-	(5,922)
Capital Asset Transfer to Governmental Activities Capital Assets	-	-	(448,428)	-	(448,428)	-

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

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City of Saint Paul, Minnesota
STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS
December 31, 2007

Exhibit 10

ASSETS

Cash and Investments with Treasurer	3,980,784
Receivables	
Property Taxes - Due from Ramsey County	14,662
Accounts (net of allowance for estimated uncollectibles)	6,661
Accrued Interest	11,015
Due from Other Funds	8,665
Due from Other Governmental Units	<u>1,655</u>
TOTAL ASSETS	<u><u>4,023,442</u></u>

LIABILITIES

Accounts Payable	2,400,789
Due to Other Governmental Units	<u>1,622,653</u>
TOTAL LIABILITIES	<u><u>4,023,442</u></u>

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

City of Saint Paul, Minnesota
STATEMENT OF NET ASSETS
ALL DISCRETELY PRESENTED COMPONENT UNITS
December 31, 2007

Exhibit 11

	RiverCentre Convention & Visitors Authority	Regional Water Services	Port Authority	Total
ASSETS				
Current Assets				
Cash and Investments	2,714,923	7,371,119	1,156,592	11,242,634
Investments	322,242	5,486,356	-	5,808,598
Departmental Cash	-	338,631	-	338,631
Imprest Funds	-	7,000	-	7,000
Restricted Cash and Cash Equivalents				
Cash for Grants and Other Contributions	-	11,718	-	11,718
Investments for Revenue Bond Debt Service	-	3,044,210	-	3,044,210
Receivables				
Taxes	-	-	1,500,000	1,500,000
Accounts (net of allowance for Estimated Uncollectibles)	1,379,114	3,813,936	8,362,953	13,556,003
Assessments	-	3,324,776	-	3,324,776
Loans	-	-	196,000	196,000
Accrued Interest	30,437	172,608	-	203,045
Due from Primary Government	-	86,903	-	86,903
Due from Other Governmental Units	-	597,759	-	597,759
Inventory - Materials and Supplies	-	2,063,567	-	2,063,567
Prepaid Items	75,486	-	180,365	255,851
Total Current Assets	4,522,202	26,318,583	11,395,910	42,236,695
Noncurrent Assets				
Restricted Assets				
Cash for Operations	926,511	-	4,409,315	5,335,826
Cash for Economic Development	-	-	3,229,207	3,229,207
Cash for Other Funds Held in Trust	-	-	4,741,176	4,741,176
Investments for Port Authority Operations	-	-	2,515,274	2,515,274
Investments for Other Funds Held in Trust	-	-	1,593,846	1,593,846
Investments for Revenue Bond Future Debt Service	-	4,290,414	13,971,553	18,261,967
Investments for Revenue Bond and Notes	-	-	1,815,090	1,815,090
Investments for Revenue Bond Operations and Maintenance	-	1,218,486	-	1,218,486
Investments for City Obligations	-	-	1,159,250	1,159,250
Total Restricted Assets	926,511	5,508,900	33,434,711	39,870,122
Other Assets				
Deferred Charges	-	395,380	-	395,380
Other Long-Term Receivables	-	289,897	543,978	833,875
Taxes Receivable	-	-	26,788,315	26,788,315
Total Other Assets	-	685,277	27,332,293	28,017,570
Capital Assets				
Land	-	1,307,887	7,189,877	8,497,764
Buildings and Structures	1,349,309	55,890,178	28,748,155	85,987,642
Less: Accumulated Depreciation	(919,612)	(12,711,845)	(8,658,301)	(22,289,758)
Public Improvements	-	208,088,313	-	208,088,313
Less: Accumulated Depreciation	-	(64,888,882)	-	(64,888,882)
Equipment	4,419,600	45,936,436	1,057,744	51,413,780
Less: Accumulated Depreciation	(3,896,929)	(19,575,844)	(661,222)	(24,133,995)
Construction in Progress	-	9,710,503	-	9,710,503
Total Capital Assets	952,368	223,756,746	27,676,253	252,385,367
Total Noncurrent Assets	1,878,879	229,950,923	88,443,257	320,273,059
Total Assets	6,401,081	256,269,506	99,839,167	362,509,754

continued

City of Saint Paul, Minnesota
STATEMENT OF NET ASSETS
ALL DISCRETELY PRESENTED COMPONENT UNITS
December 31, 2007

Exhibit 11

	RiverCentre Convention & Visitors Authority	Regional Water Services	Port Authority	Total
LIABILITIES				
Current Liabilities (Payable from Current Assets)				
Accrued Salaries Payable	7,844	807,575	-	815,419
Compensated Absences Payable	15,386	55,954	155,000	226,340
Claims and Judgments Payable	-	541,336	-	541,336
Accounts Payable	642,768	1,031,426	1,156,089	2,830,283
Contract Retention Payable	-	335,793	-	335,793
Due to Primary Government	102,500	2,902,333	-	3,004,833
Due to Other Governmental Units	1,292	1,749,336	1,296,462	3,047,090
Unearned Revenue	655,602	125,338	2,953,103	3,734,043
Revenue Notes Payable	-	1,141,727	-	1,141,727
Capital Lease Payable	179,741	-	-	179,741
Accrued Interest Payable				
Revenue Notes	-	51,020	-	51,020
Other Liabilities	-	-	374,275	374,275
Total Current Liabilities (Payable from Current Assets)	1,605,133	8,741,838	5,934,929	16,281,900
Current Liabilities (Payable from Restricted Assets)				
Accounts Payable	-	942	-	942
General Obligation Bonds	-	-	700,000	700,000
Revenue Bonds Payable	-	1,955,000	2,150,820	4,105,820
Revenue Notes Payable	-	-	331,442	331,442
Accrued Interest Payable				
General Obligation Bonds	-	-	238,514	238,514
Revenue Bonds	-	90,767	4,382,722	4,473,489
Total Current Liabilities (Payable from Restricted Assets)	-	2,046,709	7,803,498	9,850,207
Total Current Liabilities	1,605,133	10,788,547	13,738,427	26,132,107
Noncurrent Liabilities				
General Obligation Bonds Payable	-	-	16,645,000	16,645,000
Less: Unamortized Discount	-	-	(360,805)	(360,805)
Revenue Bonds Payable	-	25,475,000	28,894,180	54,369,180
Add: Unamortized Premium	-	101,118	-	101,118
Less: Unamortized Discount	-	(185,923)	(11,306)	(197,229)
Revenue Notes Payable	-	10,420,307	10,760,811	21,181,118
Accrued Interest Payable on Revenue Note	-	-	1,979,101	1,979,101
Capital Lease Payable	1,022,356	-	-	1,022,356
Advance from Primary Government	1,756,126	-	-	1,756,126
Compensated Absences Payable	-	1,580,686	-	1,580,686
Net Other Postemployment Benefits Obligation	-	593,302	-	593,302
Claims and Judgments Payable	-	2,212,686	-	2,212,686
Total Noncurrent Liabilities	2,778,482	40,197,176	57,906,981	100,882,639
Total Liabilities	4,383,615	50,985,723	71,645,408	127,014,746
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	(249,729)	185,051,753	(3,653,668)	181,148,356
Restricted	-	8,462,343	23,416,341	31,878,684
Unrestricted	2,267,195	11,769,687	8,431,086	22,467,968
Total Net Assets	2,017,466	205,283,783	28,193,759	235,495,008

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

City of Saint Paul, Minnesota
STATEMENT OF ACTIVITIES
ALL DISCRETELY PRESENTED COMPONENT UNITS
For The Fiscal Year Ended December 31, 2007

Exhibit 12

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			Totals
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Component Units			
					RiverCentre Convention & Visitors Authority	Regional Water Services	Port Authority	
RiverCentre Convention & Visitors Authority	11,021,112	7,920,821	834,598	1,350,294	(915,399)	-	-	(915,399)
Regional Water Services	37,437,886	38,665,346	77,960	734,226	-	2,039,646	-	2,039,646
Port Authority	13,647,682	7,739,060	1,732,221	-	-	-	(4,176,401)	(4,176,401)
Total Component Units	62,106,680	54,325,227	2,644,779	2,084,520	(915,399)	2,039,646	(4,176,401)	(3,052,154)
General Revenues								
Taxes								
Property Taxes, Levied for Debt Service					-	-	1,601,223	1,601,223
Hotel/Motel Tax					1,563,683	-	-	1,563,683
Investment Income								
Interest Earned on Investments					171,230	1,033,860	2,018,773	3,223,863
Increase in Fair Value of Investments					(4,029)	269,394	-	265,365
Gain on Sale of Capital Assets					-	98,746	-	98,746
Miscellaneous					146,286	331,830	555,959	1,034,075
Total General Revenues					1,877,170	1,733,830	4,175,955	7,786,955
Change in Net Assets					961,771	3,773,476	(446)	4,734,801
Net Assets, January 1					1,055,695	201,510,307	28,194,205	230,760,207
Net Assets, December 31					2,017,466	205,283,783	28,193,759	235,495,008

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

City of Saint Paul

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December 31, 2007

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Note I. Form of Government

The City of Saint Paul, Minnesota has a mayor-council form of government. The mayor is elected by the voters of the City at large for four years on a full-time basis. The City is divided into seven wards. Voters of each ward elect a member of the City Council for four years on a part-time basis. Executive power is vested in the mayor; legislative power is vested in the Council. The mayor has veto power, which the Council may override with a vote of five members.

Note II. Financial Reporting Entity

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 14 – *The Financial Reporting Entity*, the City's financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable for the component unit if it appoints a voting majority of the component unit's governing body and is able to impose its will on the component unit or there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City of Saint Paul (the primary government) and its component units (legally separate organizations). The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City.

In conformity with generally accepted accounting principles, the financial statements of component units have been included in the City's reporting entity either as blended component units or as discretely presented component units. Blended component units' financial data is reported as part of the primary government and are reported with similar funds of the primary government. Discretely presented component units' financial data is reported in a column separate from the financial data of the primary government to emphasize that they are legally separate from the City.

Blended Component Units. The following component units have been presented as blended component units because the component units' governing bodies are the same as the governing body of the City.

Housing and Redevelopment Authority of the City of Saint Paul (HRA)

The Housing and Redevelopment Authority of the City of Saint Paul (HRA) was established to undertake urban renewal programs. These programs strive to redevelop the residential, commercial and industrial areas of the City of Saint Paul and to provide adequate jobs, a sound fiscal base and a variety of affordable housing for City residents. The City of Saint Paul's City Councilmembers act as the HRA Board. The Authority's budget and tax levy are approved by the City Council. The City has a general obligation pledge on certain HRA debt. Separate financial statements for the HRA can be obtained from the City of Saint Paul, Department of Planning and Economic Development, 1400 City Hall Annex, 25 West Fourth Street, Saint Paul, MN 55102.

Saint Paul Library Agency

The Saint Paul Library Agency was established in 2003 and is responsible for operating the City's public library system. This system provides reading materials to meet the interests of all ages, responds to the community's need for information and facilitates lifelong learning to enrich the quality of life in the community. The City of Saint Paul's City Councilmembers act as the Library Board. The agency's budget is approved by the Board. The agency's tax levy is approved by City Council. The City has a general obligation pledge on Library debt. The Library Agency consists of an operating fund, debt service fund and a capital improvement fund. These funds are incorporated into the City's financial report.

Discretely Presented Component Units. The component unit columns in the government-wide financial statements includes the financial data of the City's other component units. The governing bodies of these component units are not substantively the same as the governing body of the primary government and the component units do not provide services exclusively to the primary government.

RiverCentre Convention & Visitors Authority

The Saint Paul RiverCentre Convention & Visitors Authority (RCVA), a Minnesota non-profit corporation, was organized to equip, maintain, manage and operate the RiverCentre Convention Center, Roy Wilkins Auditorium, RiverCentre Parking Ramp and pedestrian connection and operate a convention bureau to market and promote the City as a tourist and convention destination. The Mayor appoints the President and CEO. There are nineteen individuals on the Board of Directors. Ten directors are designated by the Mayor with the approval of City Council, three directors are City Councilmembers and six directors are members of the RCVA who represent the business community. Debt obligations have been issued on behalf of the RCVA and the operational revenues have been committed to the repayment of those obligations. However, ultimately, the City of Saint Paul or the Saint Paul Housing and Redevelopment Authority would be obligated to pay those debt obligations if the RCVA's revenues were insufficient to meet debt service. Separate financial statements for the RCVA can be obtained from the Saint Paul RiverCentre Convention & Visitors Authority; 175 West Kellogg Boulevard; Suite 502; Saint Paul, MN 55102.

Saint Paul Regional Water Services

The Saint Paul Regional Water Services provides safe, quality water to Saint Paul and surrounding communities at a reasonable price. The Board of Water Commissioners consists of seven members. Five board members are appointed by the Mayor with the consent of the City Council, three of whom are City Councilmembers and two are citizens. The remaining two board members are appointed by suburban city councils. The City Council approves the Regional Water Services' water rates and the City has issued general obligation bonded debt on behalf of Regional Water Services. As part of the annual audit of the City performed by the State Auditor's Office, the Regional Water Services' financial statements have been included in their audit. Separate financial statements can be obtained from the Regional Water Services; Business Division; 1900 Rice Street; Saint Paul, MN 55113.

Port Authority of the City of Saint Paul

The Port Authority of the City of Saint Paul was established to increase the volume of commerce in the City through the creation of development districts and the acquisition and construction of industrial, commercial and other revenue-producing projects. The Port Authority finances this development in order to expand the tax base and create job opportunities. The Mayor appoints the Port Authority's board of commissioners with the consent of the City Council. Two of the seven board of commissioners are City Councilmembers. The Port Authority has issued general obligation debt and the Authority's development activities are financed in part with tax increment financing. It should be noted that other debt issued by the Port Authority, including industrial development revenue bonds, are not liabilities of the City of Saint Paul. The Port Authority considers these bonds as no-commitment debt, and they are excluded from its financial statements. The Authority defines no-commitment debt as debt for which the Authority has no further financial obligation. The industrial development bonds do not constitute indebtedness of the City and are secured solely by revenues from the commercial organizations on whose behalf the bonds are issued.

The Port Authority's component unit, Capital City Properties (CCP), is a Minnesota not-for-profit corporation established in 1991 for the purpose of performing the functions and carrying out the public purposes of the Port Authority. All of the members of the board of directors of CCP are either commissioners or staff of the Port Authority. CCP leases the Capital City Plaza Parking Garage St. Paul, as well as participates in various joint ventures. Subject to the authorization of the CCP board of directors, excess cash flow may be utilized to carry out the public purpose of the Port Authority. Complete financial statements can be obtained from Capital City Properties; Laurie Hansen, Chief Financial Officer, 1900 Landmark Towers, 345 St. Peter Street, St. Paul, MN 55102-1661.

The City assumes no responsibility for the day-to-day operations of the Port Authority, nor is it responsible for financing deficits. Separate financial statements can be obtained from the Port Authority of the City of Saint Paul; Chief Financial Officer; 1900 Landmark Towers; 345 St. Peter Street; Saint Paul, MN 55102.

Related Organizations. The City's officials are also responsible for appointing the members of the boards of other organizations, but the City's accountability for these organizations does not extend beyond making the appointments. Related organizations are not included in the City's reporting entity.

The Public Housing Agency of the City of Saint Paul owns and operates housing projects for low income, elderly and handicapped families. The commissioners of the Public Housing Agency are appointed by the City Council. The City does not provide funding, has no obligation for the debt of the Agency, and cannot impose its will on the Agency.

The Riverfront Redevelopment Corporation was established to effect the planning and implementation of the development and preservation of the Mississippi River Corridor within Saint Paul. The operations of the Redevelopment Corporation are managed by a board of directors consisting of not less than eight, nor more than seventeen members. All members of the board of directors are appointed by the Mayor with the consent of the City Council. Four of the directors of the corporation are designated as the "City representatives." These are (1) Mayor or the Mayor's designee, (2) two members of the City Council and (3) the Director of the City of Saint Paul, Department of Planning and Economic Development. The City has no ability to impose its will to significantly influence the programs, projects or level of services performed or provided by the Riverfront Redevelopment Corporation. The City is not responsible for funding debts, operating deficiencies and/or disposing of surpluses.

Joint Venture. The Minneapolis/Saint Paul Housing Finance Board (the Board) was established in accordance with a Joint Powers Agreement entered into between the Housing and Redevelopment Authority of the City of Saint Paul (HRA), the Minneapolis Community Development Agency (MCDA), and accepted by the cities of Minneapolis and Saint Paul under State of Minnesota laws. The governing bodies of the HRA and the MCDA each appoint three of the six members of the Board. The Board was created for the public purpose of providing decent, safe, sanitary and affordable housing to the residents of the City of Saint Paul and the City of Minneapolis. The powers exercised by the Board include the power to undertake financing programs to implement individual components of the housing plan for each city and to issue revenue bonds to finance such programs. All bonds are special limited obligations of the Board and shall be payable only out of funds specifically pledged for each issue. Total net assets at December 31, 2007, was \$8,217,572. The 2007 operations resulted in an increase of \$2,318,855 to net assets.

During 2007, distributions were made from the HRA and the MCDA to the Board in the total amount of \$189,521. These distributions resulted from surplus funds remaining from the closed-out Board-issued revenue bonds. There was no effect to HRA assets or net assets as a result of these distributions.

Upon dissolution of the Board, all properties acquired by the Board and any surplus monies shall be distributed to the HRA and the MCDA in the proportion and otherwise pursuant to directions provided in the related indenture of trust or other bond documents. If properties acquired by the Board and any surplus monies are not traceable to a particular bond issue or the indenture is silent as to distribution of the assets upon discharge of the issue, the assets shall be distributed on the basis of the amount of funds each entity has contributed that would affect those assets. The respective percentage shares of the HRA and the City of Minneapolis in the Board's assets, liabilities and equity were not determined at December 31, 2007. There has been no investment made by the HRA in the joint venture. Thus, the financial statements do not reflect an equity interest in the joint venture. Complete financial statements of the Board can be obtained from the City of Minneapolis Community Planning and Economic Development Department; Suite 700; Crown Roller Mill; 105 Fifth Avenue South; Minneapolis, MN 55401.

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Note III. Summary of Significant Accounting Policies

The financial statements of the City of Saint Paul have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Government-wide and Fund Financial Statements

Government-wide Financial Statements

The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities and are prepared on the full accrual basis. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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. The City allocates indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues.

Fund Financial Statements

Financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, fund equity/net assets, revenues and expenditures/expenses. The modified accrual basis of accounting continues to be the appropriate basis of accounting for governmental activity fund financial statements.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Funds are organized as major funds or non-major funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

1. Total assets, liabilities, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
2. The same element of the individual governmental fund or enterprise fund that met the 10 percent test is at least 5 percent of the corresponding total for all governmental and enterprise funds combined.
3. In addition, any other governmental or enterprise fund that the City believes is particularly important to financial statement users may be reported as a major fund.

The City reports the following major governmental funds:

Major Governmental Funds

- General Fund – accounts for the City's primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.
- Library Agency – accounts for the primary operating activities of the Library to provide a full range of library services.
- HRA General Fund – accounts for the HRA's primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.
- General Debt Service – accounts for resources accumulated and payments made for principal and interest on long-term obligations other than tax increment district or enterprise fund debt.
- HRA General Debt Service – accounts for HRA resources accumulated and payments made for principal and interest on long-term obligations other than enterprise fund debt.
- Capital Improvement Projects – accounts for proceeds from long-term borrowing and other resources to be used for capital improvement projects.
- City Sales Tax – accounts for the monies received from the one-half percent city sales tax which are used for major RiverCentre capital expenditures, other capital expenditures as determined by the City Council, and the transfer to the HRA General Debt Service Fund for financing the debt service on the HRA Sales Tax Revenue Bonds.

The City reports the following major enterprise funds:

Major Enterprise Funds

- Sewer Utility – accounts for all fees collected from the customers connected to the City sewer system and for all expenses of operating this system.
- HRA Loan Enterprise – accounts for loans issued under HRA housing and business programs.
- HRA Parking – accounts for parking revenues which are used for acquisition, construction, operation and maintenance of HRA-owned parking facilities.

The City reports the following non-major governmental and enterprise funds:

Non-Major Governmental Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

- Special Projects – General Government
- Cable Communications
- Charitable Gambling Enforcement
- Utilities Rate Investigation Administration
- Property Code Enforcement
- License and Permit
- Police Services – Pension Assets
- Crime Laboratory
- Emergency Communications Center Consolidation
- Parking Enforcement
- Special Projects Police
- Police Officers Clothing
- Fire Responsive Services
- Fire Fighting Equipment
- Fire Protection Clothing
- Right of Way Maintenance
- Parking Meter Collections
- Lighting Maintenance Assessment Districts
- Solid Waste and Recycling
- Special Projects – Division of Health
- Municipal Stadium
- Forestry Special
- Como Campus
- Special Recreation Activities
- Municipal Athletic Programming
- Charitable Gambling
- Debt – Capital Improvement
- Parks and Recreation Opportunity
- Parks and Recreation Grants and Aids
- Library Agency Revenues and Grants
- Rella Havens Memorial Fund
- Community Development Block Grant
- State Grant Programs
- HRA Federal and State Programs
- Section 108 Programs

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

- G.O. Special Assessment – Streets
- City Revenue Bonds and Other Long-Term Debt
- Library Debt
- Revenue Notes and Other Long-Term Debt

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of equipment and/or major capital facilities.

- Capital Improvement Bonds
- Library Capital Projects
- City Downtown Capital Projects
- HRA Development Capital Projects
- HRA Tax Increment

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs; that is, for the benefit of the government or its citizenry.

- Japanese Gardens
- Hoffman Memorial

Non-Major Enterprise Funds

Enterprise Funds are used to report any activity for which a fee is charged to external users of goods or services, and must be used for activities which meet certain debt or cost-recovery criteria.

- Special Services
- Watergate Marina
- Impounding Lot
- RiverPrint Saint Paul/Ramsey County

In addition, the City reports the following fund types:

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis, including attorney, purchasing, technology, equipment, engineering and administrative services.

Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units. These funds include employee withholding; funds payable to the State of Minnesota for sales and use tax, building permit surcharge and unclaimed property; and others.

B. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-wide Financial Statements

The government-wide statement of net assets and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

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

Fund Financial Statements – Governmental Funds

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

Revenues

Governmental fund revenues are recognized in the accounting period in which they become susceptible to accrual; that is, when they become both measurable and available to finance the expenditures of the fiscal period. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues for nonexchange transactions are recognized based on the principal characteristics of the revenue. Exchange transactions are recognized as revenue when the exchange occurs.

Nonexchange Transactions

Derived tax revenue transactions result from assessments imposed by governments on exchange transactions. Hotel-motel tax and City sales tax are reported as revenue when the underlying exchange occurs and the receivable amount is available.

Imposed nonexchange transactions result from assessments by governments on nongovernmental entities and individuals. Property taxes, franchise fees and capital improvement special assessments are imposed nonexchange transactions. Revenues from property taxes and capital improvement special assessments are recognized in the period for which they were levied, to the extent they are collected in the current period or soon enough thereafter to be used to pay liabilities of the current period.

Property taxes, franchise fees and capital improvement special assessments receivable which are not available are reported as deferred revenue, and will be recognized as revenue in the fiscal year that they become available. The City considers these revenues as available if they are collected within sixty days after year end.

Government-mandated nonexchange transactions occur when a government at one level provides resources to a government at another level and requires that government to use them for a specific purpose. The provider government establishes purpose restrictions and may also establish time requirements. Federal and state grants mandating the City perform particular programs are government-mandated nonexchange transactions. Revenues are recognized when the eligibility and time requirements are met, usually when the corresponding expenditure is incurred, using the guidelines of the legal and contractual requirements of the individual programs.

Voluntary nonexchange transactions result from legislative or contractual agreements, such as grants, entitlements, appropriations and donations. The provider may establish purpose restrictions and eligibility requirements. Revenues are recognized in the year to which they apply according to statute or contract. Gifts and contributions from individuals and miscellaneous revenues are also considered voluntary nonexchange transactions, and are generally recognized when received in cash because they are not measurable until received. Tax credits paid by the state (included in intergovernmental revenue) are recognized as revenue in the fiscal year that they become available. The City considers revenues from tax credits paid by the state as available if they are collected within sixty days after year end.

Exchange Transactions

Exchange transactions include revenues such as interest earned, service-type special assessments, fees, sales and services, licenses and permits. Sales and services, interest earned and service-type special assessments are reported as revenue when they become both measurable and available to finance expenditures of the fiscal period. The City considers these revenues as available if they are collected within sixty days after year end. Licenses, permits and fees are reported as revenue when received in cash, because they are usually not measurable until received.

Expenditures

Expenditures are recorded under the modified accrual method when the fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences, claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Fund Financial Statements – Proprietary Funds and Fiduciary Funds

Proprietary funds, consisting of enterprise and internal service funds, are reported using the economic resources measurement focus and the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. Material unbilled accounts receivables are recorded at year end.

The 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 proprietary funds are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

The City's Fiduciary Funds consist solely of Agency Funds. Agency Funds do not have a measurement focus, but are reported on an accrual basis of accounting.

Fund Financial Statements – All Funds

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

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C. Assets, Liabilities and Net Assets or Equity

1. Cash and Investments

The City maintains a general portfolio, which is a pool of investments covering pooled cash and cash equivalents. The City's Office of Financial Services, Treasury Section, also manages the deposit and investment function of the Regional Water Services and the majority of the RiverCentre Convention & Visitors Authority discretely presented component units. Each fund's portion of this pool is displayed on the financial statements within "Cash and Investments with Treasurer." Funds which have overdrawn their equity in the cash and investments pool report this overdraft as an interfund payable. The City's General Fund has reported the offsetting interfund receivable. At December 31, 2007, the following amounts were reported as "Cash and Investments with Treasurer" in the General Fund:

	General Fund
Equity in Cash and Investments Pool	\$ 30,761,698
Less Advance to Other Funds for Overdrafts	(16,218,084)
Cash and Investments with Treasurer	\$ 14,543,614

See Note VI.F for a detail listing of funds reporting an interfund payable for pooled cash and investments overdrafts.

Cash equivalents are cash on hand, cash in bank and highly-liquid investments adjusted to fair value having original maturities (time span from purchase date to maturity date) of three months or less. Cash equivalents are identified only for the purpose of the Statement of Cash Flows. Included in the classification of cash equivalents are cash and investments with treasurer, cash and investments of imprest funds and restricted cash.

In addition, the City invests non-pooled cash within various funds. In accordance with Governmental Accounting Standards Board Statement No. 31 *Accounting and Financial Reporting for Certain Investments and for External Investment Pools* (Statement 31), the City's investments are reported at fair value with recognition of the corresponding changes in fair value of investments reported as revenue in the year in which the change occurred. Accordingly, investments are stated at fair value based upon quoted market prices at December 31, 2007. Investments in nonparticipating interest-earning contracts, such as savings accounts and nonnegotiable certificates of deposit are reported at cost. Money market investments and participating interest-earning investment contracts (negotiable certificates of deposit) are reported at amortized cost, since these investments had a remaining maturity of one year or less at the time of purchase. Money market investments are short-term, highly-liquid debt instruments including commercial paper, bankers' acceptances and U.S. Treasury and agency obligations.

Since it is the City's practice to ensure that investments can be held to maturity if necessary, a portion of fund equity in the governmental funds is designated for net unrealized gains if applicable. The amounts of unrealized gains or losses are included in investment income as an increase (decrease) in fair value of investments. In 2007, the City recorded an "increase in fair value of investments" as investment income of \$2,715,500 for governmental and proprietary funds. The calculation of realized gains and losses is independent of the calculation of the net change in the fair value of investments. Realized gains and losses on investments that have been held in more than one fiscal year and sold in the current year were included as part of the change in the fair value of investments reported in the current year.

“Interest Earned on Investments”

In accordance with legal provisions, investment earnings from pooled deposits and investments are recorded in the following funds:

General Fund

Special Revenue Funds:

- HRA General Fund
- Special Projects – General Government
- Police Services – Pension Assets
- Special Projects Police
- Municipal Athletic Programming
- Charitable Gambling
- Debt – Capital Improvements
- Parks and Recreation Opportunity
- Rella Havens Memorial Fund
- State Grant Programs

Debt Service Funds:

- General Debt Service
- HRA General Debt Service
- G.O. Special Assessment – Streets
- City Revenue Bonds and Other Long-Term Debt
- Library Debt
- Revenue Notes and Other Long-Term Debt

Capital Projects Funds:

- Capital Improvement Projects
- Capital Improvement Bonds
- City Sales Tax
- Library Capital Projects
- HRA Development Capital Projects
- HRA Tax Increment

Permanent Funds:

- Japanese Gardens
- Hoffman Memorial

Enterprise Funds:

- Sewer Utility
- HRA Loan Enterprise
- HRA Parking
- Special Services

Investment earnings are allocated based on average monthly cash balances.

See Note VI.A for further information.

2. Receivables

Property Taxes

Property tax levies are set by the City Council in October each year, and are certified to Ramsey County for collection in the following year. In Minnesota, counties act as collection agents for all property taxes.

The county spreads all levies over assessable property. Such taxes become a lien on January 1 and are recorded as receivables by the City at that date. Revenues are accrued and recognized in the year collectible, net of delinquencies.

Real property taxes may be paid by taxpayers in two equal installments, on May 15 and October 15. Personal property taxes on leased government-owned property may be paid in two equal installments on May 15 and October 15; property taxes on other personal property are to be paid in full on May 15.

Taxes which remain unpaid at December 31 are classified as delinquent taxes receivable, and are fully offset by deferred revenue, because they are not known to be available to finance current expenditures. No allowance for uncollectible taxes has been provided, because such amounts are not expected to be material.

Accounts Receivable

Accounts receivable have been shown net of an allowance for uncollectible accounts of \$1,077,912.

Interfund Receivables Payables

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net assets. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

In the governmental fund financial statements, advances to other funds are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

Notes and Loans Receivable

Notes and loans (hereafter referred to as "loans") have been issued to financially assist private developers in various Saint Paul development projects or to provide housing or commercial rehabilitation financing for Saint Paul property owners. All loans are secured by first or second property mortgages, with the exception of the STAR Program loans, which are not always secured.

Loans receivable in governmental funds are reported as an asset in the amount of loan proceeds disbursed less collections on principal. In order to satisfy federal grant reporting requirements, deferred revenue of an equal amount to the asset is also reported on the respective governmental fund balance sheet and revenues are reported when principal payments are received from the loan recipient. An allowance for uncollectible loans, which offsets the total gross loans receivables, is recognized for the amount of loans receivable for which collection is doubtful or questionable.

Deferred revenue is also reduced by the amount of the allowance for uncollectible loans. At the time of the disbursement of the loan, expenditures and loans receivable are debited in the amount of the loan issued, with the loans receivable being offset by a credit to deferred revenue. In the HRA Federal and State Programs Special Revenue Fund, in order to satisfy federal grant reporting requirements, deferred revenue of an equal amount to the asset is also reported in the balance sheet and revenues are reported when principal payments are received from the loan recipient. However, in the case of the loan receivable from Central Towers Limited Partnership in the amount of \$2,100,000, an equal amount of \$2,100,000 is reported as "due to other governmental units" on the balance sheet, since any payments on this loan receivable are owing to the U.S. Department of Housing and Urban Development.

For enterprise funds, loans receivable are reported as an asset in the amount of loan proceeds disbursed less collections on principal. An allowance for uncollectible loans, which offsets the total gross loans receivable, is recognized for the amount of loans receivable for which collection is doubtful or questionable.

The allowance for uncollectible loans is based upon an analysis of credit risk and payment delinquency.

3. Inventories and Prepaid Items

Inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Proprietary fund inventories are generally used for construction, for operation and maintenance work. They are not for resale. They are valued at cost based on weighted average, and charged to construction, operation and maintenance expense when used.

Certain payments to vendors which reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

4. Land Held for Resale

Land is acquired by the HRA for subsequent resale for redevelopment purposes and not as an investment program. In order to entice development, the land is often resold at prices substantially lower than the HRA's cost. Land Held for Resale is reported as an asset at the net realizable value in the fund which acquired it. Deferred revenue of an equal amount is also reported on the respective governmental fund balance sheet. In governmental funds, in order to satisfy federal grant reporting requirements, land acquired is reported as expenditure in the amount of the acquisition cost and as federal revenue for the same amount. When the land is subsequently sold, miscellaneous program income is recognized for the sale amount. Future draw downs from the federal government for reimbursement of expenditures incurred are adjusted by program income available at that date.

5. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt.

6. Capital Assets

Government-wide Financial Statements

Capital assets, which include land, buildings and structures, improvements, equipment and infrastructure (e.g., streets, bridges and sewers), are defined by the City as assets with an initial cost of more than \$5,000 for general capital assets and \$100,000 for infrastructure assets, and an estimated useful life of at least three years. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value on the date received. Certain assets for which actual costs are not available have been valued on the basis of a professional valuation that determined their approximate historical cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead and an allowance for the cost of funds used during construction when significant. For tax-exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. The cost of renewals and betterments relating to retirement units is added to related capital asset accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from capital asset accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statements of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is spread over the assets' estimated useful lives using the straight line method of depreciation. The range of estimated useful lives and method of depreciation by type of asset is as follows:

<u>Asset</u>	<u>Method</u>	<u>Years</u>
Buildings and Structures	Straight-line	15-75
Public Improvements	Straight-line	15-30
Equipment	Straight-line	3-20
Infrastructure	Straight-line	20-100

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

7. Issuance Costs and Discounts

In governmental funds, debt issuance costs and bond discounts are recognized as expenditures in the current period. For the government-wide and the proprietary fund type financial statements, debt issuance costs are deferred and amortized on a straight-line basis over the term of the debt issue.

8. Compensated Absences

The compensated absences liability includes earned but unpaid vacation and compensatory time, vested sick leave, an estimate of current vesting sick leave that will eventually vest, and salary-related payments (fringe benefits) associated with the payment of vacation and compensatory time balances.

Employees earn vacation based on years of service and their bargaining unit. Vacation must be used in the year it is earned, except for 120 hours, which may be carried over to the following year. Employees are paid 100% of their accumulated vacation pay when they terminate their employment. All amounts are paid to a Post Employment Health Plan (PEHP).

Sick leave earning varies based on bargaining units and ranges from 13 to 15 days per year and maybe accumulated indefinitely. Terminated employees receive severance pay based upon unused sick leave. All severance pay is paid to a PEHP in the year following termination. Eligibility requirements and maximum allowable amounts vary, depending upon an employee's bargaining unit.

All vested vacation is accrued when incurred in the government-wide, proprietary and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured; for example, as a result of employee resignations and retirements, or are payable with expendable available resources.

9. Arbitrage Rebate

Expenditures/expenses for arbitrage rebate are recognized annually in the appropriate funds at the time of the interest payment closest to the date of the bonds. For the fiscal year ended December 31, 2007, the City reported \$310,713 of expenditures relating to arbitrage rebate. These amounts are set aside in the Arbitrage Rebate Agency Fund for subsequent payment to the federal government.

10. Long-Term Obligations/Conduit Debt

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bonds payable, and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of the debt (plus any premiums) is reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

The HRA has issued Commercial/Industrial Development, Homeownership Mortgage and Rental Housing Revenue Bonds to assist developers, businesses and low- to moderate-income homeowners in projects which improve the economic and housing conditions of the City. The bonds are secured by the financed property and are payable solely from the revenues of the individual commercial/industrial or housing projects. The bonds do not constitute a charge, lien or encumbrance, legal or equitable, upon any property or funds of the HRA, nor is the HRA subject to any liability thereon. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

Conduit bonds issued subsequent to January 1, 1996 have an outstanding principal balance of \$1.3 billion at December 31, 2007. The aggregate principal amount payable for conduit bonds issued prior to January 1, 1996 could not be determined; however, their original issue amounts totaled \$2.9 billion. There were 185 conduit bonds issued prior to January 1, 1996 and 108 conduit bonds issued subsequent to January 1, 1996.

11. Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

12. Equity Classifications

Government-wide Financial Statements

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including infrastructure, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

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

Fund Financial Statements

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved. Reserved fund balance amounts are not available for appropriation or are legally restricted by outside parties for a specific purpose. Unreserved fund balance includes funds set aside by management for specific uses, which are labeled "designated." The balance of unreserved fund balance is labeled "undesignated," which indicates it is available for appropriation. Proprietary fund equity is classified the same as in the government-wide statements.

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Note IV. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of Certain Differences between the Governmental Fund Balance Sheet and the Statement of Net Assets

Exhibit 4 is a reconciliation between fund balance – total governmental funds as reported in governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. Details of most of the elements of that reconciliation are as follows:

One element of the reconciliation states that “Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.” These assets, which include land, buildings and structures, improvements other than buildings, equipment, infrastructure and construction in progress are reported in the statement of net assets as shown below.

Historical Cost of Capital Assets	\$ 1,571,656,865
Accumulated Depreciation	<u>(467,285,690)</u>
Net Adjustment to Increase Fund Balance - Total Governmental Funds to Arrive at Net Assets of Governmental Activities	<u>\$ 1,104,371,175</u>

Another element of the reconciliation states that “Some receivables that are not currently available are reported as deferred revenue in the fund financial statements, but are recognized as revenue when earned in the government-wide statements.” Below are details of that difference.

Deferred Revenue	
General Government Revenues	\$ 5,137,336
Public Safety Revenues	1,347,348
Highways and Streets Revenues	36,309,254
Sanitation Revenues	2,574,401
Culture and Recreation Revenues	828,677
Housing and Economic Development Revenues	9,020,715
Property Taxes	2,378,524
Gross Earnings Franchise Fee	5,765,275
Interest Earned on Investments	568,628
Other Investment Income	262,380
Miscellaneous Revenues and Expenses	<u>7,387,598</u>
Net Adjustment to Increase Fund Balance - Total Governmental Funds to Arrive at Net Assets of Governmental Activities	<u>\$ 71,580,136</u>

Another element of the reconciliation states that “Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds.” They are, however, reported in the government-wide statements. Long-term liabilities at the end of the year include the following:

Bonds Payable	\$ (347,108,740)
Discount and Premium	(1,773,532)
Revenue Notes Payable	(52,859,580)
Capital Lease Payable	(18,134,570)
Compensated Absences Payable	(17,699,513)
Net Other Postemployment Benefits Obligation	(4,110,199)
Claims and Judgments Payable	(29,248,393)
Accrued Interest	(5,432,714)
Deferred Charge - Unamortized Issuance Costs	<u>2,371,164</u>
 Net Adjustment to Decrease Fund Balance - Total Governmental Funds to Arrive at Net Assets of Governmental Activities	 <u><u>\$ (473,996,077)</u></u>

B. Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

Exhibit 6 is a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the Statement of Net Assets, the cost of those assets is capitalized and depreciated over their estimated useful lives with depreciation expense reported in the Statement of Activities.” The details of this \$6,230,245 difference are as follows:

Capital outlay is reported as an expenditure in the fund financial statements	\$ 39,640,194
Add: Some items reported as functional expenditures were capitalized	166,627
Depreciation is reported in the government-wide statements	<u>(33,576,576)</u>
 Net Excess of Capital Outlay Over Depreciation	 <u><u>\$ 6,230,245</u></u>

Another element of that reconciliation states that “Debt and lease proceeds provide current financial resources to governmental funds, but issuing these obligations increases long-term liabilities in the Statement of Net Assets. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.” Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premium, discount and similar items, when debt is first issued; whereas, these amounts are deferred and amortized in the Statement of Activities. The details of this \$11,844,317 difference are as follows:

Debt Issued or Incurred:		
General Obligations Bonds	\$ (14,855,000)	
Revenue Bonds	(31,175,000)	
Refunding Bonds	(3,895,000)	
Total Debt Issued		\$ (49,925,000)
Principal Payments		
General Obligations Bonds	\$ 23,180,000	
Revenue Bonds	6,852,183	
Refunded Bonds	3,895,000	
Notes	2,848,859	
Capital Lease	1,242,454	
Total Principal Payments		38,018,496
Deletion of Notes and its Recognition as a Contribution		<u>62,187</u>
Net Adjustment to Net Changes in Fund Balances - Total Governmental Funds to Arrive at Changes in Net Assets of Governmental Activities		<u>\$ (11,844,317)</u>

Another element of that reconciliation states that “Some expenses 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.” The details of this \$7,878,209 difference are as follows:

Compensated Absences	\$ 508,816
Net Other Postemployment Benefits	4,110,199
Claims and Judgments	3,090,415
Interest on Debt	181,955
Amortization of Bond Issuance Costs, Discount and Premium	<u>(13,176)</u>
Net Adjustment to Net Changes in Fund Balances - Total Governmental Funds to Arrive at Changes in Net Assets of Governmental Activities	<u>\$ 7,878,209</u>

Note V. Stewardship, Compliance and Accountability

A. Budgets and Budgetary Accounting

Budget Control

Appropriations are controlled administratively at the activity level within multi-year budgeted funds. Governmental funds with annually-adopted budgets are controlled administratively at the activity level within the following major object levels of expenditure: salaries, fringes, debt service, other spending and transfers out. Proprietary funds with annually-adopted budgets are controlled administratively at the fund level within the same major object levels of expenditure as in governmental funds. The legal level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is at the fund level, except for the General Fund, which is at the department/office level.

1. General Budget Procedure – City Funds

The City Council followed these procedures in establishing the 2007 budgets:

- a. On August 15, 2006, the Mayor presented his budget to the City Council for the following calendar year. The budget included proposed expenditures and advances and the means of financing them.
- b. The City Council held a public hearing on November 7, 2006, to obtain taxpayer comments.
- c. The budget was legally adopted through passage of council resolution #06-1112 during the City Council meeting on December 13, 2006.

City budget amendments that authorize an increase in total fund spending require the approval of the City Council. In addition, City Council approval is required for budget amendments transferring appropriations between departments within the General Fund.

2. General Budget Procedure – HRA Funds

The Housing and Redevelopment Authority (HRA) followed these procedures in establishing the 2007 budgets:

- a. On August 23, 2006, the Executive Director presented her proposed budget to the HRA Board of Commissioners for the fiscal year commencing the following January 1. This budget included proposed expenditures and other uses and the means of financing them.
- b. Upon approval by the HRA Board, the Executive Director submitted the HRA budget to the Mayor of the City of Saint Paul, who submitted this budget to the City Council for consideration, approval and certification.
- c. The budget was approved through passage of council resolution #06-1113.

HRA budget amendments that authorize an increase in total fund spending require the approval of the HRA Board of Commissioners.

3. General Budget Procedure – Library Agency Funds

The Library Agency followed these procedures in establishing the 2007 budgets:

- a. On August 10, 2006, the Mayor presented his proposed budget for the Saint Paul Public Library Agency to the Library Board of Commissioners for the fiscal year commencing the following January 1. The budget included proposed expenditures and other uses and the means of financing them.
- b. The Library Board held a public hearing on November 7, 2006, to obtain taxpayer comments.
- c. The budget was legally adopted through passage of Saint Paul Library Agency resolution #06-1115 during the Library Board meeting on December 13, 2006.

Library Agency budget amendments that authorize an increase in total fund spending require the approval of the Library Board.

4. Annual and Multi-year Governmental Fund Budgets

Annual governmental fund budgets are reported in the following fund types and are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP):

General Fund

Special Revenue Funds (except: Community Development Block Grant, State Grant Programs, HRA Federal and State Programs and Section 108 Programs, which have multi-year budgets).

Debt Service Funds

Permanent Funds

In addition, multi-year governmental fund budgets are utilized in the capital projects funds.

The following provides a summary reconciliation of the actual results for annually budgeted special revenue funds and multi-year budgeted special revenue funds.

	Revenues	Expenditures	Net Other Financing Sources (Uses)	Fund Balances 12/31/07
SPECIAL REVENUE FUNDS				
Library Agency	\$ 14,023,658	\$ 13,416,561	\$ (467,925)	\$ 401,089
HRA General Fund	3,289,217	3,028,186	409,503	8,681,464
Annually Budgeted Nonmajor Funds	75,443,335	68,568,669	(15,255,609)	27,933,274
Multi-year Budgeted Nonmajor Funds				
Community Development Block Grant	12,076,964	11,041,737	(1,035,227)	-
State Grant Programs	1,794,370	1,959,999	-	387,971
HRA Federal and State Programs	3,657,907	1,641,784	(2,016,123)	-
Section 108 Programs	419,321	419,321	-	-
	<u>17,948,562</u>	<u>15,062,841</u>	<u>(3,051,350)</u>	<u>387,971</u>
Total Special Revenue Funds	<u>\$ 110,704,772</u>	<u>\$ 100,076,257</u>	<u>\$ (18,365,381)</u>	<u>\$ 37,403,798</u>

5. Appropriation Revisions

Budgeted amounts are as originally adopted or as amended by the City Council. During 2007, increases and decreases to annual expenditures, other financing uses and transfers out appropriations were as follows:

	Original Budgeted Amounts	Net Amendments	Final Budgeted Amounts
General Fund	\$ 173,520,041	\$ 7,751,033	\$ 181,271,074
Special Revenue Funds	105,337,832	12,244,095	117,581,927
Debt Service Funds	72,230,405	917,351	73,147,756
Permanent Funds	2,000	-	2,000

6. Appropriation Year-end Balances

Unexpended appropriation balances lapse at the end of the fiscal year in the annual governmental fund budgets. However, upon City Council approval, the appropriations for the subsequent year are increased in the amount necessary to satisfy the outstanding encumbrances at the end of the fiscal year.

Unexpended appropriation balances do not lapse at the end of the fiscal year in the multi-year governmental fund budgets.

B. Federal Audit Requirements

The U.S. Office of Management and Budget (OMB) issued Circular A-133, which establishes uniform audit requirements for non-Federal entities that administer Federal awards and implements the Single Audit Act Amendments of 1996, which were signed into law July 5, 1996 (Public Law 104-156)

The purposes of the Single Audit Act Amendments of 1996 are to:

1. promote sound financial management, including effective internal controls, with respect to Federal awards;
2. promote the efficient and effective use of audit resources;
3. reduce burdens on state and local governments, Indian tribes and nonprofit organizations;
4. ensure that Federal departments and agencies, to the maximum extent practicable, rely upon and use audit work done pursuant to Chapter 75 of Title 31, United States Code (the "Single Audit Act").

For 2007, the City of Saint Paul's audit was performed in accordance with Circular A-133. The auditor's report on consideration of the City's internal control over financial reporting and tests of the City's compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters will be issued at a later date.

C. Deficit Balances

Generally accepted accounting principles require disclosure of individual funds that have deficit fund balances or net assets at year end. The following funds had deficit fund balances or net assets at December 31, 2007:

	Fund Balance/ Net Assets
Special Revenue Funds:	
Emergency Communications Center Consolidation	\$ (680,278)
Forestry Special	(206,404)
Municipal Athletic Programming	(47,118)
Capital Projects Fund:	
Capital Improvement Projects	(10,205,950)
Enterprise Funds:	
Special Services	(3,677,763)
Watergate Marina	(202,943)
Internal Service Funds:	
Energy Conservation Investment	(2,730)
Public Works Traffic, Signal and Lighting Maintenance	(837,148)

The Emergency Communications Center Consolidation Fund is a new fund in 2007. The negative fund balance is due to recording revenue as deferred revenue since a receivable was not yet available to finance the expenditures of the current fiscal period.

The Forestry Special Fund provides services to maintain trees and other vegetation growing both on public and private property. Services provided on private property are financed through assessments levied for the cost of the services. The assessments covering the cost for the work done in 2007 were not ratified until early in 2008, therefore, the revenue was not recognized. The timely ratification of these assessments will improve the fund balance in the future.

The Municipal Athletic Programming Fund was not generating enough user fees to cover all the operating expenses. These losses were caused by the continuing decline of participants in the adult sports programs. New efforts taken during 2003 to find new sources of revenues have lowered the deficit in each of the last five years.

The deficit fund balance reported in the Capital Improvement Projects Fund is the result of deferring revenue from the grants relating to the construction projects. The revenue is recognized when it come available once the projects are completed and have been inspected.

The Special Services Fund is reporting the debt previously reported in the Rice and Arlington Sports Dome Fund, but not the associated capital asset in the amount of \$2,394,580, which is part of the general capital assets. This fund is not financially stable, and the City will continue to promote its golf courses. With the opening of the new Highland National Golf Course, it is anticipated golf sales will increase in future years. This will allow the fund to continue to make the debt payment on the Recreational Facilities bonds.

The City contracted with an outside business manager to manage and operate the Watergate Marina. This was done in part to ensure that the Marina operated at no net cost or financial risk to the City. The proceeds from this agreement are being used to steadily improve the fund equity position.

The Energy Conservation Investment Fund was initiated mid-year 2007 to provide for the retrofitting and energy initiatives programs. The Sewer Fund has pledged up to \$1 million dollars to finance loans made by the Energy Conservation Investment Fund for retrofitting City facilities. The maximum annual loan from the Sewer Fund to the Energy Conservation Investment Fund is to be set at the amount of actual retrofit project cost, less any project receipts such as energy incentives or rebates. The deficit net asset balance is a timing issue. As projects started in 2007 were not completed by the end of the year, the total cost of the projects and resulting Sewer Fund loans were not yet finalized.

The Traffic, Signal, and Lighting Maintenance Fund has been using fund balance since 2004 to offset reductions in funding support. In addition, the ROW Maintenance Assessment revenue for traffic, signal, and lighting maintenance has not increased since 2004 and has not kept up with inflation. Other postemployment benefits (OPEB) costs related to GASB 45 that were added in 2007 also increased the use of fund balance. Steps are being taken to avoid a net loss in this fund for 2008 and beyond.

D. Excess of Expenditures over Appropriations in Individual Funds

Total expenditures exceeded total appropriations in the following funds:

	Final Budgeted Amounts	Actual	Variance with Final Budgets
Special Revenue Funds:			
Crime Laboratory	\$ 63,522	\$ 67,365	\$ (3,843)
Right of Way Maintenance	20,867,537	21,144,926	(277,389)
Lighting Maintenance Assessment Districts	157,200	166,902	(9,702)
Municipal Stadium	421,552	426,801	(5,249)
Como Campus	3,152,580	3,435,226	(282,646)
Special Recreation Activities	1,679,821	1,756,457	(76,636)

The fund managers have been directed that in the future, funds must have an appropriation budget to cover all obligations incurred.

The General Fund did not exceed total appropriations at the fund level; however, total expenditures exceeded appropriations in the following departments/offices:

	Final Budgeted Amounts	Actual	Variance with Final Budgets
General Fund:			
Human Rights	\$ 531,865	\$ 532,024	\$ (159)
Culture and Recreation	24,187,368	24,299,349	(111,981)

Note VI. Detailed Notes on All Funds

A. Deposits, Investments and Securities Lending

Deposits

In accordance with Minn. Stat. §118A.02 and 118A.04, the City maintains deposits at financial institutions authorized by the City Council.

Minn. Stat. §118A.03 further requires that all City deposits be protected by insurance, surety bond, collateral or an irrevocable letter of credit issued by Federal Home Loan Banks. The market value of collateral pledged must equal 110% of the deposits not covered by insurance or bonds.

Authorized collateral includes treasury bills, notes and bonds; issues of U.S. government agencies; general obligations rated "A" or better, revenue obligations rated "AA" or better; irrevocable standby 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.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a financial institution failure, the City's deposits may not be returned to it. The City's policy for custodial credit risk for deposits is to maintain compliance with Minnesota Statutes that require the City's deposits be protected by insurance, surety bond or pledged collateral.

As of December 31, 2007, the City's bank balance of checking and interest-bearing accounts and certificates of deposit totaled \$68,208,838. As of December 31, 2007, the City's deposits were not exposed to custodial credit risk. The carrying amount of these balances was \$64,673,821.

Imprest Funds on Hand

At December 31, 2007, the total imprest funds were \$108,485. Of this amount, the City had \$75,845 on hand. The remaining \$32,640 were in various bank accounts and are included with the collateralized deposits.

Investments

General

The City's Investment Policy Statement governs the investment portfolio of the City of Saint Paul. The goals of the City for the Portfolio are to preserve financial assets for future operating expenses, maintain reserves to fund unplanned shortfalls and generate income to support the activities of the City. The portfolio is managed in three components as follows:

1. **Daily Portfolio:** The daily component represents current operating funds on which draws are made frequently, requiring daily liquidity and preservation of principal. The time horizon on the Daily Portfolio is within a 12-month period.

2. **Short Term Portfolio:** A short-term component serves as a cushion to provide liquidity for possible shortfalls in the Daily Portfolio. Draws against the short-term portfolio are expected to be infrequent. The time horizon on the Short Term Portfolio is between one and three years.
3. **Intermediate Term Portfolio:** The balance of the Portfolio represents the intermediate term component, which serves as a reserve for unplanned shortfalls. In general, the Intermediate Term Portfolio is not expected to experience withdrawals and the time horizon on the Intermediate Portfolio is longer than three years. A portion of the Intermediate Term Portfolio is managed internally and the balance is managed by external managers.

Minnesota Statutes §§ 118A.04 and 118A.05 authorize the following types of investments for local governments:

- a. securities, which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress, except mortgage-backed securities defined as “high risk” by Minnesota Statutes Section 118A.04, Subd. 6;
- b. in shares of an investment company registered under the Federal Investment Company Act of 1940, provided the mutual fund receives certain ratings depending on its investments.
- c. general obligations of the State of Minnesota and its municipalities and in any security which is a general obligation of any state or local government with taxing powers which is rated “A” or better by a national bond rating service.
- d. in bankers acceptances of United States Banks, or in commercial paper issued by United States corporations or their Canadian subsidiaries that is rated in the highest quality category by two nationally recognized rating agencies and matures in 270 days or less.
- e. Repurchase agreements may be entered into with:
 1. a bank qualified as a depository;
 2. any national or state bank in the United States which is a member of the Federal Reserve System and whose combined capital and surplus equals or exceeds \$10,000,000;
 3. primary reporting dealer in United States government securities to the Federal Reserve Bank of New York; or
 4. a securities broker-dealer, licensed pursuant to Chapter 80A, or an affiliate of it, regulated by the Securities and Exchange Commission and maintaining a combined capital and surplus of \$40,000,000 or more, exclusive of subordinated debt.
- f. Securities lending agreements, and Guaranteed investment contracts.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. It is the City's policy to invest only in securities that meet the ratings requirements set by state statute.

The City's exposure to credit risk as of December 31, 2007, is as follows:

<u>Rating Agency</u>	<u>Rating</u>	<u>Fair Value</u>
Fitch	AAA	\$ 885,282
Moody's	A1	78,518
Moody's	A2	175,222
Moody's	A3	160,651
Moody's	Aa1	81,111
Moody's	Aa2	637,328
Moody's	Aa3	407,818
Moody's	Aaa	3,827,734
Not Applicable		50,790,525
Not Rated		7,053,793
S&P	A	132,894
S&P	A+	198,266
S&P	A-1	5,931,879
S&P	A-1+	7,187,400
S&P	AA	1,367,873
S&P	AA-	3,213,117
S&P	AA+	596,265
S&P	AAA	<u>132,922,639</u>
Total		<u>\$ 215,648,315</u>

Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. According to City policy, all securities purchased are held by a third-party safekeeping agent appointed as custodian (US Bank) who is also the lending agent/counterparty. The securities lending agreement in place between the City and its custodian is also consistent with this policy.

The City has no custodial credit risk for investments at December 31, 2007.

Concentration of Credit Risk

The concentration of credit risk is the risk of loss that may be caused by the City's investment in a single issuer. It is the City's policy that U.S. Treasury securities, U.S. Agency Securities, and obligations backed by U.S. Treasury and/or U.S. Agency securities, may be held without limit.

At December 31, 2007, the City does not have investments in any one issuer that represent 5% or more of the City's total investments portfolio and therefore, also not subject to concentration of credit risk.

Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. The City's internal portfolio has a shorter overall weighted duration than the benchmarks established for each component portfolio. All else being equal, this would be expected to reduce the risk to adverse effects from rising interest rates.

The External Managers, as part of their mandate, have to satisfy the parameters for liquidity and risk tolerance, a maximum duration of 125% of the benchmark duration. The performance benchmark for External Managers is 80% Lehman Intermediate Government Index/20% 15-year MBS Index.

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At December 31, 2007, the City had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 2 years</u>	<u>2 - 4 Years</u>	<u>5 - 10 Years</u>	<u>More Than 10 Years</u>
U.S. Agencies	\$ 83,957,846	\$ 15,990,510	\$ 30,827,484	\$ 27,540,816	\$ 9,599,036
State & Local Govt Securities	2,874,800	-	2,208,050	666,750	-
Guaranteed Investment Contract	2,200,000	-	2,200,000	-	-
Discount Notes	5,908,872	5,908,872	-	-	-
Municipal Securities	1,272,639	-	-	1,272,639	-
U.S. Treasuries	4,757,760	1,597,953	3,159,807	-	-
Commercial Paper	14,828,806	14,828,806	-	-	-
Mutual Funds	27,175,202	27,175,202	-	-	-
Internal Investment Total	\$ 142,975,925	\$ 65,501,343	\$ 38,395,341	\$ 29,480,205	\$ 9,599,036
U.S. Agencies - US Bancorp	\$ 15,819,226	\$ -	\$ 6,478,539	\$ 5,693,755	\$ 3,646,932
U.S. Agencies - Galliard	8,211,022	58	1,747,921	1,202,082	5,260,961
U.S. Agencies - NorthShore	5,164,885	370,170	848,895	982,669	2,963,151
U.S. Agencies - Voyageur	11,156,955	673,947	3,135,512	817,377	6,530,119
Corporate Obligations - US Bancorp	302,163	-	-	302,163	-
Corporate Obligations - Galliard	1,073,800	42,773	80,791	950,236	-
Corporate Obligations - Voyageur	933,107	-	-	881,699	51,408
Municipal Securities - US Bancorp	235,306	-	-	235,306	-
Municipal Securities - Galliard	6,974,519	1,338,768	3,969,340	1,415,865	250,546
Municipal Securities - NorthShore	724,375	289,928	100,683	333,764	-
Municipal Securities - Voyageur	4,543,369	415,072	1,802,037	2,326,260	-
US Department of Agriculture - Voyageur	707,964	-	-	-	707,964
US Housing and Urban Development - Galliard	887,438	-	361,813	525,625	-
US Housing and Urban Development - Voyageur	874,776	27,101	847,675	-	-
US Treasuries - US Bancorp	5,282,215	-	-	4,648,306	633,909
US Treasuries - Galliard	5,093,513	-	-	5,093,513	-
US Treasuries - NorthShore	254,903	-	-	254,903	-
US Treasuries - Voyageur	3,479,735	-	524,508	2,955,227	-
Commercial Paper - NorthShore	274,715	274,715	-	-	-
Investment Pool/Mutual Funds - US Bancorp	247,688	247,688	-	-	-
Investment Pool/Mutual Funds - Galliard	199,881	199,881	-	-	-
Investment Pool/Mutual Funds - NorthShore	75,944	75,944	-	-	-
Investment Pool/Mutual Funds - Voyageur	154,891	154,891	-	-	-
External Managers Investment Total	\$ 72,672,390	\$ 4,110,936	\$ 19,897,714	\$ 28,618,750	\$ 20,044,990
Total Investments	\$ 215,648,315	\$ 69,612,279	\$ 58,293,055	\$ 58,098,955	\$ 29,644,026

Included in the total investment pool of \$215,648,315 is an equity investment of the RiverCentre Convention & Visitors Authority, a component unit of the City, in the amount of \$2,167,584. The remaining amount of \$213,480,731 belongs to the City.

Duration

Duration is a measure of a fixed income investment's cash flows using present values, weighted for cash flows as a percentage of the investment's full price. Effective duration makes assumptions regarding the most likely timing and amounts of variable cash flows arising from such investments as callable bonds, prepayments, and variable-rate debt.

As of December 31, 2007, the City had the following investments in its external investment pools.

	<u>Fair Value</u>	<u>Effective Duration</u>
US Bancorp Asset Management	\$ 21,886,598	3.40
Galliard Capital Management	22,440,173	3.35
NorthShore Advisors	6,494,822	1.29
Voyageur Asset Management	<u>21,850,797</u>	3.52
	<u>\$ 72,672,390</u>	
Benchmark (80% Lehman Interm Gov't/20% 15 Year MBS)		3.32

Securities Lending Transactions

Beginning in 1996, the City has participated in a securities lending program. The City has reported its securities lending transactions in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 28 *Accounting and Financial Reporting for Securities Lending Transactions*. The City Council approved by resolution a "Policy Statement," which provides that the General Fund will record the revenue and expenditures relating to securities lending transactions and the "securities lending collateral" asset and "obligations under securities lending" liability. In addition, if monthly net losses should occur during the year from the investment of cash collateral, either principal losses or losses resulting from negative "spreads" between the yield on the investments of cash collateral and the rebate rates paid to borrowers, the losses will be charged to the General Fund.

In accordance with State Statutes and pursuant to the securities lending agreement with the City, US Bank has established a securities lending program that allows the City to enter into securities lending transactions – loans of government and agency securities to broker dealers for collateral with a simultaneous agreement to return the collateral for the same securities in the future. US Bank, the custodian and agent in lending the City's securities, manages a securities lending and collateral investments pool. There were no significant violations either of State Statutes or contractual provisions with US Bank in 2007.

US Bank receives collateral from borrowers to secure loans on behalf of the program participants in cash and securities of 102 percent of the market value of the lent securities which meet the qualifications established in Minnesota Statutes 118A.05 Subd. 3, including any amendments to the sections adopted after the date of the borrower's default. The cash and security collateral are adjusted daily to maintain at least 100 percent of the market value of the loaned securities plus accrued interest. No loss indemnification is provided by US Bank's securities lending program.

All securities loans may be terminated on demand by either the pool participants or the borrower. There are no restrictions as to the total amount of securities that may be loaned at one time. All term loans are matched in maturity to term investments. Cash collateral received for open loans is invested as of year end as follows: 80.5% of total collateral investments is invested on an overnight/open basis and 19.5% is invested with maturities greater than overnight.

The weighted average maturity for all investments in the pool in which the City of Saint Paul participates as of year end is 6.108 days. The relationship between the maturities of the investment pool and the City of Saint Paul's loans will be affected by the maturities of the securities loans made by other participants in the pool.

As of December 31, 2007, the securities on loan, the related cash collateral and the pooled investment from such collateral are presented as unclassified in the schedule of investments by custodial credit risk category. The securities lending collateral at December 31, 2007, had a carrying amount of \$111,271,267 which was also its fair value.

There was no borrower or lending agent default losses and no recoveries of prior-period losses during the year. At December 31, 2007, the securities lending pool participants had no credit risk exposure because all collateral was equal to at least 100% of the market value of the loaned securities plus any accrued interest.

Securities Lent	Underlying Securities	Cash Collateral Investment Value
U.S. Agencies	\$ 79,063,916	\$ 80,682,803
U.S. Treasuries	4,157,354	4,242,563
Discount Notes	1,986,000	2,027,500
Internal Investment Total	\$ 85,207,270	\$ 86,952,866
U.S. Agencies		
US Bancorp Asset Management	\$ 5,899,606	\$ 6,021,201
NorthShore Advisors	532,217	543,051
Voyageur Asset Management	4,283,460	4,370,730
External Managers Subtotal	\$ 10,715,283	\$ 10,934,982
U.S. Treasuries		
US Bancorp Asset Management	\$ 5,309,635	\$ 5,418,138
Galliard Capital Management	5,101,347	5,205,093
NorthShore Advisors	256,262	261,563
Voyageur Asset Management	2,447,773	2,498,625
External Managers Subtotal	\$ 13,115,017	\$ 13,383,419
External Managers Investment Total	\$ 23,830,300	\$ 24,318,401
Total Securities Lent	\$ 109,037,570	\$ 111,271,267

Recap

Deposits and investments as described above appear in the City's financial statements consistent with the following analysis:

Cash Deposits	\$ 64,673,821	Cash and Investments with Treasurer	\$222,853,354
Imprest Funds on Hand	75,845	Cash and Investments with Trustees	29,518,028
Cash Collateral Investment Value	111,271,267	Investments	460,143
Investments	<u>213,480,731</u>	Imprest Funds	108,485
		Securities Lending Collateral	111,271,267
		Restricted Cash	24,623,637
		Restricted Investments	<u>666,750</u>
 Total	 <u>\$ 389,501,664</u>	 Total	 <u>\$389,501,664</u>

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B. Receivables

Summary of Receivables

Receivables as of year end for the City's individual major governmental and enterprise funds, nonmajor, internal service and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

Governmental Activities	General	Library Agency	HRA General Fund	General Debt Service	HRA General Debt Service	Capital Improvement Projects	City Sales Tax	Nonmajor and Other Funds	Total
Receivables:									
Taxes	\$ 1,952,262	\$ 467,909	\$ 39,558	\$ 225,503	\$ 271,102	\$ -	\$ -	\$ 156,352	\$ 3,112,686
Accounts	1,566,034	-	193,400	1,750	7,834	420,638	-	3,051,201	5,240,857
Special Assessments	-	-	-	-	-	13,786,990	-	28,006,635	41,793,625
Interest	1,223,717	-	94,891	89,914	130,169	10,426	492,312	1,340,481	3,381,910
Xcel Energy	1,100,578	-	-	-	-	-	-	-	1,100,578
Intergovernmental	757,965	-	-	-	-	15,388,219	1,789,192	8,604,407	26,539,783
Gross Receivables	6,600,556	467,909	327,849	317,167	409,105	29,606,273	2,281,504	41,159,076	81,169,439
Less: Allowance for Uncollectibles	(212,159)	-	(37,944)	-	-	-	-	(754,763)	(1,004,866)
Net Total Receivables	\$ 6,388,397	\$ 467,909	\$ 289,905	\$ 317,167	\$ 409,105	\$ 29,606,273	\$ 2,281,504	\$ 40,404,313	\$ 80,164,573
Amounts not expected to be collected within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,899,942	\$ -	\$ 11,515,526	\$ 21,415,468

Business-type Activities	Sewer	Utility	HRA Loan Enterprise	HRA	Parking	Other Enterprise Funds	Total
Receivables:							
Taxes	\$ -	\$ -	\$ -	\$ 42,282	\$ -	\$ -	\$ 42,282
Accounts	34,129	9,115	278,835	413,687	735,766		
Special Assessments	5,173,773	725	-	-	5,174,498		
Interest	56,170	136,773	85,864	9,716	288,523		
Intergovernmental	55,870	1,018	-	125,704	182,592		
Gross Receivables	5,319,942	147,631	406,981	549,107	6,423,661		
Less: Allowance for Uncollectibles	(450)	-	-	(72,596)	(73,046)		
Net Total Receivables	\$ 5,319,492	\$ 147,631	\$ 406,981	\$ 476,511	\$ 6,350,615		
Amounts not expected to be collected within one year	\$ -	\$ -	\$ -	\$ -	\$ -		

Property Taxes

For property tax collectible in 2007, Saint Paul's taxable net tax capacity (including Tax Increment Districts) was \$253,000,058; the estimated market value was \$23,285,453,000; the net tax capacity was 1.09% of the estimated market value. Estimated market values are converted to tax capacities based on a statutory rate for each class of property.

Current property tax collections for the year ended December 31, 2007 were as follows:

	<u>City</u>	<u>HRA</u>
Dollar Amount	\$ 68,374,249	\$ 1,033,154
Percent of Levy Spread	97.59%	97.72%

Notes and Loans Receivable

Notes and Loans Receivable are reported as assets in the following funds at December 31, 2007:

General Fund	<u>\$ 13,815,275</u>
Special Revenue Funds:	
Solid Waste and Recycling	630,467
Community Development Block Grant	3,889,710
State Grant Programs	395,961
HRA Federal and State Programs	<u>6,635,550</u>
Total Special Revenue Funds	<u>11,551,688</u>
Capital Projects Funds:	
City Sales Tax	5,096,401
City Downtown Capital Projects	315,000
HRA Tax Increment	<u>291,071</u>
Total Capital Projects Funds	<u>5,702,472</u>
Total	<u><u>\$ 31,069,435</u></u>

In addition to the above amounts reported as "Notes and Loans Receivable" on Exhibit 3, other long-term loans receivable are included in "Other Long-Term Receivables" in the following funds:

Enterprise Fund:	
HRA Loan Enterprise	<u>\$ 5,911,449</u>
Internal Service Fund:	
Internal Borrowing	<u>10,337,069</u>
Total	<u><u>\$ 16,248,518</u></u>

The amount reported for loans receivable is net of allowances for uncollectible loans. Allowances for uncollectible loans have been established for loans for which collection is doubtful or questionable. At December 31, 2007, the allowance for uncollectible loans recorded was \$101,311,473.

Contract Receivable – Metropolitan Council Environmental Services

The Metropolitan Council Environmental Services (MCES), formerly known as the Metropolitan Waste Control Commission (MWCC) was established as an agency of the Metropolitan Council pursuant to Minnesota Statutes Section 473.503. MCES was created for the purpose of providing the efficient and economic collection, treatment and disposal for sewage. MCES bills actual quarterly sewer treatment charges at a two quarter lag, with first quarter charges billed in the third quarter and all other quarterly charges billed in a similar manner.

In 1971, the Metropolitan Council Environmental Services assumed ownership of all the City's interceptors and treatment works. The takeover by the MCES provided that the City would receive payment for the facilities based on the value of the facilities in 1971. This long-term contract receivable from the MCES at December 31, 2007, as reported in the Sewer Utility Enterprise Fund, was \$13,225.

C. Land Held for Resale

At December 31, 2007, Land Held for Resale was reported as an asset in the following funds:

Special Revenue Funds	
Community Development Block Grant	\$ 2,090,373
State Grant Programs	650,000
HRA General Fund	<u>1,507,168</u>
Total Special Revenue Funds	<u>4,247,541</u>
Capital Projects Fund	
HRA Tax Increment	1,117,947
Enterprise Fund	
HRA Loan Enterprise	<u>13,109,097</u>
Total	<u><u>\$ 18,474,585</u></u>

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D. Restricted Assets

As of December 31, 2007, the following restricted assets were reported in the following enterprise funds:

	Sewer Utility	HRA Loan Enterprise	HRA Parking	Special Services
Cash for General Obligation Bond Current Debt Service	\$ 30,841	\$ -	\$ 4,569,163	\$ -
Cash for Revenue Bond Current Debt Service	1,487,454	7,309,507	3,322,856	-
Cash for Revenue Bond Operations and Maintenance	2,651,214	-	686,198	-
Cash for Revenue Bond Construction	-	-	723,224	-
Cash for Budget and Rate Stabilization	3,843,180	-	-	-
Investment for Revenue Bond Debt Service Reserve	-	-	-	666,750
Total	<u>\$ 8,012,689</u>	<u>\$ 7,309,507</u>	<u>\$ 9,301,441</u>	<u>\$ 666,750</u>

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E. Capital Assets

Capital asset activity for the year ended December 31, 2007 was as follows:

Governmental Activities	Balance 01/01/07	Additions	Deductions	Balance 12/31/07
Capital Assets Not Being Depreciated:				
Land	\$ 141,438,508	\$ 528,788	\$ -	\$ 141,967,296
Construction in Progress	37,671,629	28,336,790	(32,400,450)	33,607,969
Total Capital Assets Not Being Depreciated	179,110,137	28,865,578	(32,400,450)	175,575,265
Capital Assets Being Depreciated:				
Buildings	540,630,706	2,304,982	(11,895)	542,923,793
Improvements Other than Buildings	86,800,515	6,504,210	-	93,304,725
Equipment	82,138,361	4,209,657	(1,700,443)	84,647,575
Infrastructure	681,350,697	33,520,382	(3,121,369)	711,749,710
Total Capital Assets Being Depreciated	1,390,920,279	46,539,231	(4,833,707)	1,432,625,803
Less: Accumulated Depreciation for:				
Buildings	(166,432,839)	(13,582,403)	8,497	(180,006,745)
Improvements Other than Buildings	(23,418,878)	(3,452,358)	-	(26,871,236)
Equipment	(55,350,117)	(5,281,427)	1,678,423	(58,953,121)
Infrastructure	(215,588,914)	(13,150,144)	1,760,285	(226,978,773)
Total Accumulated Depreciation	(460,790,748)	(35,466,332)	3,447,205	(492,809,875)
Total Capital Assets Being Depreciated, Net	930,129,531	11,072,899	(1,386,502)	939,815,928
Governmental Activities Capital Assets, Net	\$ 1,109,239,668	\$ 39,938,477	\$ (33,786,952)	\$ 1,115,391,193

Depreciation expense was charged to the following governmental functions:

General Government	\$ 889,429
Public Safety	2,670,602
Highways and Streets	15,328,905
Culture and Recreation	15,608,911
Housing and Economic Development	968,485
Total Governmental Activities Depreciation Expense	\$ 35,466,332

Business-Type Activities

	Balance 01/01/07	Additions	Deductions	Balance 12/31/07
Capital Assets Not Being Depreciated:				
Land	\$ 23,061,231	\$ 10,760,600	\$ -	\$ 33,821,831
Construction in Progress	10,098,345	-	(10,098,345)	-
Total Capital Assets Not Being Depreciated	<u>33,159,576</u>	<u>10,760,600</u>	<u>(10,098,345)</u>	<u>33,821,831</u>
Capital Assets Being Depreciated:				
Buildings and Structures	94,443,614	17,766,992	-	112,210,606
Public Improvements	353,775,169	3,215,290	-	356,990,459
Equipment	5,316,007	106,949	(11,636)	5,411,320
Total Capital Assets Being Depreciated	<u>453,534,790</u>	<u>21,089,231</u>	<u>(11,636)</u>	<u>474,612,385</u>
Less: Accumulated Depreciation for:				
Buildings and Structures	(28,890,924)	(2,532,389)	-	(31,423,313)
Public Improvements	(99,049,334)	(4,296,936)	-	(103,346,270)
Equipment	(3,351,044)	(375,539)	11,167	(3,715,416)
Total Accumulated Depreciation	<u>(131,291,302)</u>	<u>(7,204,864)</u>	<u>11,167</u>	<u>(138,484,999)</u>
Total Capital Assets Being Depreciated, Net	<u>322,243,488</u>	<u>13,884,367</u>	<u>(469)</u>	<u>336,127,386</u>
Business-Type Activities Capital Assets, Net	<u>\$ 355,403,064</u>	<u>\$ 24,644,967</u>	<u>\$ (10,098,814)</u>	<u>\$ 369,949,217</u>

Depreciation expense was charged to the following business-type functions:

Sewer	\$ 4,417,947
Parking	2,455,651
Parks, Recreation and Athletics	291,576
Impound Lot	4,940
Printing	34,750
Total Business-Type Activities Depreciation Expense	<u>\$ 7,204,864</u>

F. Interfund Receivables/Payables/Advances and Transfers

Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts as of December 31, 2007:

Pooled Cash and Investment Overdrafts

Receivable Fund	Payable Fund				Total All Funds
	Capital Improvement Projects	Other Governmental Funds	Enterprise Funds	Internal Service Funds	
General	\$ 7,569,412	\$ 4,365,174	\$ 2,757,890	\$ 1,525,608	\$ 16,218,084

Due to/from Other Funds

Receivable Fund	Payable Fund						
	General	Library Agency	HRA General Fund	General Debt Service	HRA General Debt Service	Capital Improvement Projects	City Sales Tax
General	\$ -	\$ 159,937	\$ -	\$ 1,800	\$ -	\$ 610	\$ -
Library Agency	-	-	-	-	-	-	-
HRA General Debt Service	-	-	-	-	-	-	-
Capital Improvement Projects	30,000	-	-	-	-	-	-
Other Governmental Funds	9,022	21,322	28,246	-	163,994	70,821	17,000,000
Sewer Utility	-	-	-	-	-	-	-
Other Enterprise Funds	20,197	-	-	-	-	18,032	-
Internal Service Funds	908,037	1,936	505,781	-	-	315,686	29,318
Fiduciary-Agency Funds	7,400	-	-	-	-	-	-
Total All Funds	\$ 974,656	\$ 183,195	\$ 534,027	\$ 1,800	\$ 163,994	\$ 405,149	\$ 17,029,318

table continued below

Receivable Fund	Payable Fund						
	Other Governmental Funds	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds	Internal Service Funds	Total All Funds
General	\$ 1,628,103	\$ 52,170	\$ 2,160,000	\$ -	\$ 34,015	\$ 9,423,900	\$ 13,460,535
Library Agency	11,288	-	-	-	-	-	11,288
HRA General Debt Service	63,982	-	-	-	-	-	63,982
Capital Improvement Projects	3,959,381	323,284	-	-	-	25,756	4,338,421
Other Governmental Funds	1,112,102	2,000	-	17,660	1,466	39,480	18,466,113
Sewer Utility	5,254	-	-	-	-	136,355	141,609
Other Enterprise Funds	10,123	-	-	-	-	634	48,986
Internal Service Funds	2,067,681	51,655	389,366	71,695	9,104	51,630	4,401,889
Fiduciary-Agency Funds	238	39	-	-	421	567	8,665
Total All Funds	\$ 8,858,152	\$ 429,148	\$ 2,549,366	\$ 89,355	\$ 45,006	\$ 9,678,322	\$ 40,941,488

Interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Advances to/from Other Funds

The following is a schedule of interfund advances as of December 31, 2007:

Receivable Fund	Payable Fund			Total All Funds
	General	Other Governmental Funds	Internal Service Funds	
General	\$ -	\$ -	\$ 34,800	\$ 34,800
HRA General Fund	-	628,310	-	628,310
Other Governmental Funds	-	7,617	228,783	236,400
Sewer Utility	-	-	448,733	448,733
HRA Loan Enterprise	-	5,797,323	290,000	6,087,323
Internal Service Funds	75,000	2,147,343	-	2,222,343
Total All Funds	<u>\$ 75,000</u>	<u>\$ 8,580,593</u>	<u>\$ 1,002,316</u>	<u>\$ 9,657,909</u>

The advances shown above are long-term amounts not due within one year. Short-term advances that are due within one year are reported as a due to/from other fund.

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Transfers

The following is a schedule of interfund transfers as of December 31, 2007:

Transfers In	Transfers Out						
	General	Library Agency	HRA General Fund	General Debt Service	HRA General Debt Service	Capital Improvement Projects	City Sales Tax
General	\$ -	\$ 467,925	\$ 68,486	\$ 553	\$ -	\$ 1,604,502	\$ -
HRA General Fund	-	-	-	-	465,989	-	-
General Debt Service	-	-	-	-	-	-	3,500,000
HRA General Debt Service	-	-	-	-	-	-	15,201,412
Capital Improvement Projects	60,000	-	-	-	-	-	1,667,731
City Sales Tax	-	-	-	-	10,056,733	-	-
Other Governmental Funds	1,664,294	-	-	-	3,056,691	246,550	20,339,947
HRA Loan Enterprise	-	-	-	-	-	-	-
Other Enterprise Funds	225,000	-	-	-	-	-	-
Internal Service Funds	-	-	-	-	-	125,940	-
Total Transfers Out	\$ 1,949,294	\$ 467,925	\$ 68,486	\$ 553	\$ 13,579,413	\$ 1,976,992	\$ 40,709,090

table continued below

Transfers In	Transfers Out						
	Other Governmental Funds	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds	Internal Service Funds	Total Transfers In
General	\$ 12,791,838	\$ 396,436	\$ -	\$ -	\$ 495,440	\$ 1,826,348	\$ 17,651,528
HRA General Fund	12,000	-	-	-	-	-	477,989
General Debt Service	2,862,154	5,367,340	-	-	-	-	11,729,494
HRA General Debt Service	3,064,723	-	-	-	-	-	18,266,135
Capital Improvement Projects	11,640,614	4,019,318	500,000	-	-	25,000	17,912,663
City Sales Tax	-	-	-	-	-	-	10,056,733
Other Governmental Funds	5,548,105	-	13,762,113	-	34,273	-	44,651,973
HRA Loan Enterprise	2,126,433	-	-	-	-	-	2,126,433
Other Enterprise Funds	71,000	-	-	-	-	-	296,000
Internal Service Funds	3,304,364	153,560	-	-	-	-	3,583,864
Total Transfers Out	\$ 41,421,231	\$ 9,936,654	\$ 14,262,113	\$ -	\$ 529,713	\$ 1,851,348	\$ 126,752,812
Capital Assets Used in the Operation of Governmental Funds				448,428			
(see note below)				\$ 448,428			

The total governmental and proprietary funds transfers in is \$126,752,812. The total governmental and proprietary transfers out is \$127,201,240. The variance of \$448,428 is due to a capital asset transfer from the HRA Parking Enterprise Fund to the General Capital Assets.

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to a debt service fund, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

G. Long-Term Obligations

1. Changes in Long-Term Obligations

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
GOVERNMENTAL ACTIVITIES					
Bonds Payable:					
General Obligation Bonds					
Property Tax Supported	\$ 111,720,000	\$ 6,250,000	\$ 18,185,000	\$ 99,785,000	\$ 17,185,000
Special Assessment Debt with Governmental Commitment	33,535,000	12,500,000	3,615,000	42,420,000	3,770,000
HRA Tax Increment	15,490,000	3,895,000	5,275,000	14,110,000	1,405,000
Total General Obligation Bonds	<u>160,745,000</u>	<u>22,645,000</u>	<u>27,075,000</u>	<u>156,315,000</u>	<u>22,360,000</u>
Revenue Bonds					
Sales Tax Revenue Bonds	66,280,000	27,280,000	1,560,000	92,000,000	1,720,000
HRA Tax Increment Revenue Bonds	53,930,923	-	3,467,183	50,463,740	3,846,180
HRA Sales Tax Revenue Bonds	43,585,000	-	1,400,000	42,185,000	1,500,000
HRA Lease Revenue Bonds	6,570,000	-	425,000	6,145,000	525,000
Total Revenue Bonds	<u>170,365,923</u>	<u>27,280,000</u>	<u>6,852,183</u>	<u>190,793,740</u>	<u>7,591,180</u>
Add/(Subtract) Deferred Amounts for: (Discounts)/Premiums Refundings - Gains/(Losses)					
	<u>1,497,906</u>	<u>439,776</u>	<u>164,149</u>	<u>1,773,533</u>	<u>172,786</u>
Total Bonds	<u>332,608,829</u>	<u>50,364,776</u>	<u>34,091,332</u>	<u>348,882,273</u>	<u>30,123,966</u>
Revenue Notes Payable					
Revenue Notes Payable	42,950,626	-	1,659,228	41,291,398	1,535,221
HRA Revenue Notes Payable	12,820,000	-	1,251,818	11,568,182	-
Total Revenue Notes	<u>55,770,626</u>	<u>-</u>	<u>2,911,046</u>	<u>52,859,580</u>	<u>1,535,221</u>
Other Liabilities:					
Compensated Absences	19,460,447	718,133	1,924	20,176,656	702,620
Net Other Postemployment Benefits Obligation	-	13,311,064	8,173,127	5,137,937	-
Claims and Judgments Payable	26,157,978	9,901,940	6,811,525	29,248,393	8,711,342
Capital Leases	21,553,366	2,150,657	3,491,295	20,212,728	1,027,477
Total Other Liabilities	<u>67,171,791</u>	<u>26,081,794</u>	<u>18,477,871</u>	<u>74,775,714</u>	<u>10,441,439</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 455,551,246</u>	<u>\$ 76,446,570</u>	<u>\$ 55,480,249</u>	<u>\$ 476,517,567</u>	<u>\$ 42,100,626</u>

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
BUSINESS-TYPE ACTIVITIES					
Bonds Payable:					
General Obligation Bonds					
General Obligation Debt	\$ 3,275,000	\$ -	\$ 215,000	\$ 3,060,000	\$ 220,000
HRA General Obligation Debt	34,705,000	-	1,445,000	33,260,000	1,570,000
Total General Obligation Bonds	<u>37,980,000</u>	<u>-</u>	<u>1,660,000</u>	<u>36,320,000</u>	<u>1,790,000</u>
Revenue Bonds					
Revenue Bonds	27,830,000	-	5,950,000	21,880,000	4,355,000
HRA Parking Facilities Revenue Bonds	53,795,000	-	1,815,000	51,980,000	2,270,000
HRA Loan Enterprise Revenue Bonds	12,455,000	-	3,320,000	9,135,000	2,694,000
Total Revenue Bonds	<u>94,080,000</u>	<u>-</u>	<u>11,085,000</u>	<u>82,995,000</u>	<u>9,319,000</u>
Add/(Subtract) Deferred Amounts for: (Discounts)/Premiums Refundings - Gains/(Losses)					
	499,361	-	140,058	359,303	-
Total Bonds	<u>132,559,361</u>	<u>-</u>	<u>12,885,058</u>	<u>119,674,303</u>	<u>11,109,000</u>
Revenue Notes Payable					
Revenue Notes Payable	14,911,309	-	943,878	13,967,431	980,834
HRA Revenue Notes Payable	1,225,190	1,902,000	1,972,000	1,155,190	265,190
Total Revenue Notes Payable	<u>16,136,499</u>	<u>1,902,000</u>	<u>2,915,878</u>	<u>15,122,621</u>	<u>1,246,024</u>
Other Liabilities:					
Compensated Absences	876,797	34,278	97,438	813,637	27,262
Net Other Postemployment Benefits Obligation	-	564,210	300,267	263,943	-
Capital Leases	350,434	-	279,318	71,116	71,116
Total Other Liabilities	<u>1,227,231</u>	<u>598,488</u>	<u>677,023</u>	<u>1,148,696</u>	<u>98,378</u>
Total Business-Type Activities Long-Term Liabilities	<u>\$ 149,923,091</u>	<u>\$ 2,500,488</u>	<u>\$ 16,477,959</u>	<u>\$ 135,945,620</u>	<u>\$ 12,453,402</u>
TOTAL LONG-TERM OBLIGATION	<u><u>\$ 605,474,337</u></u>	<u><u>\$ 78,947,058</u></u>	<u><u>\$ 71,958,208</u></u>	<u><u>\$ 612,463,187</u></u>	<u><u>\$ 54,554,028</u></u>

Internal Service funds predominantly serve the governmental funds. Accordingly, their long-term liabilities are included as part of the totals reported for governmental funds. At year end, \$2,388,642 for compensated absences, \$1,928,250 of capital leases and \$1,027,738 of net other postemployment benefits obligation were included in the amounts reported for the governmental funds.

The government-wide statement of net assets includes \$3,790,207 of the long-term liabilities due within one year for business-type activities in "liabilities payable from restricted assets." The remaining amount of \$8,663,195 was displayed as "noncurrent liabilities due within one year" on the same statement.

2. Annual Requirements – Principal and Interest on Long-Term Obligations

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

Year Ended December 31	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$ 22,360,000	\$ 6,040,326	\$ 1,790,000	\$ 1,862,570	\$ 24,150,000	\$ 7,902,896
2009	20,880,000	5,160,617	1,930,000	1,751,975	22,810,000	6,912,592
2010	23,355,000	4,249,825	2,125,000	1,629,674	25,480,000	5,879,499
2011	17,820,000	3,408,326	2,290,000	1,496,128	20,110,000	4,904,454
2012	15,720,000	2,731,979	2,475,000	1,349,490	18,195,000	4,081,469
2013-2017	37,090,000	7,376,308	13,470,000	4,505,638	50,560,000	11,881,946
2018-2022	11,530,000	2,998,122	7,255,000	2,052,625	18,785,000	5,050,747
2023-2027	7,560,000	682,413	4,985,000	362,544	12,545,000	1,044,957
Total General Obligation Bonds Debt	<u>\$ 156,315,000</u>	<u>\$ 32,647,916</u>	<u>\$ 36,320,000</u>	<u>\$ 15,010,644</u>	<u>\$ 192,635,000</u>	<u>\$ 47,658,560</u>

Revenue bond debt service requirements to maturity are as follows:

Year Ended December 31	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$ 7,591,180	\$ 12,697,616	\$ 9,319,000	\$ 3,861,479	\$ 16,910,180	\$ 16,559,095
2009	7,034,891	12,077,659	7,195,000	3,325,539	14,229,891	15,403,198
2010	6,689,364	11,666,823	3,395,000	3,164,894	10,084,364	14,831,717
2011	7,229,648	11,232,948	3,555,000	3,014,891	10,784,648	14,247,839
2012	7,798,795	10,763,082	19,065,000	2,555,379	26,863,795	13,318,461
2013-2017	42,386,862	45,929,087	16,900,000	8,719,772	59,286,862	54,648,859
2018-2022	50,451,000	31,008,877	10,360,000	5,034,323	60,811,000	36,043,200
2023-2027	48,362,000	11,701,077	10,446,000	2,046,392	58,808,000	13,747,469
2028-2030	13,250,000	1,093,285	2,760,000	223,363	16,010,000	1,316,648
Total Revenue Bonds Debt	<u>\$ 190,793,740</u>	<u>\$ 148,170,454</u>	<u>\$ 82,995,000</u>	<u>\$ 31,946,032</u>	<u>\$ 273,788,740</u>	<u>\$ 180,116,486</u>

Revenue notes debt service requirements to maturity are as follows:

Year Ended December 31	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$ 1,535,221	\$ 623,715	\$ 1,246,024	\$ 542,648	\$ 2,781,245	\$ 1,166,363
2009	1,502,816	623,715	1,093,157	502,519	2,595,973	1,126,234
2010	1,502,816	623,715	1,126,861	463,203	2,629,677	1,086,918
2011	2,500,545	618,715	1,171,958	422,397	3,672,503	1,041,112
2012	2,550,000	591,615	1,212,463	380,047	3,762,463	971,662
2013-2017	21,300,000	2,506,225	6,416,248	1,212,788	27,716,248	3,719,013
2018-2022	17,150,000	1,688,575	2,855,910	185,316	20,005,910	1,873,891
2023-2027	-	1,226,225	-	-	-	1,226,225
2028-2032	4,818,182	1,103,603	-	-	4,818,182	1,103,603
Total Revenue Notes Debt	<u>\$ 52,859,580</u>	<u>\$ 9,606,103</u>	<u>\$ 15,122,621</u>	<u>\$ 3,708,918</u>	<u>\$ 67,982,201</u>	<u>\$ 13,315,021</u>

3. Sources for Long-Term Obligations Repayment

Governmental Activity Long-Term Obligations

General Obligation Bonds

In 2007, the City issued General Obligation Capital Improvement Bonds, Series 2007C in the amount of \$6,250,000, General Obligation Special Assessment Debt with Governmental Commitment, Series 2007D in the amount of \$12,500,000; and General Obligation Temporary Bonds, Series 2007B in the amount of \$3,895,000 for a total of \$22,645,000.

\$156,315,000 General Obligation Bonds is payable from the Debt Service Funds. The related interest requirement on this debt was \$32,647,916. These bonds are backed by the full faith and credit of the City.

General Obligation Bonds – Property Tax Supported

Of the \$156,315,000 General Obligation Bonds, \$99,785,000 is property tax supported debt to be paid primarily from property taxes levied and collected. The related interest requirement on this debt was \$16,539,713.

General Obligation Special Assessment Debt with Governmental Commitment

Of the \$156,315,000 of General Obligation Bonds, \$42,420,000 are payable from special assessments to be levied and collected for local improvements and are backed by the full faith and credit of the City. The general credit of the City is obligated only to the extent that liens foreclosed against properties involved in special assessments districts are insufficient to retire outstanding bonds. These bonds (and related interest of \$13,768,108) are being serviced by the G.O. Special Assessment – Streets Debt Service Fund.

General Obligation HRA Tax Increment Bonds

During March 2007, the City issued General Obligation Temporary Bonds, Series 2007B in the amount of \$3,895,000 to refund at maturity the City's \$3,950,000 General Obligation Temporary Bonds, Series 2004C and to pay issuance costs. The difference of \$55,000 was paid from excess cash in the trustee account. The 2004C Bonds were used to finance improvements within the Koch Mobil Tax Increment Financing District of the Housing and Redevelopment Authority of the City of Saint Paul. The City anticipates that long term bonds will be issued to redeem the 2007B Bonds at maturity or will be used to escrow the 2007B Bonds to maturity. The 2007B Bonds had a balance of \$3,895,000 as of December 31, 2007.

During March 2005, the City issued General Obligation Snelling-University Tax Increment Refunding Bonds, Series 2005C in the amount of \$5,130,000 to currently refund the Midway Marketplace Tax Increment Bonds, Series 1995A. This current refunding was done to take advantage of lower interest rates and reduce debt service payments by \$1,307,315. The current refunding resulted in an economic gain (difference between the present value of the debt service payments of the refunded and the refunding bonds) of \$977,430. HRA tax increment revenues from the Snelling-University Tax Increment District are to be used to retire the Series 2005C Bonds. The 2005C Bonds had a balance of \$4,425,000 as of December 31, 2007.

During November 2000, the City issued General Obligation Riverfront Tax Increment Bonds, Series 2000D in the amount of \$8,335,000 to currently refund the Riverfront Tax Increment Bonds, Series 1993C in order that debt service requirements for the Riverfront Tax Increment Financing District could be reduced through a lower interest rate. The Series 2000D Bonds had a balance of \$4,445,000 as of December 31, 2007.

The Riverfront Tax Increment General Obligation Refunding Bonds, Series 2002C were issued in March 2002 in the amount of \$2,335,000 to currently refund the Riverfront Tax Increment Bonds, Series 1993D to take advantage of lower interest rates and reduce debt service payments. The Series 2002C Bonds had a balance of \$1,345,000 outstanding as of December 31, 2007.

The total General Obligation HRA Tax Increment Bonds as of December 31, 2007 was \$14,110,000. The related interest requirement on this debt was \$2,340,096.

Revenue Bonds

Sales Tax Revenue Bonds

In August 2007 the City issued \$10,580,000 in Subordinate Sales Tax Revenue Bonds, Series 2007A and \$16,700,000 in Taxable Subordinate Sales Tax Revenue Bonds, Series 2007B to finance capital projects to further residential, cultural, commercial, and economic development in the City's downtown and its neighborhoods and capital and operating expenses of cultural organizations in the City. The Series 2007 Bonds are special limited obligations of the City payable solely from certain sales tax proceeds, subject and subordinate to certain senior obligations and are not general or moral obligations of the City, State of Minnesota, or any other political subdivision. The Series 2007A Bonds had a balance of \$10,580,000 and Series 2007B Bonds had a balance of \$16,700,000 as of December 31, 2007.

In 1999, the City issued \$72,570,000 of Sales Tax Revenue Bonds to finance a portion of the costs of demolishing an existing arena facility located in the downtown area of the City and constructing a new multipurpose sports and entertainment arena adjacent and connected to the Saint Paul RiverCentre complex. The debt on these Sales Tax Revenue Bonds is being serviced by the City Revenue Bonds and Other Long-Term Debt-Debt Service Fund. The 1999A Bonds had a balance \$64,720,000 outstanding as of December 31, 2007.

As of December 31, 2007, \$92,000,000 of Sales Tax Revenue Bonds was outstanding. The related interest requirement on this debt was \$77,639,268.

HRA Tax Increment Revenue Bonds

The Neighborhood Scattered Site Tax Increment Bonds, Series 2005 were issued in April 2005 in the amount of \$7,515,000 to provide financing for development in the Neighborhood Scattered Site Tax Increment District. The bonds are to be retired using tax increment revenues from this same district. The 2005 Bonds had a balance of \$6,240,000 as of December 31, 2007.

In January 1998, the HRA issued \$24,295,000 in Downtown Tax Increment Refunding Bonds, Series 1998 to advance refunding to the Downtown and Seventh Place Tax Increment Bonds, Series 1993. At December 31, 2007, \$3,830,000 of the 1998 HRA Downtown Tax Increment Refunding Bonds was outstanding.

The Spruce Tree Tax Increment Refunding Bonds, Series 2003 were issued in March 2003 in the amount of \$1,890,000, and along with existing funds of the HRA, currently refunded the Spruce Tree Tax Increment Bonds, Series 1988. HRA tax increment revenues from the Spruce Tree/Metz District are to be used to retire the Series 2003 Bonds. The 2003 Bonds had a balance of \$1,272,740 outstanding as of December 31, 2007.

The North Quadrant Tax Increment Refunding Bonds, Series 2002 were issued in April 2002 in the amount of \$1,089,000 to currently refund the North Quadrant Tax Increment Bonds, Series 2000 issued in November 2000 in the amount of \$1,283,000. HRA tax increment revenues from the North Quadrant District are to be used to retire the Series 2002 Bonds. The 2002 Bonds had a balance of \$1,007,000 outstanding as of December 31, 2007.

The North Quadrant Phase II Tax Increment Bonds, Series 2002 were issued in June 2002 in the amount of \$1,140,000 to provide financing for development in the North Quadrant Tax Increment District. The bonds are to be retired using tax increment revenue from the North Quadrant District. The 2002 Bonds had a balance of \$1,115,000 as of December 31, 2007.

The US Bank Tax Increment Bonds, Series 2001, were issued in August 2001 in the amount of \$12,000,000 to provide a portion of the financing for the construction of a US Bank Operations Center in the HRA Riverfront Renaissance Tax Increment Financing District. The bonds are to be retired using tax increment revenue from the Riverfront Renaissance District. At December 31, 2007, \$11,265,000 of Series 2001 Bonds was outstanding.

The Upper Landing Tax Increment Bonds, Series 2002A, Series 2002B-1 and Series 2002B-2 were issued in October 2002 in the amount of \$19,130,000 to provide financing for development of the Upper Landing area in the HRA Riverfront Renaissance Tax Increment District. The bonds are to be retired using tax increment revenue from the Riverfront Renaissance District. At December 31, 2007, \$19,130,000 of the bonds was outstanding.

The Drake Marble Tax Increment Bonds, Series 2002 were issued in November 2002 in the amount of \$1,800,000 to provide financing for renovation of the Drake Marble building in the Riverfront Renaissance Tax Increment District. The bonds are to be retired using tax increment revenue from the Riverfront Renaissance District. At December 31, 2007, \$1,676,000 of Series 2002 was outstanding.

The 9th Street Lofts Tax Increment Bonds, Series 2004, were issued in April 2004 in the amount of \$1,335,000 to provide financing for a rental housing development in the North Quadrant Tax Increment District. The bonds are to be retired using tax increment revenues from the North Quadrant District. At December 31, 2007, \$1,286,000 of the Series 2005 Bonds was outstanding.

The J.J. Hill Tax Increment Bonds, Series 2004, were issued in November 2004 in the amount of \$3,660,000 to provide financing for an owner-occupied housing development in the J.J. Hill Tax Increment District. The bonds are to be retired using tax increment revenues from the J.J. Hill Tax Increment District. At December 31, 2007, \$3,642,000 of Series 2004 Bonds was outstanding.

The HRA Tax Increment Revenue Bonds do not constitute a general obligation of the City and are not backed by the City's full faith and credit. At December 31, 2007, \$50,463,740 of HRA Tax Increment Revenue Bonds was outstanding. The related interest requirement on this debt was \$39,339,901.

HRA Sales Tax Revenue Bonds

In April 1996, the HRA issued \$55,865,000 in Sales Tax Revenue Advance Refunding Bonds, Series 1996 to advance refund the Sales Tax Revenue Bonds, Series 1993. At December 31, 2007 \$42,185,000 of HRA Sales Tax Revenue Advance Refunding Bonds was outstanding. The related interest requirement on this debt was \$29,740,835.

HRA Lease Revenue Bonds

The RiverCentre Parking Facility Lease Revenue Bonds, Series 2000 were issued in May 2000 in the amount of \$7,240,000 to finance improvements to the RiverCentre Parking Ramp, which is owned by the City of Saint Paul. The bonds are payable from payments made by the City to the HRA for leasing the improvements. The outstanding balance was \$6,145,000 as of December 31, 2007. The related interest requirement on this debt was \$1,450,450.

The total Revenue Bonds as of December 31, 2007 was \$190,793,740. The related interest requirement on this debt was \$148,170,454.

Revenue Notes Payable

In 1994, the City implemented the Saint Paul Energy Conservation Project, which is designed to evaluate energy usage in City-owned buildings and make improvements to achieve energy savings. The City has entered into note agreements with Xcel Energy to provide the City interest-free loans to finance the project. The notes are to be paid within ten (10) years. At December 31, 2007, \$41,398 of notes was outstanding.

During 1998, the City began construction of the new multi-purpose RiverCentre Arena, which presently houses a National Hockey League team (completed in 2000). The City received an interest-free loan from the State of Minnesota in the amount of \$65,000,000 for the construction of this arena. Payments on this loan, which will be \$48,000,000 due to the forgiveness of \$17,000,000 by the State, began in 2003 and will be paid through the year 2020. A portion of the payments by the hockey team will be used to repay the loan. The City recorded the proceeds and liability of the loan as it was expended by the State. As of December 31, 2007, the outstanding balance of the RiverCentre Arena Note was \$41,250,000.

\$11,568,182 of Saint Paul's governmental activity long-term obligations consists of following HRA Revenue Notes payable.

The HUD Section 108 Notes, Series 2003-A and Series 2003-B were issued in the amounts of \$3,300,000 and \$4,700,000 to provide financing for the Westminster Junction and Railroad Island development projects. Under the terms of the contracts with the U.S. Department of Housing and Urban Development (HUD), the proceeds of the notes were received by the City and consequently the total 2003 note proceeds of \$8,000,000 are reported in the Section 108 Programs Special Revenue Fund. Land sale proceeds, payments from the Port Authority of the City of Saint Paul, and initiative grant funds from HUD will be used to retire the notes. As of December 31, 2007, the outstanding balance of the HUD Section 108 Notes was \$6,750,000.

The Shepard Davern Housing Tax Increment Note, Series 2006 was issued in March 2006 in the amount of \$4,820,000 to currently refund the Gateway Tax Increment Bonds, Series 2003. The current refunding was done to lock in the interest rate and reduce debt service payments. Tax increments from the Shepard Davern Tax Increment Financing District will be used to retire the 2006 Note. As of December 31, 2007, the outstanding balance of the Shepard Davern Housing Tax Increment Note was \$4,818,182.

Compensated Absences

Included in the City's governmental long-term obligations is \$20,176,656 of accrued compensated absences relating to employees not accounted for in proprietary funds. Governmental funds that report salaries in their statement of revenues, expenditures and changes in fund balance are charged on a proportionate basis for the actual payments made by the General Fund of the severance pay portion of the compensated absences liability. Actual payments of the vacation and compensatory time portion of the compensated absences liability are made directly from the same governmental funds that incurred the salary expenditures.

Claims and Judgments Payable

Claim and judgment expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. These liabilities include an estimate of claims that have been incurred but not reported (IBNR). Claim expenditures relating to tort liabilities are paid from the General Fund. Workers' Compensation claim expenditures are recorded in the General Fund and are allocated to other City funds based upon a fringe benefit rate applied to each fund's actual salaries. The liability for claims and judgments is reported in the government-wide financial statements. At December 31, 2007, the claims and judgments liability was \$29,248,393.

Net Other Postemployment Benefits Obligation

At December 31, 2007, the net other postemployment benefits liability was \$5,137,937.

Capital Leases

On July 6, 2005 the City amended the master equipment lease agreement originally made on July 1, 2004 with Banc of America Leasing & Capital, LLC to provide an additional \$1,000,000 tax exempt lease financing for public safety vehicles for a three-year period ending June 1, 2008. The related equipment capital asset of \$1,000,000 is reported in the City's Government-wide Statement of Net Assets and the Capital Assets Used in the Operation of Governmental Funds. A capital lease payable of \$172,570 was outstanding at December 31, 2007.

A 20-year lease agreement in the amount of \$3,000,000, dated October 14, 1998, was entered into to finance the acquisition and renovation of expanded heating, ventilation and air conditioning systems, electrical and fire suppression systems and workstations for the City Hall Annex. The related equipment of \$315,998 and building of \$2,684,002 are included as capital assets. On April 1, 2007, the City refinanced this capital lease for \$2,150,657 which represented the balance of the refunded capital lease plus a refinancing cost of \$38,689. The 23 installment payments started on October 1, 2007 and will each be in the amount of \$120,674 with the applicable annual interest rate being reduced from 5.71% to 4.48%. At December 31, 2007 the balance of this capital lease was \$2,078,157, and was reported in the Public Works Administration Internal Service Fund.

A 30-year RiverCentre Pedestrian Link Cooperative Agreement dated May 23, 2002 was entered into with Ramsey County to finance the designing and construction of a pedestrian connection between the RiverCentre Complex and the existing skyway system in Landmark Tower. The related improvement other than building capital asset of \$6,872,000 is reported in the City's Government-wide Statement of Net Assets and Capital Assets Used in Operation of Governmental Funds. A capital lease payable of \$6,072,000 was outstanding at December 31, 2007. Annual liquidation of this capital lease liability is reported in the Revenue Notes and Other Long-Term Debt Service Fund.

A 20-year lease agreement in the amount of \$13,845,000 was entered into with Ramsey County on December 16, 2002 to finance the repair, renovation and remodeling of the Saint Paul Police Headquarters Facility through the use of proceeds of the sale of revenue bonds in the year 2003. The City agreed to reimburse the County for the expense incurred for issuance and repayment of the bonds through rent payments beginning in 2005. The related building capital asset of \$13,845,000 is reported in the City's Government-wide Statement of Net Assets and Capital Assets Used in the Operation of Governmental Funds. A capital lease payable of \$11,890,000 was outstanding as of December 31, 2007. Annual liquidation of this capital lease liability is reported in the City's General Fund.

The following is a schedule by years of future minimum lease payments under this capital lease, together with the present value of the net minimum lease payments of December 31, 2007.

Capital Leases – Governmental Activity

Year Ended December 31	City Hall Annex Improvements	RiverCentre Pedestrian Link	Saint Paul Police Headquarters Facility Lease	2005 Saint Paul Police Vehicle Lease
2008	\$ 241,349	\$ 392,985	\$ 1,048,367	\$ 174,553
2009	241,349	396,702	1,049,817	-
2010	241,349	395,061	1,055,568	-
2011	241,349	393,240	1,032,568	-
2012	241,349	396,239	1,054,568	-
Thereafter	1,448,088	7,037,301	11,751,335	-
Total Minimum Lease Payments	2,654,833	9,011,528	16,992,223	174,553
Less Amount Representing Interest	(576,676)	(2,939,528)	(5,102,223)	(1,983)
Present Value of Future Capital Lease Payments	\$ 2,078,157	\$ 6,072,000	\$ 11,890,000	\$ 172,570

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Business-Type Activity Long-Term Obligations

General Obligation Bonds

Included in the City's business-type activity long-term obligations are Sewer Utility General Obligation Bonds issued in 1998. The proceeds of these bonds are being used for sewer rehabilitation construction. At December 31, 2007, \$3,060,000 of outstanding bonds was recorded as a liability in the Sewer Utility Enterprise Fund. The related interest requirement on this debt was \$980,187.

General Obligation HRA Tax Increment Bonds

During 1998, the City of Saint Paul issued Block 39 Tax Increment General Obligation Bonds, Series 1998A and Series 1998B in the amount of \$21,255,000 and \$18,745,000, respectively. Proceeds from the Series 1998A and Series 1998B are being used to finance the acquisition of Block 39 properties in the downtown area and to construct a parking facility and retail space. The Bonds have a City general obligation pledge, but are to be retired using tax increments from the HRA Block 39 Lawson/Arena District and revenues from the parking facility. The total amount of these bonds outstanding at December 31, 2007 was \$21,255,000 and \$12,005,000 and recognized as a liability in the HRA Parking Enterprise Fund. The related interest requirements on this debt were \$11,419,612 and \$2,610,844, respectively.

Revenue Bonds

In April 2006, the City issued Sewer Revenue Bonds, Series 2006C in the amount of \$7,040,000 to finance rehabilitation projects to the City's sewer system, including improvements to numerous pumping and lift stations, the relining of existing sewer lines and the selective replacement of existing pipe. At December 31, 2007 \$6,225,000 of outstanding bonds was recorded as a liability in the Sewer Utility Enterprise Fund.

In March 2004, the City issued Sewer Revenue Bonds, Series 2004E in the amount of \$6,300,000 to finance improvements to the City's sewer system, payable from revenues of the Sewer Utility Enterprise Fund. At December 31, 2007 \$5,260,000 of outstanding bonds was recorded as a liability in the Sewer Utility Enterprise Fund.

The Sewer Utility issued \$26,280,000 of Revenue Refunding Bonds in March 2003, payable from revenues of the Sewer Utility Enterprise Fund. The proceeds of this issue, combined with funds in the 1993 Debt Service Account and the 1993 Debt Service Reserve were used to current refund the 2004-2008 maturities, whose amount totaled \$28,435,000, of the Utility's Sewer Revenue Refunding Bonds, Series 1993 on June 1, 2003. At December 31, 2007, \$3,500,000 of Sewer Revenue Refunding Bonds, Series 2003D was outstanding.

The total amount of bonds outstanding recognized in the Sewer Utility Enterprise Fund as of December 31, 2007 was \$14,895,000. The related interest requirement on this debt was \$4,009,799.

The Special Services Enterprise Fund is reporting \$6,895,000 of revenue bonds outstanding at December 31, 2007. The related interest requirement on this debt was \$3,716,950. The Recreational Facilities Gross Revenue Bonds (Highland National Project), Series 2005 were issued on October 27, 2005 in the amount of \$7,310,000. Bond proceeds in the amount of \$2,955,000, together with other funds on hand, were used to refund the Recreational Facilities Gross Revenue Bonds (Sports Dome Project) on December 1, 2005, while the balance of \$4,355,000 was used to pay for the reconstruction of the Highland National Golf Course. A bond reserve in the amount of \$666,750 has also been established. The sale resulted in the Net Present Value Benefit (NPV) of \$246,971 from the retirement of the Sports Dome Bonds.

HRA Loan Enterprise Revenue Bonds

Housing 5000 Land Assembly Bonds, Series 2004, were issued in January 2004 in the amount of \$25,000,000 to provide financing for the acquisition and improvement of land to be used in connection with the HRA Housing 5000 Initiative. It is intended that the bonds will be retired through the sale of the acquired land to developers as part of the initiative. The bonds are secured by a letter of credit in the original amount of \$25,369,863 issued by U.S. Bank to the bond trustee for the account of the HRA. The HRA is also required to set aside cash and cash equivalents in the amount of 10% of the principal outstanding on the bonds. In accordance with this requirement, the HRA has included the \$913,500 in the Cash and Investments with Treasurer of \$9,135,526 reported in the HRA General Fund. The outstanding balance of the Series 2004 Bonds as of December 31, 2007 was \$9,135,000. The related interest requirement on this debt was \$2,731,367.

HRA Parking System Revenue Bonds

The Parking Revenue Refunding Bonds, Series 2005A were issued in February 2005 in the amount of \$7,790,000 to currently refund the Parking Revenue Bonds, Series 1995A. This current refunding was done to take advantage of lower interest rates and reduce debt service payments. Total debt service payments decreased by \$411,804. The current refunding resulted in an economic gain of \$401,496. The reacquisition price and the net carrying amount of the refunded bonds were both \$7,590,000. Parking revenues from various HRA parking facilities are to be used to retire the Series 2005A Bonds. The outstanding balance of December 31, 2007 was \$5,475,000.

The Parking Revenue Bonds (Smith Avenue Transit Center), Series 2005 were issued in June 2005 in the amount of \$15,980,000 to provide financing for the construction of the Smith Avenue Transit Center, which includes a 600-stall parking ramp and transit facility. The bonds are to be retired using revenues from the Transit Center. The outstanding balance as of December 31, 2007 was \$15,980,000.

The Parking Revenue Bonds include the Parking Revenue Refunding Bonds, Series 2001A, which were issued in March 2001 in the amount of \$6,755,000 to currently refund the Variable Rate Demand Parking Revenue Bonds, Series 1995B. At December 31, 2007, \$4,475,000 of the Series 2001A Refunding Bonds was outstanding.

In addition, \$7,620,000 of HRA World Trade Center Ramp Bonds, Series 1997A was outstanding at December 31, 2007.

The Parking Revenue Bonds, Series 2002A and Series 2002B were issued in May 2002 in the total amount of \$18,545,000 to provide financing for the construction of a 1,044-space parking ramp located on Block 19 in the downtown area. The bond proceeds were deposited into the HRA Parking Enterprise Fund and the bonds will be retired using parking revenues in the same enterprise fund. The outstanding balance as of December 31, 2007 was \$18,430,000.

The total amount of HRA Parking System Revenue Bonds outstanding as of December 31, 2007 was \$51,980,000, and is recognized in the HRA Parking Enterprise Fund. The related interest requirement on this debt was \$24,487,916.

Revenue Notes

From 1993 through 2002, the Department of Public Works entered into loan agreements with the State of Minnesota, Department of Trade and Economic Development, Public Facilities Authority, for long-term notes. The total principal amount of the long-term portion of the loans at December 31, 2007 was \$13,967,431. The proceeds of these loans were used to construct sewer facilities which reduce the amount of groundwater "inflow and infiltration" entering the City's sanitary sewer system, thereby decreasing the cost of sewage treatment. The notes are payable from the Sewer Utility Enterprise Fund.

The RiverCentre Exhibit Hall Parking Ramp Notes were issued in 1995 in the amount of \$1,500,000. The outstanding balance as of December 31, 2007 was \$960,000. City parking revenues are used to retire the notes, which are recognized as a liability in the HRA Parking Enterprise Fund.

In December 2003, a loan agreement, with a revolving line of credit, was executed between the Saint Paul Foundation (Foundation) and the HRA whereby the Foundation has made available funds in the amount of \$2,500,000 to the HRA for use in its major housing initiative, the Housing 5000 Program. Any of the funds advanced under the loan agreement to the HRA by the Foundation are to be used solely for developer loans on approved housing projects. The HRA is to repay the principal amount of the advances to the Foundation as the developer loans are repaid to the HRA. During 2006, an advance was made by the Foundation to the HRA in the amount of \$195,190 to partially finance a housing development project for the Dorothy Day Center Project. The amount of \$195,190 is recognized in the HRA Loan Enterprise Fund as notes payable at December 31, 2007. During 2007, total advances of \$1,902,000 were made by the Foundation to the HRA, and then returned by the HRA in the same year due to the use of other funding sources. Under the revolving loan agreement, there is \$2,304,810 available in loan funds from the Foundation at December 31, 2007.

Compensated Absences

Proprietary fund accrued liabilities for compensated absences are also included in the City's long-term obligations of \$813,638. Liabilities have been reported in the appropriate fund's financial statements.

Net Other Postemployment Benefits

Proprietary fund accrued liabilities for net other postemployment benefits are also included in the City's long-term obligations of \$263,943. Liabilities have been reported in the appropriate fund's financial statements.

Capital Lease

On March 1, 2005 the City entered into a new capital lease agreement with Banc of America Leasing & Capital, LLC to provide \$820,000 tax exempt lease financing for equipment for the Highland National Golf Course for a three-year period ending March 1, 2008. The related equipment capital asset of \$820,000 is reported in the Special Services Enterprise Fund. A capital lease payable of \$71,116 was outstanding at December 31, 2007.

The following is a schedule by years of future minimum lease payments under this capital lease, together with the present value of the net minimum lease payments of December 31, 2007:

	<u>Highland National Golf Course Equipment Lease</u>
Year Ended December 31, 2008	<u>\$ 71,638</u>
Total Minimum Lease Payments	71,638
Less Amount Representing Interest	<u>(522)</u>
Present Value of Future Capital Lease Payments	<u><u>\$ 71,116</u></u>

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4. Changes in Bonds Payable

Bonds Payable at January 1, 2007		\$ 463,170,923
New Debt:		
G.O. Bonds -		
Capital Improvement Bonds	\$ 6,250,000	
Special Assessment Debt with Governmental Commitment	12,500,000	
HRA Tax Increment Bonds	3,895,000	
Total G.O. Bonds	<u>22,645,000</u>	\$ 22,645,000
Revenue Bonds -		
Sales Tax Revenue Bonds	27,280,000	
Total Revenue Bonds	<u>27,280,000</u>	27,280,000
Total New Debt		49,925,000
Debt Retired:		
G.O. Bonds -		
Property Tax Supported G.O. Bonds	(18,185,000)	
Special Assessment Debt with Governmental Commitment G.O. Bonds	(3,615,000)	
Sewer Utility G.O. Bonds	(215,000)	
HRA Tax Increment G.O. Bonds	(5,275,000)	
HRA Parking Facilities G.O. Bonds	(1,445,000)	
Total G.O. Bonds	<u>(28,735,000)</u>	(28,735,000)
Revenue Bonds -		
Sales Tax Revenue Bonds	(1,560,000)	
Sewer Utility Revenue Bonds	(5,745,000)	
Recreation Facility Revenue Bonds	(205,000)	
HRA Tax Increment Revenue Bonds	(3,467,183)	
HRA Sales Tax Revenue Bonds	(1,400,000)	
HRA Lease Revenue Bonds	(425,000)	
HRA Loan Enterprise Revenue Bonds	(3,320,000)	
HRA Parking Facilities Bonds	(1,815,000)	
Total Revenue Bonds	<u>(17,937,183)</u>	(17,937,183)
Total Debt Retired		<u>(46,672,183)</u>
Bonds Payable at December 31, 2007		<u>\$ 466,423,740</u>

5. Bonds Payable Summary

G.O. Bonds - Property Tax Supported	\$	99,785,000	
G.O. Special Assessment Debt with Governmental Commitment		42,420,000	
Sales Tax Revenue Bonds		92,000,000	
HRA G.O. Tax Increment		14,110,000	
HRA Tax Increment Revenue Bonds		50,463,740	
HRA Sales Tax Revenue Bonds		42,185,000	
HRA Lease Revenue Bonds		<u>6,145,000</u>	\$ 347,108,740
Sewer Utility Enterprise Fund Debt:			
General Obligation Bonds			
Current		220,000	
Noncurrent		2,840,000	
Revenue Bonds			
Current		4,135,000	
Noncurrent		<u>10,850,000</u>	18,045,000
Special Services Enterprise Fund Debt:			
Revenue Bonds			
Current		220,000	
Noncurrent		<u>6,675,000</u>	6,895,000
HRA Loan Enterprise Fund Debt:			
Revenue Bonds			
Current		2,694,000	
Noncurrent		<u>6,441,000</u>	9,135,000
HRA Parking Facilities Enterprise Fund Debt:			
General Obligation Bonds			
Current		1,570,000	
Noncurrent		31,690,000	
Revenue Bonds			
Current		2,270,000	
Noncurrent		<u>49,710,000</u>	<u>85,240,000</u>
Bonds Payable at December 31, 2007			<u><u>\$ 466,423,740</u></u>

6. Bonds Payable - by Issue

Bonds payable at December 31, 2007 are composed of the following individual issues:

	Interest Rates	Interest Dates	Issue Date	Final Maturity Date	Authorized and Issued	Outstanding as of 12/31/2007
GENERAL OBLIGATION BONDS						
<u>Property Tax Supported</u>						
Capital Improvement	4.25 to 4.50%	(4/1; 10/1)	4/1/98	4/1/08	\$ 15,000,000	\$ 1,775,000
	4.00%	(4/1; 10/1)	4/1/99	4/1/09	16,375,000	3,775,000
	5.125%	(3/1; 9/1)	3/1/00	3/1/10	19,000,000	6,725,000
	4.00 to 5.00%	(3/1; 9/1)	3/1/01	3/1/11	19,000,000	8,440,000
	1.45 to 4.125%	(3/1; 9/1)	3/1/02	3/1/12	19,000,000	10,335,000
	2.00 to 3.625%	(3/1; 9/1)	3/1/03	3/1/13	22,235,000	11,950,000
	2.00 to 3.25%	(3/1; 9/1)	3/1/04	9/1/13	19,000,000	13,040,000
	4.00%	(3/1; 9/1)	3/15/05	3/1/15	19,000,000	15,400,000
	4.00%	(4/1; 10/1)	4/1/06	4/1/16	11,000,000	10,015,000
	3.80 to 4.00%	(4/1; 10/1)	4/18/07	4/1/17	6,250,000	6,250,000
					165,860,000	87,705,000
Saint Paul Public Library Series 2004	2.00 to 4.75%	(3/1; 9/1)	4/1/04	3/1/24	12,280,000	12,080,000
Total General Obligation Bonds - Property Tax Supported					\$ 178,140,000	\$ 99,785,000
<u>Special Assessment Debt with Governmental Commitment</u>						
Assessed Reconstruction Work	3.70 to 5.20%	(3/1; 9/1)	4/1/96	3/1/08	\$ 2,220,000	\$ 950,000
	4.30 to 5.20%	(3/1; 9/1)	4/1/97	3/1/09	2,450,000	1,175,000
	3.70 to 4.75%	(4/1; 10/1)	4/1/98	4/1/10	2,800,000	1,450,000
	4.00 to 4.50%	(4/1; 10/1)	4/1/99	4/1/11	3,730,000	2,115,000
	4.75 to 5.30%	(3/1; 9/1)	3/1/00	3/1/12	2,950,000	1,810,000
	4.00 to 5.00%	(3/1; 9/1)	4/1/01	3/1/13	3,630,000	2,255,000
	1.45 to 4.375%	(3/1; 9/1)	3/1/02	3/1/14	2,915,000	1,570,000
	2.00 to 3.75%	(3/1; 9/1)	3/1/03	3/1/15	3,340,000	2,300,000
	2.00 to 3.75%	(3/1; 9/1)	3/1/04	3/1/16	2,500,000	1,815,000
	3.00 to 4.00%	(3/1; 9/1)	3/15/05	3/1/17	2,400,000	1,865,000
	4.00 to 4.375%	(4/1; 10/1)	4/1/06	4/1/26	12,500,000	11,740,000
	4.00 to 4.375%	(4/1; 10/1)	4/18/07	4/1/27	12,500,000	12,500,000
Assessed Reconstruction Work Refunding Series 1996C	3.60 to 5.25%	(3/1; 9/1)	4/1/96	3/1/11	6,710,000	875,000
Total General Obligation Bonds - Special Assessment Debt with Governmental Commitment					\$ 60,645,000	\$ 42,420,000

	<u>Interest Rates</u>	<u>Interest Dates</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Authorized and Issued</u>	<u>Outstanding as of 12/31/2007</u>
<u>HRA Tax Increment Fund</u>						
Riverfront Tax Increment - Refunding						
Series 2000D	4.50 to 5.00%	(2/1; 8/1)	11/15/00	2/1/12	\$ 8,335,000	\$ 4,445,000
Series 2002C	2.90 to 5.65%	(2/1; 8/1)	3/1/02	2/1/12	2,335,000	1,345,000
University-Snelling Tax Increment - Refunding						
Series 2005A	3.60 to 5.125%	(3/1; 9/1)	3/15/05	3/1/17	5,130,000	4,425,000
Koch Mobil Tax Increment						
Series 2007B	4.25%	(3/1; 9/1)	3/1/07	3/1/10	3,895,000	3,895,000
Total General Obligation Bonds - HRA Tax Increment Bonds					<u>19,695,000</u>	<u>14,110,000</u>
<u>HRA Parking Facilities Enterprise Fund</u>						
Block 39 Tax Increment						
Series 1998A	4.60 to 4.75%	(2/1; 8/1)	1/1/98	2/1/25	21,255,000	21,255,000
Series 1998B	5.68 to 6.45%	(2/1; 8/1)	1/1/98	2/1/13	18,745,000	12,005,000
Total General Obligation Bonds - HRA Parking Facilities Enterprise Fund Bonds					<u>40,000,000</u>	<u>33,260,000</u>
<u>Sewer Utility Enterprise Fund</u>						
Series 1998E	3.70 to 5.00%	(6/1; 12/1)	4/1/98	12/1/18	4,700,000	3,060,000
TOTAL GENERAL OBLIGATION BONDS					<u>\$ 303,180,000</u>	<u>\$ 192,635,000</u>

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	<u>Interest Rates</u>	<u>Interest Dates</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Authorized and Issued</u>	<u>Outstanding as of 12/31/2007</u>
REVENUE BONDS						
<u>Sewer Utility Enterprise Fund</u>						
Sewer Revenue Refunding Bonds -						
Series 2003D	2.00 to 4.00%	(6/1; 12/1)	4/1/03	12/1/08	\$ 26,280,000	\$ 3,500,000
Sewer Revenue Bonds - Series 2004E	2.25 to 4.25%	(6/1; 12/1)	4/1/04	12/1/23	6,300,000	5,260,000
Sewer Revenue Bonds - Series 2006C	4.00 to 4.50%	(6/1; 12/1)	4/1/06	12/1/20	7,040,000	6,225,000
					<u>39,620,000</u>	<u>14,985,000</u>
 <u>Special Services Enterprise Fund</u>						
Recreational Facilities Revenue Bonds - Series 2005						
	3.50 to 5.00%	(4/1; 10/1)	10/27/05	10/1/25	<u>7,310,000</u>	<u>6,895,000</u>
 <u>City Revenue Bonds and Other Long-Term Debt – Debt Service Fund</u>						
Sales Tax Revenue Bonds - Series 1999A						
	5.69 to 7.09%	(5/1; 11/1)	3/2/99	11/1/25	72,570,000	64,720,000
Subordinate Sales Tax Revenue Bonds - Series 2007A						
	5.00%	(5/1; 11/1)	10/1/07	11/1/30	10,580,000	10,580,000
Taxable Subordinate Sales Tax Revenue Bonds - Series 2007B						
	5.30 to 6.125%	(5/1; 11/1)	10/1/07	11/1/25	16,700,000	16,700,000
					<u>\$ 99,850,000</u>	<u>\$ 92,000,000</u>

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	Interest Rates	Interest Dates	Issue Date	Final Maturity Date	Authorized and Issued	Outstanding as of 12/31/2007
<u>HRA General Debt Service Fund</u>						
HRA Tax Increment Revenue Bonds -						
Downtown Tax Increment District						
Refunding Bonds						
Series 1998	5.00 to 6.50%	(2/1; 8/1)	1/27/98	2/1/09	\$ 24,295,000	\$ 3,830,000
Spruce Tree Center						
Refunding Bonds						
Series 2003	6.50%	(3/1)	3/1/03	3/1/13	1,890,000	1,272,740
North Quadrant Tax Increment						
Refunding Bonds						
Series 2002	7.50%	(2/15; 8/15)	5/1/02	2/15/28	1,089,000	1,007,000
Phase II Bonds						
Series 2002	7.00%	(2/15; 8/15)	6/13/02	2/15/28	1,140,000	1,115,000
U.S. Bank Tax Increment						
Bonds - Series 2001	5.00 to 6.75%	(2/1; 8/1)	8/9/01	2/1/28	12,000,000	11,265,000
Upper Landing Tax Increment						
Bonds - Series 2002A	6.80%	(3/1; 9/1)	11/1/02	3/1/29	5,000,000	5,000,000
Bonds - Series 2002B-1	6.40 to 7.00%	(3/1; 9/1)	11/1/02	3/1/29	12,130,000	12,130,000
Bonds - Series 2002B-2	6.90%	(3/1; 9/1)	11/1/02	3/1/29	2,000,000	2,000,000
Drake Marble Tax Increment						
Bonds - Series 2002A	6.75%	(3/1; 9/1)	11/15/02	3/1/28	1,800,000	1,676,000
9th St Lofts Tax Increment						
Bonds, Series 2004	6.375%	(2/15; 8/15)	4/14/04	2/15/28	1,335,000	1,286,000
JJ Hill Tax Increment Bonds						
Series 2004	6.25%	(3/1; 9/1)	11/30/04	3/1/29	3,660,000	3,642,000
Neighborhood Scattered Site						
TIF Bonds - Series 2005	4.24 to 5.45%	(3/1; 9/1)	4/28/05	3/1/17	7,515,000	6,240,000
Total HRA Tax Increment Revenue Bonds					<u>\$ 73,854,000</u>	<u>\$ 50,463,740</u>

	<u>Interest Rates</u>	<u>Interest Dates</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Authorized and Issued</u>	<u>Outstanding as of 12/31/2007</u>
HRA Sales Tax Revenue Refunding Bonds (RiverCentre Project) Series 1996	7.10%	(5/1; 11/1)	4/1/96	11/1/23	\$ 55,865,000	\$ 42,185,000
HRA Lease Revenue Bonds RiverCentre Parking Facility Series 2000	4.87 to 6.00%	(5/1; 11/1)	5/1/00	5/1/14	7,240,000	6,145,000
Total HRA General Debt Service Fund					136,959,000	98,793,740
<u>HRA Parking System Revenue Bonds</u>						
Refunding Bonds						
Series 2001A	4.00 to 5.00%	(2/1; 8/1)	3/1/01	8/1/17	6,755,000	4,475,000
Series 2005A	2.50 to 3.375%	(2/1; 8/1)	2/8/05	8/1/13	7,790,000	5,475,000
World Trade Center Ramp Bonds Series 1997A	6.75%	(6/1; 12/1)	11/13/97	12/1/17	11,305,000	7,620,000
Block 19 Bonds						
Series 2002A	4.85 to 5.35%	(2/1; 8/1)	5/16/02	8/1/29	14,295,000	14,295,000
Series 2002AB	5.10 to 6.50%	(2/1; 8/1)	5/16/02	8/1/16	4,250,000	4,135,000
Smith Ave Transit Center Ramp Bonds - Series 2005A	3.865 to 3.896%	(6/1; 12/1)	5/24/05	6/1/12	15,980,000	15,980,000
Total HRA Parking System Revenue Bonds					60,375,000	51,980,000
<u>HRA Loan Enterprise Revenue Bonds</u>						
Housing 5000 Land Assembly Bonds						
Series 2004	Variable	1st of each month	1/28/04	1/1/24	25,000,000	9,135,000
TOTAL REVENUE BONDS					369,114,000	273,788,740
TOTAL BONDS PAYABLE					\$ 672,294,000	\$ 466,423,740

7. Prior Year Defeasance of Debt

In prior years, the City and HRA defeased certain general obligation bonds and self-supporting revenue bonds by placing the proceeds of the advance refunding bonds in special escrow accounts and investing in securities of the U.S. Government and its Agencies. The maturities of these investments coincide with the principal and interest payment dates of the refunded bonds and have been certified to be sufficient to pay all principal and interest on the bonds when due as required by applicable laws. Accordingly, the original refunded bonds have been eliminated and the new advance refunding bonds added to the appropriate financial statements. The City and HRA remain contingently liable to pay the refunded bonds. At December 31, 2007 the City had no balance of refunded debt outstanding. The HRA had \$60,635,382 of refunded debt outstanding at December 31, 2007.

			HRA		
Advance Refunding Bonds			Refunded Bonds		
Issue	Issue Amount	Balance Outstanding	Issue	Refunded Amount	Balance Outstanding
HRA Downtown Tax Increment Revenue Bonds, Series 1998	\$ 24,295,000	-	HRA Downtown and Seventh Place Tax Increment Revenue Bonds, Series 1993	\$ 27,073,568	\$ 5,325,000
HRA Downtown and Seventh Place Tax Increment Revenue Bonds, Series 1993	23,950,000	-	HRA Downtown and Seventh Place Tax Increment Revenue Bonds, Series 1989	27,531,034	6,565,382
HRA Sales Tax Revenue Bonds, Series 1996	55,865,000	-	HRA Sales Tax Revenue Bonds, Series 1993	63,930,000	<u>48,745,000</u>
					<u>\$ 60,635,382</u>

8. Debt Limit

The City of Saint Paul's debt limit under State of Minnesota Laws has been calculated as follows:

2007 Taxable Market Values	
Real Property Value	\$ 20,810,502,200
Personal Property Value	<u>292,727,800</u>
Estimated Market Value for Debt Limit Computation	21,103,230,000
% Allowed for Statutory Net Debt - Minnesota Statutes	
Section 475.53, Subd. 3 and City Charter Section 10.14	<u>x 3 1/3%</u>
DEBT LIMIT - Statutory Net Debt	<u>\$ 703,441,000</u>

\$88,983,157 of Saint Paul's \$497,201,361 debt is subject to the Statutory Net Debt Limit. The amount of this debt subject to State Law Limitations and the resulting Legal Debt Margin is calculated as follows:

DEBT Limit - Statutory Net Debt	\$ 703,441,000
GROSS DEBT	\$ 497,201,361
DEDUCTIONS (Allowable under Minnesota Statutes)	
Section 475.51, Subd. 4):	
General Obligation Bonds	
Reserve for 2008 Maturities within Debt Limit	(13,200,000)
Outside Statutory Debt Limit	(59,450,000)
Outside Statutory Debt Limit - Revenue Supported	(61,779,464)
Revenue Bonds	<u>(273,788,740)</u>
TOTAL NET DEBT APPLICABLE TO DEBT LIMIT	<u>88,983,157</u>
LEGAL DEBT MARGIN	<u>\$ 614,457,843</u>

9. Direct, Overlapping and Underlying Debt

The City of Saint Paul's proportionate share of bonded debt affecting properties in Saint Paul is summarized as follows:

Governmental Unit	Gross Bonded Debt Less Sinking Funds	% Applied to City of Saint Paul	City of Saint Paul's Share
City of Saint Paul	\$ 80,824,059	100.00%	\$ 80,824,059
Independent School District #625	359,276,193	100.00%	359,276,193
County of Ramsey	109,324,234	47.97%	52,442,835
Metropolitan Council	116,661,824	7.58%	8,842,966
Port Authority of Saint Paul	790,149	100.00%	790,149
Total	\$ 666,876,459		\$ 502,176,202

Based on the City of Saint Paul's 2006 estimated population of 286,620, this resulted in a per capita City debt of \$281.99 and a per capita total debt of \$1,752.06.

H. Operating Lease

From 1998 through 2007, the City entered into noncancelable operating leases for personal computers with Winthrop Resources and US Bancorp. Total payments made for the leases during 2007 were \$883,353. The following schedule presents the future minimum rental payments for these operating leases:

Year Ending December 31	Amount
2008	\$ 706,395
2009	384,101
2010	204,688
2011	72,045
2012	37,550
Total Minimum Payments Required	\$ 1,404,779

I. Segment Information

The City issued revenue bonds in 1996 to finance the construction of the Rice and Arlington Sports Dome. In October 2005 the City issued revenue bonds to refund the Recreational Facilities Gross Revenue bonds (Sports Dome Project) and to finance the reconstruction of the Highland National Golf Course. The 2005 bonds are accounted for in the Special Services Fund which is a nonmajor enterprise fund. Summary financial information is presented below.

Condensed Statement of Net Assets

	<u>Special Services</u>
ASSETS	
Current Assets	\$ 152,980
Restricted Assets	666,750
Capital Assets	5,852,294
Deferred Charges	<u>101,362</u>
Total Assets	<u>6,773,386</u>
LIABILITIES	
Current Liabilities	3,076,313
Noncurrent Liabilities	<u>7,374,836</u>
Total Liabilities	<u>10,451,149</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	(1,313,908)
Unrestricted	<u>(2,363,855)</u>
TOTAL NET ASSETS	<u>\$ (3,677,763)</u>

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Condensed Statement of Revenues, Expenses and Changes in Net Assets

	<u>Special Services</u>
Fees, Sales, Services and Rental Charges	\$ 4,106,724
Depreciation Expense	(286,244)
Other Operating Expenses	<u>(4,057,137)</u>
Operating Income (Loss)	<u>(236,657)</u>
Nonoperating Revenues (Expenses)	
Interest Earned on Investments	45,559
Interest Expense	(321,349)
Amortization of Bond Issuance Cost	(5,684)
Transfers In (Out)	<u>227,983</u>
Total Other Nonoperating Revenues (Expenses)	(53,491)
Changes in Net Assets	(290,148)
Beginning Net Assets	<u>(3,387,615)</u>
ENDING NET ASSETS	<u><u>\$ (3,677,763)</u></u>

Condensed Statement of Cash Flows

	<u>Special Services</u>
Net Cash Provided (Used) by	
Operating Activities	\$ 216,024
Noncapital Financing Activities	598,307
Capital and Related Financing Activities	(859,985)
Investing Activities	<u>45,654</u>
Net Increase (Decrease)	-
Beginning Cash and Cash Equivalents	<u>5,500</u>
ENDING CASH AND CASH EQUIVALENTS	<u><u>\$ 5,500</u></u>

J. Unreserved - Designated Fund Balances

Unreserved fund balances were designated to show the portion segregated from unreserved spendable (undesigned) resources as follows:

	General	HRA General Fund	General Debt Service	HRA General Debt Service	City Sales Tax	Other Governmental Funds
Unreserved, Designated for: Next Year's						
Appropriation	\$ -	\$ 1,732,109	\$ 14,920,282	\$ -	\$ -	\$ 5,293,065
Cash Flow	29,542,890	500,000	-	-	-	-
Revenue Variability	1,000,000	-	-	-	-	-
Tort and Other						
Legal Liabilities	1,000,000	-	-	-	-	-
Net Unrealized Gains	185,733	23,041	21,832	21,947	-	101,730
Debt Service	-	-	2,452,653	24,503,163	-	19,135,693
Specific Capital Projects	-	-	-	-	25,541,385	44,933,133
Total	\$ 31,728,623	\$ 2,255,150	\$ 17,394,767	\$ 24,525,110	\$ 25,541,385	\$ 69,463,621

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Note VII. Discretely Presented Component Units

A. Basis of Presentation and Basis of Accounting

The RiverCentre Convention & Visitors Authority (RCVA), Saint Paul Regional Water Services (Regional Water Services) and the Port Authority of the City of Saint Paul (Port Authority) are accounted for as proprietary fund types. Proprietary fund types are reported on the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred.

The Regional Water Services and Port Authority have adopted Governmental Accounting Standards Board (GASB) Statement No. 20 *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*. Both entities have elected to implement all applicable GASB pronouncements, as well as Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) Opinions, issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The RCVA applies all applicable FASB pronouncements in accounting and reporting for its proprietary operations.

Financial information is presented as a discrete column in the statement of net assets and statement of activities.

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B. Deposits and Investments

RiverCentre Convention & Visitors Authority:

Certain balances of the RiverCentre Convention & Visitors Authority's deposits are managed by the City's Office of Financial Services, Treasury Section. City policies are applied to this portfolio of deposits and investments. Deposits are maintained in accordance with Minnesota §118A.02 and 118A.04. Investments are governed by the City's Investment Policy. (See Note VI.A Deposits, Investments and Securities Lending).

Deposits

The RCVA places its cash with several financial institutions. As of December 31, 2007, the RiverCentre Convention & Visitors Authority's deposits in checking and interest bearing accounts total \$1,491,097. None of this amount is managed by the City and therefore is not covered with pledged collateral at 110% of deposits. The amount on deposit may at times exceed the insured limit of the institutions. At December 31, 2007, one account exceeded the insurance of \$100,000 by the Federal Deposit Insurance Corporation by \$271,106. However, the RCVA has not experienced any losses as a result of this exposure to uncovered insurance or nonpledged collateral. The RCVA's policy in managing the custodial credit risk is by depositing their cash in large, stable banking institutions.

Investments

The RCVA reports investments at fair value, based on quoted market prices. Investment income and realized and unrealized gains and losses are reflected on the statement of activities as investment income. Certain balances are invested in the cash and investments pool managed and maintained by the City. Earnings from this pool are allocated to the RCVA based on averaged monthly cash balances. The City invests available cash in various securities in accordance with the requirements set forth in Minnesota Statutes.

At December 31, 2007, RCVA's investments include the following:

	Cost	Fair Value
Certificates of Deposit	\$ 200,000	\$ 199,947
Mutual Fund Equities	106,614	122,295
Investments with the City's Cash and Investments Pool	1,241,073	1,248,463
Total	<u>\$ 1,547,687</u>	<u>\$ 1,570,705</u>

Recap

Deposits	\$ 1,491,097	Cash and Investments	\$ 2,714,923
Investments	2,472,579	Investments	322,242
		Restricted Cash for Operations	926,511
Total	<u>\$ 3,963,676</u>	Total	<u>\$ 3,963,676</u>

Regional Water Services:

Regional Water Services deposit and investment functions are managed by the City's Office of Financial Services, Treasury Section. City policies are applied to the Regional Water Services portfolio of deposits and investments. Deposits are maintained in accordance with Minnesota §118A.02 and 118A.04. Investments are governed by the City's Investment Policy. (See Note VI.A Deposits, Investments and Securities Lending).

Deposits

As of December 31, 2007, the Regional Water Services deposits in checking and interest bearing accounts and certificates of deposits total \$7,371,119. The deposits are covered with insurance or pledged collateral at 110% of deposits that is held in the City's name at a third-party institutions, and therefore are not exposed to custodial credit risk.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a financial institution failure, the Regional Water Services deposits may not be returned to it. As of December 31, 2007, the Regional Water Services deposits were not exposed to custodial credit risk. All pledged collateral is held in the City's name at third party institutions, pledged at 110% of deposits not covered by insurance or bonds.

Investments

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally-recognized statistical rating organization. It is the City's policy to invest only in securities that meet the ratings requirements set by state statute.

The Regional Water Services exposure to credit risk as of December 31, 2007 is as follows:

<u>Rating Agency</u>	<u>Rating</u>	<u>Fair Value</u>
S&P	AAA	\$ 11,705,730
Not Rated		<u>2,345,454</u>
Total		<u><u>\$ 14,051,184</u></u>

Custodial Credit Risk

The custodial risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. At December 31, 2007, all investment securities were in the City's name and were held in the custody of US Bank under the City's name and, therefore, are not subject to custodial credit risk.

Concentration of Credit Risk

The concentration of credit risk is the risk of loss that may be caused by the City's investment in a single issuer. It is the City's policy that U.S. Treasury Securities, U.S. Agency Securities and obligations backed by U.S. Treasury and/or U.S. Agency Securities, may be held without limit.

At December 31, 2007, the City does not have investments in any one issuer that represent 5% or more of the City's total investments portfolio and, therefore, also not subject to concentration of credit risk.

Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. The City's internal portfolio has a shorter overall weighted duration than the benchmarks established for each component portfolio. All else being equal, this would be expected to reduce the risk to adverse effects from rising interest rates.

At December 31, 2007, Regional Water Services had the following investments:

Investment Type	Fair Value	Less Than 2 years	2-4 Years	5-10 Years
U.S. Government Agency	\$ 14,051,184	\$ 5,390,061	\$ 3,660,923	\$ 5,000,200
Total Investments	<u>\$ 14,051,184</u>	<u>\$ 5,390,061</u>	<u>\$ 3,660,923</u>	<u>\$ 5,000,200</u>

Recap

Deposits	\$ 7,371,119	Cash and Investments	\$ 7,371,119
Imprest Funds on Hand	7,000	Investments	5,486,356
Departmental Cash	338,631	Departmental Cash	338,631
Investments	14,051,184	Imprest Funds	7,000
		Restricted Cash	11,718
		Restricted Investments for Debt Service	<u>8,553,110</u>
Total	<u>\$ 21,767,934</u>		<u>\$ 21,767,934</u>

Port Authority:

Deposits

Capital City Properties (CCP), a component unit of the Port Authority accounts were maintained at depositories held by the Port Authority and consisted of checking, savings and money market accounts. With respect to deposit accounts maintained by the Port Authority, Minnesota Statutes require that all deposits with financial institutions be collateralized in an amount equal to 110% of deposits in excess of FDIC insurance. At December 31, 2007 the carrying amount of CCP's deposits was \$1,258,975.

Custodial Credit Risk

Minnesota statutes require that all deposits with financial institutions be collateralized in an amount equal to 110% of deposits in excess of FDIC insurance (140% if collateralized with notes secured by first mortgages). The Port Authority's accounts were maintained at depositories and consisted of checking, savings, certificates of deposit and money market accounts.

Investments

Statutes authorize the Port Authority to invest in certain securities which are direct obligations, guaranteed, or insured issues of the United States, its agencies, its instrumentalities or organizations created by acts of Congress. Also authorized are investments in certain state and local securities, commercial paper with maturities of less than 270 days, guaranteed investment contracts, bankers' acceptances, time deposits, repurchase agreements, securities lending agreements and authorized mutual funds with final maturities no longer than 13 months. The investments for Capital City Properties (CCP), the Port Authority's component unit, are managed by the Port Authority. The Port Authority's investment policy is limited to those investments authorized by statute.

Credit Risk

As a means of managing its exposure that an issuer of a debt security will not fulfill its obligation, it is the Port Authority's practice to follow state law, which limits investments in authorized securities to certain credit risk ratings and maturities. The Port Authority's investments at December 31, 2007, carried the following ratings:

<u>Rating Agency</u>	<u>Rating</u>	<u>Fair Value</u>
Moody's	Aaa	\$ 14,466,846
S&P	AAA	17,159,508
S&P	A-1	1,222,118
Not Rated		<u>1,742,831</u>
Total		<u><u>\$ 34,591,303</u></u>

Custodial Credit Risk

For an investment, the custodial credit risk is that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the Port Authority will not be able to recover the value of its investments that are in the possession of another party. The Port Authority requires all securities purchased to be made in such a manner so that the securities are at all times insured, registered in the Port Authority's name or are in the possession of the Port Authority.

Concentration of Credit Risk

It is the Port Authority's general practice to limit the amount the Port Authority may invest in any one issuer at the time of purchase to no more than 10% of the total investments managed by the Port Authority.

At December 31, 2007, more than 5% of the Port Authority's and Capital City Properties (CCP)'s investments are in the following issuers:

Issuer	Percent of Investments
US Treasury Bonds/Notes	34.2%
Federal Home Loan Bank	9.5%
Guaranteed Investment Contract	5.0%

Interest Rate Risk

As a means of managing its exposure to fair value losses arising from increasing interest rates, it is the Port Authority's practice to match maturities to its liquidity needs, which allows the Port Authority to hold all investments to maturity.

The schedule of the average maturities by investment type as of December 31, 2007, is as follows:

Investment Type	Fair Value	Less Than 1 year	1-5 Years	5-10 Years	Over 10 Years
U.S. Agency	\$ 5,318,001	\$ 4,680,219	\$ 607,125	\$ 30,657	\$ -
U.S. Government	11,841,507	5,913,439	3,547,297	2,295,918	84,853
Commercial Paper	1,222,118	1,222,118	-	-	-
Guaranteed Investment Contract	1,742,831	-	14,810	-	1,728,021
Money Market	13,207,871	13,207,871	-	-	-
Total Investments	<u>\$ 33,332,328</u>	<u>\$ 25,023,647</u>	<u>\$ 4,169,232</u>	<u>\$ 2,326,575</u>	<u>\$ 1,812,874</u>

Recap

Deposits	\$ 1,258,975	Cash and Investments	\$ 1,156,592
Investments	33,332,328	Restricted Cash	12,379,698
		Restricted Investments	<u>21,055,013</u>
Total	<u>\$ 34,591,303</u>	Total	<u>\$ 34,591,303</u>

C. Capital Assets

Summary of Changes in Capital Assets of RiverCentre Convention & Visitors Authority:

	Balance 01/01/07	Additions	Deductions	Balance 12/31/07
Capital Assets Not Being Depreciated:				
Land	\$ -	\$ -	\$ -	\$ -
Construction in Progress	-	-	-	-
Total Capital Assets Not Being Depreciated	-	-	-	-
Capital Assets Being Depreciated:				
Buildings and Structures	1,221,756	127,785	(232)	1,349,309
Public Improvements	-	-	-	-
Equipment	4,295,865	123,735	-	4,419,600
Total Capital Assets Being Depreciated	5,517,621	251,520	-	5,768,909
Less: Accumulated Depreciation for:				
Buildings and Structures	(852,147)	(67,465)	-	(919,612)
Public Improvements	-	-	-	-
Equipment	(3,608,913)	(288,016)	-	(3,896,929)
Total Accumulated Depreciation	(4,461,060)	(355,481)	-	(4,816,541)
Total Capital Assets Being Depreciated, Net	1,056,561	(103,961)	-	952,368
Capital Assets, Net	\$ 1,056,561	\$ (103,961)	\$ -	\$ 952,368

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Summary of Changes in Capital Assets of Regional Water Services:

	Balance 01/01/07	Additions	Deductions	Balance 12/31/07
Capital Assets Not Being Depreciated:				
Land	\$ 1,307,887	\$ -	\$ -	\$ 1,307,887
Construction in Progress	19,012,041	8,631,836	(17,933,374)	9,710,503
Total Capital Assets Not Being Depreciated	20,319,928	8,631,836	(17,933,374)	11,018,390
Capital Assets Being Depreciated:				
Buildings and Structures	55,787,120	225,953	(122,895)	55,890,178
Public Improvements	202,340,400	6,125,638	(377,725)	208,088,313
Equipment	34,706,131	11,535,776	(305,471)	45,936,436
Total Capital Assets Being Depreciated	292,833,651	17,887,367	(806,091)	309,914,927
Less: Accumulated Depreciation for:				
Buildings and Structures	(11,331,743)	(1,399,753)	19,651	(12,711,845)
Public Improvements	(61,518,439)	(3,525,377)	154,934	(64,888,882)
Equipment	(17,753,969)	(2,112,379)	290,504	(19,575,844)
Total Accumulated Depreciation	(90,604,151)	(7,037,509)	465,089	(97,176,571)
Total Capital Assets Being Depreciated, Net	202,229,500	10,849,858	(341,002)	212,738,356
Capital Assets, Net	\$ 222,549,428	\$ 19,481,694	\$ (18,274,376)	\$ 223,756,746

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Summary of Changes in Capital Assets of Port Authority:

	Balance 01/01/07	Additions	Deductions	Balance 12/31/07
Capital Assets Not Being Depreciated:				
Land	\$ 6,177,762	\$ 1,012,115	\$ -	\$ 7,189,877
Construction in Progress	-	-	-	-
Total Capital Assets Not Being Depreciated	6,177,762	1,012,115	-	7,189,877
Capital Assets Being Depreciated:				
Buildings	28,621,338	126,817	-	28,748,155
Equipment	950,976	106,768	-	1,057,744
Total Capital Assets Being Depreciated	29,572,314	233,585	-	29,805,899
Less: Accumulated Depreciation for:				
Buildings	(7,712,836)	(945,465)	-	(8,658,301)
Equipment	(594,539)	(66,683)	-	(661,222)
Total Accumulated Depreciation	(8,307,375)	(1,012,148)	-	(9,319,523)
Total Capital Assets Being Depreciated, Net	21,264,939	(778,563)	-	20,486,376
Capital Assets, Net	\$ 27,442,701	\$ 233,552	\$ -	\$ 27,676,253

D. Long-Term Obligations

At December 31, 2007, long-term obligations of the RiverCentre Convention & Visitors Authority consisted of:

	Unpaid Balances December 31, 2007	Principal	
		Less Current Maturities	Long Term Maturities
Capital Lease	\$ 1,202,097	\$ 179,741	\$ 1,022,356

At December 31, 2007 long-term obligations of Regional Water Services consisted of:

	Unpaid Balances December 31, 2007	Principal	
		Less Current Maturities	Long Term Maturities
Revenue Bonds	\$ 27,430,000	\$ 1,955,000	\$ 25,475,000
Revenue Notes	11,562,034	1,141,727	10,420,307
Compensated Absences	1,636,640	55,954	1,580,686
Net Other Postemployment Benefits	593,302	-	593,302
Claims and Judgments	2,754,022	541,336	2,212,686
Total	\$ 43,975,998	\$ 3,694,017	\$ 40,281,981

At December 31, 2007 long-term obligations of Port Authority consisted of:

	Unpaid Balances December 31, 2007	Principal	
		Less Current Maturities	Long Term Maturities
General Obligation Bonds	\$ 17,345,000	\$ 700,000	\$ 16,645,000
Revenue Bonds	31,045,000	2,150,820	28,894,180
Revenue Notes	11,092,253	331,442	10,760,811
Total	<u>\$ 59,482,253</u>	<u>\$ 3,182,262</u>	<u>\$ 56,299,991</u>

E. Principal and Interest Requirements on Long Term Obligations - Bonds and Notes

Regional Water Services:

Total principal and interest requirements relating to outstanding revenue bonds and notes at December 31, 2007 were as follows:

	Principal	Interest	Total
Revenue Bonds	\$ 27,430,000	\$ 9,586,275	\$ 37,016,275
Revenue Notes	11,562,034	2,208,693	13,770,727
Total	<u>\$ 38,992,034</u>	<u>\$ 11,794,968</u>	<u>\$ 50,787,002</u>

Port Authority:

Total principal and interest requirements relating to outstanding revenue bonds and notes at December 31, 2007 were as follows:

	Principal	Interest	Total
General Obligation Bonds	\$ 17,345,000	\$ 7,459,160	\$ 24,804,160
Revenue Bonds and Notes	42,137,253	37,133,849	79,271,102
Total	<u>\$ 59,482,253</u>	<u>\$ 44,593,009</u>	<u>\$ 104,075,262</u>

The Port Authority has issued debt obligations to finance numerous development projects. The debt is secured by the related amounts to be received under leases, loan agreements and ad valorem property taxes. These obligations are not secured by the credit of the Authority, and the Authority is not obligated in any manner for repayment of the debt. Accordingly, this no-commitment debt is not reported as a liability in the Port Authority's financial statements. At December 31, 2007, outstanding no-commitment debt totaled \$515 million.

F. Net Assets – Restricted

As of December 31, 2007, net assets were restricted for the following purposes:

	RiverCentre Convention and Visitors Authority	Regional Water Services	Port Authority	Total
For Economic Development	\$ -	\$ -	\$ 18,230,523	\$ 18,230,523
For Revenue Bond Debt Service	-	8,462,343	-	8,462,343
For Bond Indentures	-	-	5,185,818	5,185,818
Total	<u>\$ -</u>	<u>\$ 8,462,343</u>	<u>\$ 23,416,341</u>	<u>\$ 31,878,684</u>

G. Condensed Financial Information

The following provides component unit condensed financial information for the year ended December 31, 2007:

Condensed Statement of Net Assets

	RiverCentre Convention and Visitors Authority	Regional Water Services	Port Authority	Total
ASSETS				
Current Assets	\$ 4,522,202	\$ 26,318,583	\$ 11,395,910	\$ 42,236,695
Restricted Assets	926,511	5,508,900	33,434,711	39,870,122
Capital Assets, Net	952,368	223,756,746	27,676,253	252,385,367
Other Assets	-	685,277	27,332,293	28,017,570
Total Assets	<u>6,401,081</u>	<u>256,269,506</u>	<u>99,839,167</u>	<u>362,509,754</u>
LIABILITIES				
Current Liabilities	1,605,133	10,788,547	13,738,427	26,132,107
Noncurrent Liabilities	2,778,482	40,197,176	57,906,981	100,882,639
Total Liabilities	<u>4,383,615</u>	<u>50,985,723</u>	<u>71,645,408</u>	<u>127,014,746</u>
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	(249,729)	185,051,753	(3,653,668)	181,148,356
Restricted	-	8,462,343	23,416,341	31,878,684
Unrestricted	2,267,195	11,769,687	8,431,086	22,467,968
TOTAL NET ASSETS	<u>\$ 2,017,466</u>	<u>\$ 205,283,783</u>	<u>\$ 28,193,759</u>	<u>\$ 235,495,008</u>

Condensed Statement of Revenues, Expenses and Changes in Net Assets

	RiverCentre Convention and Visitors Authority	Regional Water Services	Port Authority	Total
Operating Revenues	\$ 10,319,102	\$ 38,665,346	\$ 7,739,060	\$ 56,723,508
Operating Expenses	9,507,866	28,786,630	6,159,083	44,453,579
Depreciation	355,481	6,560,430	1,046,893	7,962,804
Operating Income (Loss)	455,755	3,318,286	533,084	4,307,125
Total Nonoperating Revenues (Expenses)	258,046	(279,036)	(533,530)	(554,520)
Capital Contributions	247,970	734,226	-	982,196
Changes in Net Assets	961,771	3,773,476	(446)	4,734,801
Net Assets, January 1	1,055,695	201,510,307	28,194,205	230,760,207
Net Assets, December 31	\$ 2,017,466	\$ 205,283,783	\$ 28,193,759	\$ 235,495,008

H. Pension Plans

RiverCentre Convention & Visitors Authority:

The RiverCentre Convention & Visitors Authority (RCVA) has a defined contribution 401(k) retirement plan that covers substantially all employees meeting certain eligibility requirements. The RCVA has the option to contribute discretionary amounts to the plan. The RCVA makes matching contributions of up to 4% of compensation. During 2004, an additional discretionary contribution of 2% of each participant's salary was approved by the Board. Discretionary contributions were not made in 2005, 2006 or 2007. Retirement expense was \$24,578 and \$22,185 for 2007 and 2006 respectively.

Regional Water Services:

Regional Water Services employees are employees of the City of Saint Paul and are covered by the Public Employees Retirement Association (PERA) pension plan. PERA does not make separate measurements of assets and pension benefit obligation for individual employers. Total contributions in 2007 were \$777,087. See Note VIII.A for disclosures relating to the PERA pension plan.

Port Authority:

Prior to July 1, 2003, all full-time employees who met length-of-service requirements were required to participate in a Port Authority sponsored Section 414(d) employee benefit plan. Effective July 1, 2003, all employees hired after June 30, 2003, and employees 45 years of age or younger as of December 31, 2002, as well as any other employee making a permanent election, became participants in the Public Employees Retirement Fund (PERF), which is a cost-sharing, multiple-employer retirement plan. The following is a description of these plans:

Port Authority 414(d) Plan: The Port Authority sponsors a Section 414(d) employee benefit plan covering all full-time employees who were hired prior to June 30, 2003, and did not elect to participate in the PERF. Employee participation in the plan is mandatory, and employees are required to contribute 5.75% of their salary. The Port Authority provides a contribution of 6.25%. Total contributions were approximately \$31,000 in 2007.

Public Employees Retirement Fund (PERF): All full-time and certain part-time employees of the Port Authority who were hired after June 30, 2003, and those employees hired prior to June 30, 2003, who were required to or elected to participate in PERF are covered by defined benefit plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the PERF, which is a cost-sharing, multiple-employer retirement plan. This plan is established and administered in accordance with Minnesota Statutes, Chapters 353 and 356.

PERF members belong to the Coordinated Plan. All participating employees of the Port Authority are Coordinated Plan members and are covered by Social Security.

I. Postemployment Benefits Other than Pension

RiverCentre Convention & Visitors Authority:

The River Centre Convention & Visitors Authority does not provide other postemployment benefits.

Regional Water Services:

Plan Description

In addition to providing the pension benefits described in Note VIII.A, Regional Water Services, through the City of Saint Paul (City) provides other postemployment health care and life insurance benefits (OPEB) for retired employees through a single employer defined benefit plan. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report.

Benefits Provided

Eligibility requirements and contribution levels vary substantially between the 11 bargaining agreements. The typical eligibility requirements are 20 years of service and currently receiving a public employee pension. This coverage may also extend to the retiree's family. The benefits, benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through the City's collective bargaining agreements with employee groups. Benefits include general inpatient and outpatient medical services; mental and substance abuse care; vision care; preventative dental; and prescriptions.

Retirees under the age of 65 (early retirees) are included in the pool with active employees. Each year during open enrollment, active employees and early retirees select from three options with the City's health insurance carrier. Retirees over 65 (regular retirees) have two plan options under a separate policy. Medicare becomes the primary insurer and the City's plan becomes secondary. Life insurance in the amount of \$5,000 to \$20,000 is provided to some early retirees, depending upon collective bargaining agreements.

The majority of employees benefit amounts have been capped. The benefit amount varies depending upon employment date and bargaining unit agreement as indicated in the following:

Health Care Benefit

	<u>Under Age 65</u> <u>(early retiree)</u>	<u>Over Age 65</u> <u>(regular retiree)</u>
Employees who retired before January 1, 1996	\$230 per month	100%
Employees hired before January 1, 1996 and retiring after January 1, 1996	\$350 per month	\$550 per month
Employees hired after January 1, 1996	\$300 per month	\$300 per month

Membership

As of the actuarial valuation date of September 30, 2006 the membership consisted of:

	<u>Family</u> <u>Coverage</u>	<u>Single</u> <u>Coverage</u>	<u>Total</u>
Retired Participants and Beneficiaries			
Under Age 65 (Early Retirees)	6	26	32
Over Age 65 (Regular Retirees)	<u>50</u>	<u>98</u>	<u>148</u>
Total Retired Participants	<u>56</u>	<u>124</u>	<u>180</u>
Active Participants			
Eligible to receive benefits			34
Not eligible to receive benefits*			<u>205</u>
Total Active Participants			<u>239</u>
Total Participants			<u><u>419</u></u>

* Participants who have not reached retirement age and minimum service requirements

Funding Policy

Retiree health care benefits are currently funded based on the benefit disclosed above on a pay-as-you-go basis. Regional Water may change the funding policy at any time. The average monthly premium contributions for 2007 were as follows:

	<u>Age</u>	<u>Average Monthly Regional Water Contribution</u>	<u>Average Monthly Retiree Contribution</u>
Health Insurance	Less than 65	\$ 331	\$ 235
	65 and older	\$ 283	\$ 16
Life Insurance	Less than 65	\$ 2	\$ -
	65 and older	Not applicable	Not applicable

These plans are fully insured.

The expenses for these postemployment benefits are recognized as premiums and are paid to the insurers. For Regional Water, the 2007 expense totaled \$638,764 for approximately 184 retirees. Retirees contributed \$117,610; active employees do not contribute to the plan until retirement.

Annual OPEB Costs and Net OPEB Obligation

Regional Water had an actuarial valuation performed for the plan as of September 30, 2006 to determine the funded status of the plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended December 31, 2007. Regional Water's annual OPEB cost (expense) of \$1,283,314 was equal to the ARC for the fiscal year, as the transition liability was set at zero as of December 31, 2006. Regional Water's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2007 is as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Employer Contribution</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
December 31, 2007	\$ 1,283,314	\$ 690,012	53.77%	\$ 593,302

The net OPEB obligation (NOPEBO) as of December 31, 2007 was calculated as follows:

Annual Required Contribution (ARC)	\$ 1,283,314
Interest on Net OPEB Obligation	-
Adjustment to Annual Required Contribution	-
Annual OPEB cost	<u>1,283,314</u>
Contributions Made	
Direct	638,720
Indirect Implicit Subsidy	<u>51,292</u>
Total Contributions Made	690,012
Increase (Decrease) in Net OPEB Obligation	<u>593,302</u>
Net OPEB Obligation Beginning of Year	-
Net OPEB Obligation End of Year	<u><u>\$ 593,302</u></u>

Funded Status and Funding Progress

The actuarial accrued liability for benefits, as of September 30, 2006, the most recent actuarial valuation date, was \$14,931,911. This liability will be phased in over 30 years based on the requirements of the Governmental Accounting Standards Board Statement No. 45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*.

As of the actuarial valuation date of September 30, 2006, the funded status of the plan was as follows:

Actuarial Accrued Liability (AAL)	\$ 14,931,911
Actuarial Value of Plan Assets	\$ -
Unfunded Actuarial Accrued Liability (UAAL)	\$ 14,931,911
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.00%
Active Members Covered Payroll	\$ 11,080,634
UAAL as a Percentage of Covered Payroll	134.76%

Actuarial valuation of an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

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 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 short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the September 30, 2006 actuarial valuation the projected unit credit actuarial cost method was used. The actuarial assumptions included 5.25% discount rate and an annual healthcare cost trend rate of beginning at 9.0% for fiscal year 2007 and declining over 8 years by 0.5% per year to 5.0%. Both rates include a 3.0% inflation assumption. The actuarial value of assets was not determined as Regional Water has not advance-funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level dollar amount over 30 years. The remaining amortization period at December 31, 2007, was 29 years.

Port Authority:

Plan Description

The Port Authority employees retiring after 20 or more years of service are eligible for up to \$300 per month toward the cost of health insurance. Employees retiring prior to 1996 are reimbursed for 100 percent of the cost of health insurance for themselves and their spouse. At December 31, 2007, there were 20 current employees and 6 prior employees or surviving spouses receiving benefits. The plan does not issue a stand-alone financial report.

Funding Policy

Retiree health care benefits are currently funded based on the benefit disclosed above on a pay-as-you-go basis. The Board of Commissioners may change the funding policy at any time.

Annual OPEB Cost and Net OPEB Obligation

The Port Authority's annual other postemployment benefit (OPEB) expense is calculated based on the annual required contribution (ARC). The Port Authority has elected to calculate the ARC and related information using the alternate measurement permitted by GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial accrued liabilities (UAAL) over a 30-year period. The following table shows the components of the annual OPEB cost, the amount actually contributed to the plan, and changes in the OPEB obligation to the Retiree Health Plan:

Annual Required Contribution (ARC)	\$ 56,403
Interest on Net OPEB Obligation	-
Adjustment to Annual Required Contribution	-
Annual OPEB cost	56,403
Contributions Made	<u>37,491</u>
Increase (Decrease) in Net OPEB Obligation	<u>18,912</u>
Net OPEB Obligation Beginning of Year	<u>-</u>
Net OPEB Obligation End of Year	<u>\$ 18,912</u>

Contributions in relation to the ARC totaled 66% of the 2007 ARC. The Port Authority has earmarked an additional \$108,000 to fund future benefit costs. The earmarked amount is not held in an irrevocable trust and does not meet the GASB Statement No. 45 definition of contributions made in relation to the ARC.

Funded Status and Funding Progress

The actuarial accrued liability for benefits as of December 31, 2007, the most recent actuarial valuation date, was \$612,381. This liability will be phased in over 30 years based on the requirements of GASB Statement No. 45.

Actuarial Accrued Liability (AAL)	\$	612,381
Actuarial Value of Plan Assets	\$	-
Unfunded Actuarial Accrued Liability (UAAL)	\$	612,381
Funded Ratio (Actuarial Value of Plan Assets/AAL)		0.00%
Active Members Covered Payroll	\$	1,873,007
UAAL as a Percentage of Covered Payroll		32.70%

Actuarial Methods and Assumptions

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions 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 Port Authority has estimated the liability associated with this benefit using an alternative valuation method which takes into account the existing age of the individuals, their years of service and life expectancy, probability of receiving a benefit, a health care cost trend factor of 6.9% and a 5% present value assumption. Actuarial calculations assume a level of percentage projected payroll 30-year open amortization period. The remaining amortization period at December 31, 2007, was 29 years.

Note VIII. Other Information

A. Pension Plans

1. Defined Benefit Plans: Public Employees Retirement Association

a. Plan Descriptions

All full-time and certain part-time employees of the City of Saint Paul who are not participants of the Housing and Redevelopment Authority Pension Plan are covered by retirement plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the Public Employees Retirement Fund (PERF) and the Public Employees Police and Fire Fund (PEPFF), which are cost-sharing, multiple-employer retirement plans. These plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356.

PERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and the Basic Plan members are not. All new members must participate in the Coordinated Plan. All police officers, fire fighters and peace officers who qualify for membership by statute are covered by the PEPFF.

PERA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by State Statute, and vest after three years of credited service. The defined retirement 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 Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2 percent of average salary for each of the first ten years of service and 2.7 percent for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2 percent of average salary for each of the first ten years and 1.7 percent for each remaining year. Under Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service. For PEPFF members, the annuity accrual rate is 3.0 percent of average salary for each year of service.

For all PEPFF members and for PERF members hired prior to July 1, 1989, whose annuity is calculated using Method 1, a full annuity is available when age plus years of service equal 90. Normal retirement age is 55 for PEPFF members and 65 for Basic and Coordinated members hired prior to July 1, 1989. Normal retirement age is the age for unreduced Social Security benefits capped at 66 for Coordinated members hired on or after July 1, 1989. A reduced retirement annuity is also available to eligible members seeking early retirement.

There are different types of annuities available to members upon retirement. A single annuity is a lifetime annuity that ceases upon the death of the retiree; no survivor annuity is payable. Also available are various types of joint and survivor annuity options that will be payable over joint lives. Members may also leave their contributions in the fund upon termination of public service in order to qualify for a deferred annuity at retirement age. Refunds of contributions are available at any time to members who leave public service, but before retirement benefits begin.

The benefit provisions stated in the previous 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.

PERA issues a publicly-available financial report that includes financial statements and required supplementary information for PERF and PEPFF. That report may be obtained on the web at mnpera.org, or by writing to PERA, 60 Empire Drive #200, Saint Paul, Minnesota, 55103-2088 or by calling 651-296-7460 or 1-800-652-9026.

b. Funding Policy

Pension benefits are funded from member and employee contributions and income from investment of fund assets. Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. These Statutes are established and amended by the state legislature. The City makes annual contributions to the pension plans equal to the amount required by state statutes. The following table lists the required contribution rates for employees and employers under the various plans administered by PERA. Rates are applied to annual covered salary.

Retirement Plan	2007		2008	
	Employee	Employer	Employee	Employer
Public Employees Retirement Fund (PERF)				
Basic	9.10%	11.78%	9.10%	11.78%
Coordinated	5.75%	6.25%	6.00%	6.50%
Public Employees Police and Fire Fund (PEPFF)	7.80%	11.70%	8.60%	12.90%

The City's contributions to the cost-sharing retirement plans for the years ending December 31, 2007, 2006 and 2005 were the following:

	2007	2006	2005
Public Employees Retirement Fund (PERF)			
Basic	\$ 16,617	\$ 16,796	\$ 15,834
Coordinated	5,532,398	5,715,877	5,079,965
	5,549,015	5,732,673	5,095,799
Public Employees Police and Fire Fund (PEPFF)	8,158,112	7,501,134	5,930,663
	<u>\$ 13,707,127</u>	<u>\$ 13,233,807</u>	<u>\$ 11,026,462</u>

In 1999, upon the merger of the Police and Fire Consolidation Fund (PFCF) with the PEPFF, relief associations that were underfunded as of July 1, 1999 were required to make a predetermined annual amortization payment to the PEPFF until the year 2010. The City's fire relief association that belonged to the PFCF was underfunded and was required to make annual payments of \$40,967. The annual payment of \$40,967 is included in the City's contribution to PEPFF shown above.

2. Defined Contribution Plan: Housing and Redevelopment Authority Pension Plan

a. Plan Description

Employees of the City of Saint Paul who were formerly employed by Housing and Redevelopment Authority (HRA) before the latter merged with the City of Saint Paul and who elected to continue to participate in this pension plan upon becoming employees of the City of Saint Paul are covered by the Housing and Redevelopment Authority Pension Plan, a defined contribution plan. The merger was authorized under the provision of Minnesota Laws of 1976, Chapter 234, as amended in 1977 Session Laws, Chapter 165. The law also provided that employees who elected to continue with the HRA pension plan shall be responsible for the difference in cost between the HRA pension plan and the City of Saint Paul pension plan. The HRA Pension Plan Trustees, in conjunction with Principal Financial Group, administers the HRA Pension Plan.

Participants in the HRA Pension Plan will be vested in their own Trust Fund Share attributable to their individual contributions, supplementary contributions and any rollover contributions. Vesting is based on applying a percentage based on the number of years of service with each full year of service to be vested at 20%. If termination of service or death occurs, each participant or participant's beneficiary is entitled to receive interest in the Trust Fund, and it will be paid in accordance with the rules of the pension plan.

b. Funding Policy

Each active employee who participates in the HRA Pension Plan contributes 5.5% of the employee's salary. The City of Saint Paul contributes 6.25% of each active employee's salary who belongs in the pension plan. The City and the covered employees contributed \$46,874 and \$50,604, respectively, for the year ending December 31, 2007. The City also contributed \$52,603 for 2006 and \$47,436 for 2005. For each year, the City contribution equals the required contribution for each respective year.

B. Postemployment Benefits Other than Pension

In 2007, the City prospectively implemented the requirements of a new accounting pronouncement, GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*.

1. Plan Description

In addition to the pension benefits described in Note VIII.A, the City provides other postemployment health care and life insurance benefits (OPEB) for retired employees through a single employer defined benefit plan. The authority to provide these benefits is established in Minnesota Statutes Section 471.61, Subd. 2a. The benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through the City’s collective bargaining agreements with employee groups. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is allocated as part of the City’s fringe benefit charge.

2. Benefits Provided

The City provides postemployment health care and life insurance benefits to its retirees. To be eligible for benefits, an employee must be collecting a state retirement pension and have been employed by the City for a minimum of 20 years. This coverage may also extend to the retiree’s family. Benefits include general inpatient and outpatient medical services; mental and substance abuse care; vision care; preventative dental; and prescriptions.

Life insurance in the amount of \$5,000 to \$20,000 is provided to some under age 65 (early retirees), depending upon collective bargaining agreements. A few over age 65 retirees have varying amounts of life insurance that had been continued due to disability.

The majority of employees benefit amounts have been capped. The benefit amount varies depending upon employment date and bargaining unit agreement as indicated below:

Health Care Benefit

	<u>Under Age 65</u> <u>(early retiree)</u>	<u>Over Age 65</u> <u>(regular retiree)</u>
Employees who retired before January 1, 1996	\$250 per month	100%
Employees hired before January 1, 1996 and retiring after January 1, 1996	\$350 per month	\$550 per month
Employees hired after January 1, 1996	\$300 per month	\$300 per month

This benefit has been discontinued for Police officers hired after July 1, 2005 and for Tri-Council employees hired after January 1, 1996.

Life Insurance Benefit

Retirees are eligible to continue on the City's life insurance program until age 65 in amounts that range from \$5,000 - \$20,000.

3. Membership

As of actuarial valuation date of September 30, 2006 the membership consisted of:

	Family Coverage	Single Coverage	Total
Retired Participants and Beneficiaries			
Under Age 65 (Early Retirees)	204	420	624
Over Age 65 (Regular Retirees)	507	772	1,279
Total Retired Participants	<u>711</u>	<u>1,192</u>	<u>1,903</u>
Active Participants			
Eligible to receive benefits			240
Not eligible to receive benefits*			<u>2,812</u>
Total Active Participants			<u>3,052</u>
Total Participants			<u><u>4,955</u></u>

* Participants who have not reached retirement age and minimum service requirements

4. Funding Policy

The City negotiates the contribution between the City and employees through 16 employee group agreements. The City currently finances this plan on a pay as you go basis. Early retirees (under age 65) contribute to the health care plan at the same rate as active employees. This results in the early retirees receiving an implicit rate subsidy. For the fiscal year ending December 31, 2007, retirees contributed \$2,172,235 and the City contributed \$7,335,676. Active employees do not contribute to the plan until retirement.

The average monthly premium contributions for 2007 were as follows:

	Age	Average Monthly City Contribution	Average Monthly Retiree Contribution
Health Insurance	Less than 65	\$ 364	\$ 273
	65 and older	\$ 266	\$ 7
Life Insurance	Less than 65	\$ 2	\$ -
	65 and older	Not applicable	Not applicable

5. Annual OPEB costs and Net OPEB Obligation

The City first had an actuarial valuation performed for the plan as of September 30, 2006 to determine the funded status of the plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended December 31, 2007. The City's annual OPEB cost (expense) of \$13,875,274 was equal to the ARC for the fiscal year, as the transition liability was set at zero as of December 31, 2006. The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2007 is as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Employer Contribution</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
December 31, 2007	\$ 13,875,274	\$ 8,473,394	61.07%	\$ 5,401,880

The net OPEB obligation (NOPEBO) as of December 31, 2007 was calculated as follows:

Annual Required Contribution (ARC)	\$ 13,875,274
Interest on Net OPEB Obligation	-
Adjustment to Annual Required Contribution	-
Annual OPEB cost	<u>13,875,274</u>
Contributions Made	
Direct	7,335,676
Indirect Implicit Subsidy	<u>1,137,718</u>
Total Contributions Made	<u>8,473,394</u>
Increase (Decrease) in Net OPEB Obligation	<u>5,401,880</u>
Net OPEB Obligation Beginning of Year	<u>-</u>
Net OPEB Obligation End of Year	<u><u>\$ 5,401,880</u></u>

6. Funded Status and Funding Progress

As of the actuarial valuation date of September 30, 2006, the funded status of the plan was as follows:

Actuarial Accrued Liability (AAL)	\$ 165,012,188
Actuarial Value of Plan Assets	\$ -
Unfunded Actuarial Accrued Liability (UAAL)	\$ 165,012,188
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.00%
Active Members Covered Payroll	\$ 148,007,987
UAAL as a Percentage of Covered Payroll	111.49%

7. Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as

required supplementary information, following the notes to the financial statements, will present multi-year trend information as it becomes available. The schedule will show whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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 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 short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the September 30, 2006 actuarial valuation the projected unit credit actuarial cost method was used. The actuarial assumptions included 5.25% investment return and an annual healthcare cost trend rate of beginning at 9.0% for fiscal year 2007 and declining over 8 years by 0.5% per year to 5.0%. Both rates include a 3.0% inflation assumption. The actuarial value of assets was not determined as the City has not advance-funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level dollar amount over 30 years. The remaining amortization period at December 31, 2007, was 29 years.

C. Risk Management

The City is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City accounts for and finances its risk management activities in the Risk Management Retention Internal Service Fund. Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. Claim expenditures relating to tort liabilities are paid from the General Fund and other funds responsible for losses as determined by the tort claim manager. Workers' compensation claim expenditures are directly charged to department funds responsible for the employee at time of injury. The following discloses the change in the balance of the claims liability during fiscal years 2006 and 2007.

	Year Ended December 31, 2007	Year Ended December 31, 2006
Beginning of Fiscal Year Liability	\$ 26,157,978	\$ 24,552,444
Current Year Claims and Changes in Estimates	9,901,940	9,160,373
Claim Payments	(6,811,525)	(7,554,839)
End of Fiscal Year Liability	<u>\$ 29,248,393</u>	<u>\$ 26,157,978</u>

Minnesota Statutes Section 466.04 limits the City's tort financial exposure for claims arising from general liability or vehicle liability exposures. The limits are \$300,000 per individual and \$750,000 per accident for any number of claims arising out of a single occurrence for claims arising on or after January 1, 1998, and before January 1, 2000. For claims arising on or after January 1, 2000, and before January 1, 2008, the limit per accident for any number of claims arising out of a single occurrence is \$1,000,000 and \$300,000 per individual. For claims arising on or after January 1, 2008, the limit per accident for any number of claims arising out of a single occurrence is \$1,200,000 and \$400,000 per individual. The City has also established a designation of fund balance in the General Fund of \$1,000,000 for tort liability. The City does not carry commercial liability and collision insurance for City-owned vehicles.

The City has purchased all risk property insurance coverage of \$1.1 billion for its real and personal property throughout the City. The deductible for each occurrence of damage or loss of property is \$250,000. Each City department participating in the risk retention program is charged a yearly amount based upon pro rata shares of the property insurance coverage, and contributions are made to a risk retention pool to address potential losses not covered by insurance. The City department is responsible for the first \$10,000 of each loss. Losses that exceed \$10,000 are reimbursed by the risk retention pool. There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three years.

The City purchases coverage for employee health and life insurance benefits. These benefit plans are fully insured. The contributions required by employees to the health and life insurance programs are dependent upon an employee's bargaining unit. There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three fiscal years.

The City self-insures its liability for unemployment compensation benefits and City funds are directly charged for the actual costs incurred.

The City's Risk and Employee Benefit Management Division provides direction, management, coordination and planning services for risk, insurance and employee benefit programs. The Division conducts an audit and actuarial analysis to ensure proper premium, retention and administrative charges. Tort liability, workers' compensation and unemployment compensation programs are administered internally with professional claim managers and adjusters. Litigated tort claims (both general liability and vehicle liability) are handled by the City Attorney's Office and their staff.

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D. Construction and Other Significant Commitments

At December 31, 2007, the City had commitments for the following major construction projects:

Project Title	Remaining Construction Committed
Residential Street Vitality Program	\$ 12,113,000
Sewer System Rehabilitation	6,461,000
Stormwater Quality Improvements	900,000
Jimmy Lee Recreation Center	2,008,559
St. Peter/Rondo Storm Sewer Tunnel Rehabilitation	3,000,000
Ayd Mill Road Off-Road Bike Trail	1,749,415
Major Sewer Repairs	1,961,000
Payne Ave Reconstruction and Streetscape	1,300,000
35E/Shepard Road/West 7th Environmental Impact Study	1,200,000
Sidewalk Reconstruction	1,000,000
Selby Ave Reconstruction - Phase III	1,902,000
Maryland Avenue Bridge over Burlington Northern Railroad Bridges	830,000
Midtown Greenway - Saint Paul Extension	1,209,000
Smith Ave Reconstruction W 7th to Grand	1,000,000
Rice Street Bridge Replacement	2,860,000
Pierce Butler East Extension	1,902,000
	\$ 41,395,974
Total	\$ 41,395,974

E. Interest Rate Swap Agreements

The Interest Rate Swap Agreement dated July 13, 2005 between the City and Bank of Montreal relating to the 1999 Taxable Sales Tax Revenue Bonds in the notional amount of \$66,300,000 was terminated on June 8, 2007. The City obtained a Pricing Verification Report and Fairness Opinion from an independent advisor. In the opinion of the advisor, the City received fair value in its termination of the interest rate swap agreement. The net swap termination amount to the City from the Bank of Montreal was \$3,754,100.

In November 2007, the City entered into two interest rate swap agreements for \$32,727,500 each, for a total notional amount of \$65,455,000 with Piper Jaffray Financial Products, Inc., and Royal Bank of Canada relating to the 1999 Taxable Sales Tax Revenue Bonds. These interest rate swap agreements took place in November 2007 and will end on November 1, 2025. In 2009, the 1999 Taxable Sales Tax Revenue Bonds will be refunded through the issuance of taxable variable rate bonds. The objective of this agreement is to be able to refund the bonds at a lower estimated total synthetic interest rate of 5.163% compared to the present interest rates of 6.440% through 7.090% on the original bonds payable from 2009 through 2025. This agreement entails the following risks: a) basis risk, the risk of paying an unknown spread to LIBOR on the variable rate debt; b) termination risks – the risk that the agreement will be terminated beyond the control of the City and thereby incurring additional costs; and c) default risk - the risk that the counterparty will not meet its obligations. The mid-market value of these derivatives is negative \$1,114,390 each for a total negative of \$2,228,780 and was calculated by Springsted Investment Advisors, Inc., an independent market-to-market valuation service, based upon the market close rate data provided by Bloomberg Financial on December 31, 2007.

F. Contingent Liabilities

The City, in connection with the normal conduct of its affairs, is involved in various judgments, claims and litigations; it is expected that the final settlement of these matters will not materially affect the financial statements of the City.

The City of Saint Paul entered into a \$6 million guaranty of principal and interest with Wells Fargo on January 21, 2005, to help secure financing for the \$24.2 million University Enterprise Laboratory Project at 1000 Westgate Drive in St. Paul, Minnesota.

Currently no draw under the City guaranty is likely in 2008 due to sufficient reserves on hand. At the end of 2007, the 103,000-square foot biotech incubator facility was 87% leased. However, if the situation doesn't change the guaranty will be called upon in 2012 when the New Market Tax Credit transaction needs to be refinanced. The current guaranty encumbrance is against the General Fund.

G. Subsequent Events

Issuance of General Obligation Bonds

In 2008, the City issued the following bonds:

	<u>Amount</u>	<u>Final Maturity</u>
General Obligation Bonds		
Property Tax Supported		
Capital Improvement Bonds	\$ 6,330,000	03/2018
Public Safety Bonds	10,510,000	05/2033
Special Assessment Bonded Debt		
Street Improvement Bonds with Governmental Commitment	11,545,000	05/2028
Revenue Bonds		
Sewer Revenue Bonds	<u>23,735,000</u>	12/2027
Total Issued	<u>\$ 52,120,000</u>	

The General Obligation Bonds and Sewer Revenue Bonds issued in 2008 were reaffirmed at Aa2 and AAA by Moody's Investors Service and Standard and Poor's Corporation, respectively.

City of Saint Paul, Minnesota
**SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE BUDGET AND ACTUAL
 GENERAL FUND**
 For the Fiscal Year Ended December 31, 2007

Schedule 1

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES				
Taxes				
Property Taxes	45,739,320	45,739,320	46,624,315	884,995
Gross Earnings Franchise Fees	21,318,043	21,318,043	22,127,647	809,604
Hotel-Motel Tax	850,700	850,700	815,041	(35,659)
Other Taxes	121,000	121,000	69,257	(51,743)
Total Taxes	68,029,063	68,029,063	69,636,260	1,607,197
Licenses and Permits	982,443	982,443	955,820	(26,623)
Intergovernmental Revenue	63,542,411	63,542,411	63,829,793	287,382
Fees, Sales and Services	17,553,342	17,747,842	15,804,689	(1,943,153)
Investment Income				
Interest Earned On Investments	3,240,719	3,240,719	3,798,214	557,495
Increase in Fair Value of Investments	-	-	818,105	818,105
Interest Earned On Securities Lending	-	6,242,385	6,242,385	-
Other Investment Income	-	-	3,754,100	3,754,100
Interest Earned - Other	-	33,962	83,180	49,218
Miscellaneous Revenue - Other	441,557	560,657	1,052,891	492,234
Total Revenues	153,789,535	160,379,482	165,975,437	5,595,955
EXPENDITURES				
Current				
General Government				
City Council	2,316,057	2,396,057	2,311,169	84,888
Mayor	1,456,446	1,456,446	1,421,091	35,355
Citizen Service	319,702	319,702	230,026	89,676
City Attorney	5,772,924	5,893,627	5,840,353	53,274
Financial Services	1,980,082	1,954,087	1,851,452	102,635
Human Resources	3,147,419	3,147,419	3,045,750	101,669
Human Rights	532,865	531,865	532,024	(159)
Technology	8,200,472	8,360,146	7,908,556	451,590
Total General Government	23,725,967	24,059,349	23,140,421	918,928
Public Safety				
Police	66,426,141	66,629,716	66,281,971	347,745
Fire and Safety Services	45,126,790	45,131,790	44,473,943	657,847
Safety and Inspection	5,047,837	6,186,817	6,030,095	156,722
Total Public Safety	116,600,768	117,948,323	116,786,009	1,162,314
Highways and Streets	1,621,274	1,621,274	1,498,232	123,042
Culture and Recreation	24,050,343	24,187,368	24,299,349	(111,981)
Miscellaneous - Other	4,963,464	4,843,391	4,148,543	694,848
Debt Service				
Other Debt Principal	1,055,618	1,055,618	510,000	545,618
Interest - Securities Lending	-	6,053,144	6,053,144	-
Interest - Other Debt	-	-	536,217	(536,217)
Total Expenditures	172,017,434	179,768,467	176,971,915	2,796,552
Deficiency of Revenues Under Expenditures	(18,227,899)	(19,388,985)	(10,996,478)	8,392,507
OTHER FINANCING SOURCES (USES)				
Transfers In	18,055,634	19,364,288	17,651,528	(1,712,760)
Transfers Out	(1,502,607)	(1,502,607)	(1,949,294)	(446,687)
Sale of Capital Assets	63,000	63,000	1,262	(61,738)
Total Other Financing Sources (Uses)	16,616,027	17,924,681	15,703,496	(2,221,185)
Net Change in Fund Balance	(1,611,872)	(1,464,304)	4,707,018	6,171,322
FUND BALANCE, January 1	30,272,574	30,272,574	30,272,574	-
FUND BALANCE, December 31	28,660,702	28,808,270	34,979,592	6,171,322

The notes to the required supplementary information are an integral part of this statement.

City of Saint Paul, Minnesota
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES
 IN FUND BALANCES
 BUDGET AND ACTUAL - ANNUALLY BUDGETED
 MAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended December 31, 2007

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	Saint Paul Library Agency				HRA General Fund			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Property Taxes								
Current Taxpayer	8,448,603	8,448,603	8,516,183	67,580	1,036,161	1,036,161	989,098	(47,063)
Delinquent Taxpayer	-	-	130,346	130,346	-	-	8,723	8,723
Total Property Taxes	8,448,603	8,448,603	8,646,529	197,926	1,036,161	1,036,161	997,821	(38,340)
Intergovernmental Revenue	5,475,784	5,475,784	5,355,290	(120,494)	54,331	54,331	44,056	(10,275)
Fees, Sales and Services	-	-	-	-	1,123,944	1,123,944	1,705,648	581,704
Investment Income								
Interest Earned on Investments	-	-	-	-	200,000	200,000	424,559	224,559
Increase in Fair Value of Investments	-	-	-	-	-	-	111,133	111,133
Miscellaneous - Other	-	-	21,839	21,839	-	21,000	6,000	(15,000)
Total Revenues	13,924,387	13,924,387	14,023,658	99,271	2,414,436	2,435,436	3,289,217	853,781
EXPENDITURES								
Current								
Culture and Recreation	13,488,223	13,488,223	13,405,800	82,423	-	-	-	-
Housing and Economic Development	-	-	-	-	3,136,114	3,233,169	3,028,186	204,983
Capital Outlay	10,761	10,761	10,761	-	-	-	-	-
Total Expenditures	13,498,984	13,498,984	13,416,561	82,423	3,136,114	3,233,169	3,028,186	204,983
Excess (Deficiency) of Revenues Over (Under) Expenditures	425,403	425,403	607,097	181,694	(721,678)	(797,733)	261,031	1,058,764
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	477,989	477,989
Transfers Out	(481,013)	(481,013)	(467,925)	13,088	(18,486)	(68,486)	(68,486)	-
Total Other Financing Sources (Uses)	(481,013)	(481,013)	(467,925)	13,088	(18,486)	(68,486)	409,503	477,989
Net Change in Fund Balances	(55,610)	(55,610)	139,172	194,782	(740,164)	(866,219)	670,534	1,536,753
FUND BALANCES, January 1	261,917	261,917	261,917	-	8,010,930	8,010,930	8,010,930	-
FUND BALANCES, December 31	206,307	206,307	401,089	194,782	7,270,766	7,144,711	8,681,464	1,536,753

continued

The notes to the required supplementary information are an integral part of this statement.

City of Saint Paul, Minnesota
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES
 IN FUND BALANCES
 BUDGET AND ACTUAL - ANNUALLY BUDGETED
 MAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended December 31, 2007

	Total			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES				
Taxes				
Property Taxes				
Current Taxpayer	9,484,764	9,484,764	9,505,281	20,517
Delinquent Taxpayer	-	-	139,069	139,069
Total Property Taxes	<u>9,484,764</u>	<u>9,484,764</u>	<u>9,644,350</u>	<u>159,586</u>
Intergovernmental Revenue	5,530,115	5,530,115	5,399,346	(130,769)
Fees, Sales and Services	1,123,944	1,123,944	1,705,648	581,704
Investment Income				
Interest Earned on Investments	200,000	200,000	424,559	224,559
Increase in Fair Value of Investments	-	-	111,133	111,133
Miscellaneous - Other	-	21,000	27,839	6,839
Total Revenues	<u>16,338,823</u>	<u>16,359,823</u>	<u>17,312,875</u>	<u>953,052</u>
EXPENDITURES				
Current				
Culture and Recreation	13,488,223	13,488,223	13,405,800	82,423
Housing and Economic Development	3,136,114	3,233,169	3,028,186	204,983
Capital Outlay	10,761	10,761	10,761	-
Total Expenditures	<u>16,635,098</u>	<u>16,732,153</u>	<u>16,444,747</u>	<u>287,406</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(296,275)</u>	<u>(372,330)</u>	<u>868,128</u>	<u>1,240,458</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	477,989	477,989
Transfers Out	(499,499)	(549,499)	(536,411)	13,088
Total Other Financing Sources (Uses)	<u>(499,499)</u>	<u>(549,499)</u>	<u>(58,422)</u>	<u>491,077</u>
Net Change in Fund Balances	<u>(795,774)</u>	<u>(921,829)</u>	<u>809,706</u>	<u>1,731,535</u>
FUND BALANCES, January 1	<u>8,272,847</u>	<u>8,272,847</u>	<u>8,272,847</u>	<u>-</u>
FUND BALANCES, December 31	<u><u>7,477,073</u></u>	<u><u>7,351,018</u></u>	<u><u>9,082,553</u></u>	<u><u>1,731,535</u></u>

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The notes to the required supplementary information are an integral part of this statement.

City of Saint Paul, Minnesota
SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFITS PLAN
For the Fiscal Year Ended December 31, 2007

Schedule 3

(1)	(2)	(3)	(4)	(5)	(6)	
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Funded Ratio (1) / (2)	Accrued Liability (UAAL) (2) - (1)	Active Members Covered Payroll	Percentage of Covered Payroll (4) / (5)
September 30, 2006	\$ -	\$ 165,012,188	0.00%	\$ 165,012,188	\$ 148,007,987	111.49%

The City implemented GASB Statement No. 45 for the fiscal year ended December 31, 2007. Information for prior years is not available.

City of Saint Paul, Minnesota
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFITS PLAN
For the Fiscal Year Ended December 31, 2007

<u>Fiscal Year Ended</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
December 31, 2007	\$ 8,473,394	\$ 13,875,274	61.07%

The City implemented GASB Statement No. 45 for the fiscal year ended December 31, 2007. Information for prior years is not available.

Budgetary Information

A budgetary comparison for the City's General Fund and the annually budgeted Library Agency and HRA General Fund are required supplementary information.

All annually budgeted funds including the General Fund, Library Agency and HRA General Fund are adopted on a basis consistent with generally accepted accounting principals. The legal level of budgetary control for the General Fund is at the department/office level and at the fund level for the Library Agency and HRA General Fund. For additional information, see Note V.A on pages 71-73.

Neither the Library Agency nor HRA General Fund exceeded the legal level of budgetary control for fiscal year ended December 31, 2007.

The General Fund did not exceed total appropriations at the fund level, however total expenditures exceeded appropriations in the following departments/offices:

	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Final Budgets</u>
General Fund:			
Human Rights	\$ 531,865	\$ 532,024	\$ (159)
Culture and Recreation	24,187,368	24,299,349	(111,981)

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Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds account for proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Special Projects - General Government - to account for monies received from hotel-motel taxes, interest earnings, the city-wide indirect cost recovery plan and other sources, and expended on various general government activities.

Cable Communications - to account for cable television franchise fees utilized to monitor and evaluate the cable television franchise and provide city video programming.

Charitable Gambling Enforcement - to account for 2 ½ percent tax on charitable gambling net receipts to process, monitor and review all lawful gambling activities and to ensure the integrity of operations as required by state law.

Utilities Rate Investigation Administration - to account for proceeds from District Energy and Energy Park to be used for city rate investigation expenses.

Property Code Enforcement - to finance the activities of the Truth-In-Sale of Housing, Nuisance Housing Abatement, Code Enforcement Grants, and Rental Registration programs.

License and Permit - to account for revenue received from business and trade licenses, building permits, plan examination, certificate of competency and other fees related to ensuring public safety by monitoring construction activity and businesses.

Police Services - Pension Assets - to account for the over funded portion of police pension assets returned to the city from the Public Employees Retirement Association (PERA) following the merging of the city's police pension funds. The returned monies are to be spent solely on police expenditures.

Crime Laboratory - to account for the revenue received from the General Fund and outside agencies billed for services provided that is used to support the crime laboratory.

Emergency Communications Center Consolidation - to account for the Emergency Communications Center Consolidation with Ramsey County.

Parking Enforcement - to account for utilization of parking enforcement officers' response to citizen complaints for parking violations and to issue parking citations.

Special Projects Police - to account for monies received from various grants, contributions, and other sources to perform various miscellaneous police functions.

Police Officers Clothing - to account for the clothing allowance for police officers, communications center personnel and radio shop personnel in the Police Department.

continued

Fire Responsive Services - to account for monies received by the Department of Fire and Safety Services to perform various fire functions.

Fire Fighting Equipment - to account for monies received from other governmental units, private corporations and individuals for fire protection outside the city and to account for the purchase of fire equipment.

Fire Protection Clothing - to account for the clothing allowance for each uniformed firefighter.

Right of Way Maintenance - to account for revenues received from right-of-way assessments, municipal state aid, county aid, and trunk highway funds for summer street repair and maintenance, winter street activities, boulevard tree maintenance and trimming, sidewalk maintenance, and streetlight maintenance.

Parking Meter Collections - to account for city parking meter and parking fine revenue which support maintenance and enforcement.

Lighting Maintenance Assessment Districts - to account for levied assessments used to operate above standard (ornamental) street lighting systems in various areas of the city, installed at the request of adjacent property owners.

Solid Waste and Recycling - to account for monies received for the city's recycling programs. The recycling programs include the coordinated efforts of the City of Saint Paul, Ramsey County, State of Minnesota, Eureka Recycling, and the citizens of Saint Paul.

Special Projects - Division of Health - to account for monies received from federal and state agencies to operate specified public health programs.

Municipal Stadium - to account for the use of revenue from facility rental and other sources to be used for the operation of the Municipal Stadium.

Forestry Special - to account for the services provided to maintain and upkeep the trees and other vegetation growing in the public right-of-way and on private property when requested, which helps maintain a safe traffic corridor for pedestrians and vehicles.

Como Campus - to account for proceeds from education programs, commissions and donations from outside parties, to be appropriated for volunteer recruitment and training, purchase of animals, maintenance of zoo and conservatory and other related costs.

Special Recreation Activities - to account for user fees used to provide city-wide recreational programs such as concerts, day-camp, field trips, tennis tournaments, special events and in-services.

continued

Municipal Athletic Programming - to account for user fees used to coordinate the operation of a city-wide municipal athletic program.

Charitable Gambling - to account for the administration of charitable gambling receipts in conformance with City Council action for the support of youth athletics or otherwise as legally determined.

Debt - Capital Improvement - to account for proceeds of the sale of city property for which there is no outstanding debt and use remaining proceeds to finance projects in the capital improvement budget.

Parks and Recreation Opportunity - to account for donations and contributions given to the Department of Parks and Recreation for services, supplies, and/or facilities.

Parks and Recreation Grants and Aids - to account for intergovernmental grants and aids received from various federal, state, county and other agencies, and other revenues received to operate specified Parks and Recreation projects.

Library Agency Revenues and Grants - to account for revenue received from various federal and state agencies as well as monies received from the Friends of the Saint Paul Public Library and the Minnesota Foundation (Perrie Jones Library Fund) for special projects such as collection development, staff training and development community outreach opportunities.

Rella Havens Memorial Fund - to account for the portion of an estate left to the city's public library system by a former library employee, to be administered at the discretion of the library administrator.

Community Development Block Grant - to account for monies received from the U.S. Department of Housing and Urban Development under the Community Development Block Grant Program, and other miscellaneous revenues derived from projects operated under this program. These monies are to be expended for the development of a viable urban community, by providing decent housing and a suitable living environment and expanded economic opportunities, principally for persons of low and moderate income.

State Grant Programs - to account for various grants received from the State of Minnesota to be used for urban development.

HRA Federal and State Programs - to account for intergovernmental revenues provided to the HRA from the federal, state and local governments.

Section 108 Programs - to account for monies received under the U.S. Department of Housing and Urban Development Section 108 Loan Guaranty Program.

continued

Debt Service Funds

Debt service funds account for financial resources used for the payment of general long-term debt principal, interest and related costs.

G.O. Special Assessment - Streets - to account for monies received from property assessments, to be used for the repayment of the principal and interest on special assessment debt with governmental commitment.

City Revenue Bonds and Other Long-Term Debt - to account for monies received from various sources for the payment of principal and interest on city issued revenue bonds and other long-term debt.

Library Debt - to account for the monies received from property taxes and other various sources for the repayment of principal and interest on city issued general obligation bonds for Library Agency capital projects.

Revenue Notes and Other Long-Term Debt - to account for monies received from various sources for the payment of principal and interest on city issued revenue notes and other long-term debt.

Capital Projects Funds

Capital projects funds account for financial resources used for the acquisition or construction of major capital facilities other than those financed by proprietary funds and trust funds.

Capital Improvement Bonds - to account for monies received from the sale of general obligation bonds, which are subsequently transferred to the Capital Improvement Projects Fund which accounts for the expenditure of the construction projects.

Library Capital Projects - to account for monies received from the sale of general obligation bonds for the construction of Library projects.

City Downtown Capital Projects - to account for development and capital expenditures primarily in Saint Paul's downtown area. The main source of financing for these expenditures is transfers from the HRA General Debt Service Fund under the Downtown and Seventh Place Redevelopment Project Subordinated Tax Increment Revenue Note.

HRA Development Capital Projects - to account for HRA multi-year development projects that are locally funded through transfers from other funds and bonds sold for development purposes.

HRA Tax Increment - to account for development and capital expenditures primarily in Saint Paul's Tax Increment Districts using financing from bond proceeds, tax increment revenues, and other sources.

continued

Permanent Funds

Permanent funds account for resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support specific programs.

Japanese Gardens - to account for donations from the Ordway Family for the construction of the Japanese Garden in Como Park.

Hoffman Memorial - to account for the principal of a trust fund and disbursement of interest derived from donation for perpetual maintenance of a memorial located at Como Park Conservatory.

City of Saint Paul, Minnesota
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 December 31, 2007

Schedule 5

	Special Revenue	Debt Service	Capital Projects	Permanent	Total Nonmajor Governmental Funds
ASSETS					
Cash and Investments with Treasurer	22,196,090	12,649,054	31,404,627	68,395	66,318,166
Cash and Investments with Trustees	-	6,575,472	9,531,293	-	16,106,765
Imprest Funds	40,880	-	-	-	40,880
Receivables					
Property Taxes - Due from Ramsey County	-	4,173	7,983	-	12,156
Property Taxes - Delinquent	-	-	144,196	-	144,196
Accounts (net of allowance for estimated uncollectible)	2,296,438	-	-	-	2,296,438
Assessments	14,298,240	13,708,395	-	-	28,006,635
Notes and Loans	11,551,688	-	606,071	-	12,157,759
Accrued Interest	766,443	255,568	317,733	737	1,340,481
Due from Other Funds	706,297	-	17,759,816	-	18,466,113
Due from Component Units	50,597	102,500	-	-	153,097
Due from Other Governmental Units	8,568,079	36,328	-	-	8,604,407
Advance to Other Funds	236,400	-	-	-	236,400
Land Held for Resale	2,740,373	-	1,117,947	-	3,858,320
TOTAL ASSETS	63,451,525	33,331,490	60,889,666	69,132	157,741,813
LIABILITIES AND FUND BALANCES					
Liabilities					
Interfund Payable for Pooled					
Cash and Investments Overdrafts	4,360,656	4,518	-	-	4,365,174
Accrued Salaries Payable	1,727,947	-	-	-	1,727,947
Accounts Payable	2,726,680	-	50,159	-	2,776,839
Contracts/Retention Payable	115,000	-	-	-	115,000
Due to Other Funds	4,471,562	-	4,386,590	-	8,858,152
Due to Other Governmental Units	333,225	-	5,175	-	338,400
Advance from Other Funds	7,617	-	8,572,976	-	8,580,593
Deferred Revenue	6,644,353	13,807,166	1,970,253	253	22,422,025
Unearned Revenue	14,743,240	-	-	-	14,743,240
Total Liabilities	35,130,280	13,811,684	14,985,153	253	63,927,370
Fund Balances					
Reserved for Encumbrances	1,110,560	-	942,985	-	2,053,545
Reserved for Imprest Funds	40,880	-	-	-	40,880
Reserved for Advance to Other Funds	236,400	-	-	-	236,400
Reserved for Long-Term Receivable	630,467	-	-	-	630,467
Reserved for Mandatory 5% Retirement of Debt	-	330,233	-	-	330,233
Reserved for Permanent Fund Activities	-	-	-	35,000	35,000
Unreserved					
Designated for Next Year's Appropriation	5,293,065	-	-	-	5,293,065
Designated for Net Unrealized Gains	19,276	53,880	28,395	179	101,730
Designated for Debt Service	-	19,135,693	-	-	19,135,693
Designated for Specific Capital Projects	-	-	44,933,133	-	44,933,133
Undesignated	20,990,597	-	-	33,700	21,024,297
Total Fund Balances	28,321,245	19,519,806	45,904,513	68,879	93,814,443
TOTAL LIABILITIES AND FUND BALANCES	63,451,525	33,331,490	60,889,666	69,132	157,741,813

City of Saint Paul, Minnesota
**COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN
 FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS**
 For the Fiscal Year Ended December 31, 2007

Schedule 6

	Special Revenue	Debt Service	Capital Projects	Permanent	Total Nonmajor Governmental Funds
REVENUES					
Taxes					
Property Taxes					
Current Taxpayer	-	3,054,007	-	-	3,054,007
Current Tax Increment	-	-	3,941,625	-	3,941,625
Delinquent Tax Increment	-	-	162,376	-	162,376
Total Property Taxes	-	3,054,007	4,104,001	-	7,158,008
Gross Earnings Franchise Fees	2,046,481	-	-	-	2,046,481
Hotel-Motel Tax	2,032,612	-	-	-	2,032,612
Total Taxes	4,079,093	3,054,007	4,104,001	-	11,237,101
Licenses and Permits	8,832,514	-	-	-	8,832,514
Intergovernmental Revenue	28,662,228	166,115	369,051	-	29,197,394
Fees, Sales and Services	22,780,193	3,500,000	97,903	-	26,378,096
Assessments	20,764,686	3,210,466	-	-	23,975,152
Investment Income					
Interest Earned on Investments	827,317	1,137,695	1,417,836	3,263	3,386,111
Increase in Fair Value of Investments	91,906	241,240	411,652	828	745,626
Interest Earned - Other	71,100	-	3,997	-	75,097
Miscellaneous Revenue					
Program Income	2,777,359	-	-	-	2,777,359
Other	4,505,501	3,572,601	14,427	-	8,092,529
Total Revenues	93,391,897	14,882,124	6,418,867	4,091	114,696,979
EXPENDITURES					
Current					
General Government	3,636,590	-	-	-	3,636,590
Public Safety	23,901,644	-	-	-	23,901,644
Highways and Streets	21,104,869	-	-	-	21,104,869
Sanitation	2,673,843	-	-	-	2,673,843
Health	3,789,730	-	-	-	3,789,730
Culture and Recreation	11,053,278	-	50,076	-	11,103,354
Housing and Economic Development	14,986,953	-	4,040,717	-	19,027,670
Capital Outlay	2,431,538	-	262,479	-	2,694,017
Debt Service					
Bond Principal	-	5,375,000	-	-	5,375,000
Other Debt Principal	51,775	2,277,719	-	-	2,329,494
Interest - Bonds	-	6,729,560	-	-	6,729,560
Interest - Other Debt	1,290	238,619	3,085,062	-	3,324,971
Bond Issuance Costs	-	-	59,673	-	59,673
Total Expenditures	83,631,510	14,620,898	7,498,007	-	105,750,415
Excess (Deficiency) of Revenues Over (Under) Expenditures	9,760,387	261,226	(1,079,140)	4,091	8,946,564
OTHER FINANCING SOURCES (USES)					
Transfers In	6,753,657	4,583,278	33,315,038	-	44,651,973
Transfers Out	(25,093,241)	(3,197,116)	(13,130,874)	-	(41,421,231)
Bonds Issued	-	-	6,250,000	-	6,250,000
Premium on Bonds Issued	-	-	61,422	-	61,422
Sale of Capital Assets	32,625	-	-	-	32,625
Total Other Financing Sources (Uses)	(18,306,959)	1,386,162	26,495,586	-	9,574,789
Net Change in Fund Balances	(8,546,572)	1,647,388	25,416,446	4,091	18,521,353
FUND BALANCES, January 1	36,867,817	17,872,418	20,488,067	64,788	75,293,090
FUND BALANCES, December 31	28,321,245	19,519,806	45,904,513	68,879	93,814,443

City of Saint Paul, Minnesota
**COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - ANNUALLY BUDGETED
 NONMAJOR SPECIAL REVENUE, ALL DEBT SERVICE
 AND NONMAJOR PERMANENT FUNDS**
 For the Fiscal Year Ended December 31, 2007

Schedule 7

	Special Revenue				Debt Service			
	Budgeted Amounts		Actual Amount	Variance With Final Budget	Budgeted Amounts		Actual Amount	Variance With Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Property Taxes								
Current Taxpayer	-	-	-	-	11,125,863	11,125,863	11,179,072	53,209
Current Tax Increment	-	-	-	-	11,371,946	11,371,946	12,826,437	1,454,491
Delinquent Taxpayer	-	-	-	-	100,000	100,000	216,416	116,416
Total Property Taxes	-	-	-	-	22,597,809	22,597,809	24,221,925	1,624,116
Gross Earnings Franchise Fees	1,950,000	1,950,000	2,046,481	96,481	100,000	100,000	100,000	-
Hotel-Motel Tax	1,755,350	1,755,350	2,032,612	277,262	220,000	220,000	220,000	-
Total Taxes	3,705,350	3,705,350	4,079,093	373,743	22,917,809	22,917,809	24,541,925	1,624,116
Licenses and Permits	9,328,746	9,328,746	8,832,514	(496,232)	-	-	-	-
Intergovernmental Revenue	14,887,333	17,928,539	13,581,449	(4,347,090)	725,649	725,649	670,668	(54,981)
Fees, Sales and Services	20,761,974	24,934,958	22,757,593	(2,177,365)	3,500,000	3,500,000	3,558,242	58,242
Assessments	22,154,461	22,172,566	20,764,686	(1,407,880)	3,211,495	3,211,495	3,210,466	(1,029)
Investment Income								
Interest Earned on Investments	581,600	581,600	798,924	217,324	1,089,884	1,089,884	2,516,855	1,426,971
Increase in Fair Value of Investments	-	-	83,141	83,141	-	-	512,180	512,180
Interest Earned - Other	40,434	40,434	40,434	-	385,885	385,885	419,321	33,436
Miscellaneous Revenue - Other	4,344,536	5,120,199	4,505,501	(614,698)	4,523,880	4,523,880	5,166,062	642,182
Total Revenues	75,804,434	83,812,392	75,443,335	(8,369,057)	36,354,602	36,354,602	40,595,719	4,241,117
EXPENDITURES								
Current								
General Government	4,415,328	4,360,654	3,636,590	724,064	601,758	601,758	277,350	324,408
Public Safety	22,400,396	29,190,837	23,901,643	5,289,194	-	-	-	-
Highways and Streets	18,399,711	20,865,136	21,104,869	(239,733)	-	-	-	-
Sanitation	2,934,017	2,934,152	2,673,843	260,309	-	-	-	-
Health	4,131,922	4,131,922	3,789,730	342,192	-	-	-	-
Culture and Recreation	10,606,857	11,094,907	11,053,278	41,629	-	-	-	-
Housing and Economic Development	-	-	-	-	-	742,122	742,122	-
Capital Outlay	3,211,023	5,014,212	2,355,650	2,658,562	-	-	-	-
Debt Service								
Bond Principal	-	-	-	-	33,928,784	33,928,784	30,032,183	3,896,601
Other Debt Principal	51,776	51,776	51,776	-	2,577,720	2,577,720	3,529,537	(951,817)
Interest - Bonds	-	-	-	-	18,552,169	18,552,169	17,980,172	571,997
Interest - Other Debt	1,290	1,290	1,290	-	488,890	488,890	954,650	(465,760)
Bond Issuance Costs	-	-	-	-	5,000	5,000	6,777	(1,777)
Total Expenditures	66,152,320	77,644,886	68,568,669	9,076,217	56,154,321	56,896,443	53,522,791	3,373,652
Excess (Deficiency) of Revenues Over (Under) Expenditures	9,652,114	6,167,506	6,874,666	707,160	(19,799,719)	(20,541,841)	(12,927,072)	7,614,769
OTHER FINANCING SOURCES (USES)								
Transfers In	6,002,942	6,260,325	6,203,182	(57,143)	29,369,549	32,571,200	34,578,907	2,007,707
Transfers Out	(22,050,915)	(22,655,389)	(21,491,416)	1,163,973	(16,076,084)	(16,251,313)	(16,777,082)	(525,769)
Bonds Issued	-	-	-	-	3,950,000	3,950,000	3,895,000	(55,000)
Refunded Bonds	-	-	-	-	-	-	(3,895,000)	(3,895,000)
Premium on Bonds Issued	-	-	-	-	-	-	44,831	44,831
Sale of Capital Assets	-	-	32,625	32,625	-	-	-	-
Total Other Financing Sources (Uses)	(16,047,973)	(16,395,064)	(15,255,609)	1,139,455	17,243,465	20,269,887	17,846,656	(2,423,231)
Net Change in Fund Balances	(6,395,859)	(10,227,558)	(8,380,943)	1,846,615	(2,556,254)	(271,954)	4,919,584	5,191,538
FUND BALANCES, January 1	36,314,217	36,314,217	36,314,217	-	58,086,273	58,086,273	58,086,273	-
FUND BALANCES, December 31	29,918,358	26,086,659	27,933,274	1,846,615	55,530,019	57,814,319	63,005,857	5,191,538

continued

City of Saint Paul, Minnesota
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - ANNUALLY BUDGETED
 NONMAJOR SPECIAL REVENUE, ALL DEBT SERVICE
 AND NONMAJOR PERMANENT FUNDS
 For the Fiscal Year Ended December 31, 2007

Schedule 7

	Permanent				Total			
	Budgeted Amounts		Actual Amount	Variance With Final Budget	Budgeted Amounts		Actual Amount	Variance With Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Property Taxes								
Current Taxpayer	-	-	-	-	11,125,863	11,125,863	11,179,072	53,209
Current Tax Increment	-	-	-	-	11,371,946	11,371,946	12,826,437	1,454,491
Delinquent Taxpayer	-	-	-	-	100,000	100,000	216,416	116,416
Total Property Taxes	-	-	-	-	22,597,809	22,597,809	24,221,925	1,624,116
Gross Earnings Franchise Fees	-	-	-	-	2,050,000	2,050,000	2,146,481	96,481
Hotel-Motel Tax	-	-	-	-	1,975,350	1,975,350	2,252,612	277,262
Total Taxes	-	-	-	-	26,623,159	26,623,159	28,621,018	1,997,859
Licenses and Permits	-	-	-	-	9,328,746	9,328,746	8,832,514	(496,232)
Intergovernmental Revenue	-	-	-	-	15,612,982	18,654,188	14,252,117	(4,402,071)
Fees, Sales and Services	-	-	-	-	24,261,974	28,434,958	26,315,835	(2,119,123)
Assessments	-	-	-	-	25,365,956	25,384,061	23,975,152	(1,408,909)
Investment Income								
Interest Earned on Investments	2,000	2,000	3,263	1,263	1,673,484	1,673,484	3,319,042	1,645,558
Increase in Fair Value of Investments	-	-	828	828	-	-	596,149	596,149
Interest Earned - Other	-	-	-	-	426,319	426,319	459,755	33,436
Miscellaneous Revenue - Other	-	-	-	-	8,868,416	9,644,079	9,671,563	27,484
Total Revenues	2,000	2,000	4,091	2,091	112,161,036	120,168,994	116,043,145	(4,125,849)
EXPENDITURES								
Current								
General Government	-	-	-	-	5,017,086	4,962,412	3,913,940	1,048,472
Public Safety	-	-	-	-	22,400,396	29,190,837	23,901,643	5,289,194
Highways and Streets	-	-	-	-	18,399,711	20,865,136	21,104,869	(239,733)
Sanitation	-	-	-	-	2,934,017	2,934,152	2,673,843	260,309
Health	-	-	-	-	4,131,922	4,131,922	3,789,730	342,192
Culture and Recreation	2,000	2,000	-	2,000	10,608,857	11,096,907	11,053,278	43,629
Housing and Economic Development	-	-	-	-	-	742,122	742,122	-
Capital Outlay	-	-	-	-	3,211,023	5,014,212	2,355,650	2,658,562
Debt Service								
Bond Principal	-	-	-	-	33,928,784	33,928,784	30,032,183	3,896,601
Other Debt Principal	-	-	-	-	2,629,496	2,629,496	3,581,313	(951,817)
Interest - Bonds	-	-	-	-	18,552,169	18,552,169	17,980,172	571,997
Interest - Other Debt	-	-	-	-	490,180	490,180	955,940	(465,760)
Bond Issuance Costs	-	-	-	-	5,000	5,000	6,777	(1,777)
Total Expenditures	2,000	2,000	-	2,000	122,308,641	134,543,329	122,091,460	12,451,869
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	4,091	4,091	(10,147,605)	(14,374,335)	(6,048,315)	8,326,020
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	35,372,491	38,831,525	40,782,089	1,950,564
Transfers Out	-	-	-	-	(38,126,999)	(38,906,702)	(38,268,498)	638,204
Bonds Issued	-	-	-	-	3,950,000	3,950,000	3,895,000	(55,000)
Refunded Bonds	-	-	-	-	-	-	(3,895,000)	(3,895,000)
Premium on Bonds Issued	-	-	-	-	-	-	44,831	44,831
Sale of Capital Assets	-	-	-	-	-	-	32,625	32,625
Total Other Financing Sources (Uses)	-	-	-	-	1,195,492	3,874,823	2,591,047	(1,283,776)
Net Change in Fund Balances	-	-	4,091	4,091	(8,952,113)	(10,499,512)	(3,457,268)	7,042,244
FUND BALANCES, January 1	64,788	64,788	64,788	-	94,465,278	94,465,278	94,465,278	-
FUND BALANCES, December 31	64,788	64,788	68,879	4,091	85,513,165	83,965,766	91,008,010	7,042,244

City of Saint Paul, Minnesota
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
 December 31, 2007

	Special Projects - General Government	Cable Communications	Charitable Gambling Enforcement	Utilities Rate Investigation Administration	Property Code Enforcement	License and Permit	Police Services - Pension Assets	Crime Laboratory	Emergency Communications Center Consolidation
ASSETS									
Cash and Investments with Treasurer	1,577,297	487,092	5,262	75,883	468,954	3,533,091	776,799	152,289	-
Imprest Funds	-	100	1,000	-	-	3,300	-	-	-
Receivables									
Accounts (net of allowance for estimated uncollectible)	13,505	512,308	-	-	33,360	2,145	-	-	-
Assessments	-	-	-	-	-	-	-	-	-
Notes and Loans	-	-	-	-	-	-	-	-	-
Accrued Interest	-	-	-	-	-	-	48,540	-	-
Due from Other Funds	19,202	500	-	-	-	-	-	-	-
Due from Component Units	46,849	-	-	-	-	-	-	-	-
Due from Other Governmental Units	456,509	37,182	-	-	-	-	-	33,750	3,275,626
Advance to Other Funds	-	-	-	-	-	-	-	-	-
Land Held for Resale	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	2,113,362	1,037,182	6,262	75,883	502,314	3,538,536	825,339	186,039	3,275,626
LIABILITIES AND FUND BALANCES									
Liabilities									
Interfund Payable for Pooled									
Cash and Investments Overdrafts	-	-	-	-	-	-	-	-	3,017,145
Accrued Salaries Payable	29,534	31,504	2,967	1,793	25,130	417,204	4,478	2,679	218,707
Accounts Payable	490,111	62,428	74	-	210	35,391	-	-	-
Contracts Payable	-	-	-	-	-	115,000	-	-	-
Due to Other Funds	7,140	5,733	540	23,288	121,874	271,577	991	488	39,774
Due to Other Governmental Units	584	1,140	442	-	-	13,029	-	-	-
Advance from Other Funds	-	-	-	-	-	-	-	-	-
Deferred Revenue	12,517	-	-	-	-	-	16,649	28,645	680,278
Unearned Revenue	-	-	-	-	-	-	-	-	-
Total Liabilities	539,886	100,805	4,023	25,081	147,214	852,201	22,118	31,812	3,955,904
Fund Balances									
Reserved for Encumbrances	-	98,612	-	-	37,337	49,855	-	-	-
Reserved for Imprest Funds	-	100	1,000	-	-	3,300	-	-	-
Reserved for Advance to Other Funds	-	-	-	-	-	-	-	-	-
Reserved for Long-Term Receivable	-	-	-	-	-	-	-	-	-
Unreserved									
Designated for Next Year's Appropriation	132,860	-	-	-	127,883	459,855	50,276	5,507	-
Designated for Net Unrealized Gains	-	-	-	-	-	-	11,786	-	-
Undesignated	1,440,616	837,665	1,239	50,802	189,880	2,173,325	741,159	148,720	(680,278)
Total Fund Balances	1,573,476	936,377	2,239	50,802	355,100	2,686,335	803,221	154,227	(680,278)
TOTAL LIABILITIES AND FUND BALANCES	2,113,362	1,037,182	6,262	75,883	502,314	3,538,536	825,339	186,039	3,275,626

City of Saint Paul, Minnesota
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
 December 31, 2007

Schedule 8

	Parking Enforcement	Special Projects Police	Police Officers Clothing	Fire Responsive Services	Fire Fighting Equipment	Fire Protection Clothing	Right of Way Maintenance	Parking Meter Collections	Lighting Maintenance Assessment Districts
ASSETS									
Cash and Investments with Treasurer	-	2,764,890	449,532	-	980,069	197,734	3,680,728	1,135,996	225,063
Imprest Funds	-	36,000	-	-	-	-	-	-	-
Receivables									
Accounts (net of allowance for estimated uncollectible)	-	178,093	-	8,100	19,594	-	866,533	264,730	-
Assessments	-	-	-	-	-	-	11,594,837	-	129,002
Notes and Loans	-	-	-	-	-	-	-	-	-
Accrued Interest	-	16,055	-	-	-	-	-	-	-
Due from Other Funds	386,705	17,660	-	-	2,000	8,522	41,205	-	-
Due from Component Units	-	-	-	-	-	-	3,748	-	-
Due from Other Governmental Units	-	1,390,003	-	774,093	3,388	-	584,983	28	727
Advance to Other Funds	-	-	-	-	-	-	236,400	-	-
Land Held for Resale	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	386,705	4,402,701	449,532	782,193	1,005,051	206,256	17,008,434	1,400,754	354,792
LIABILITIES AND FUND BALANCES									
Liabilities									
Interfund Payable for Pooled									
Cash and Investments Overdrafts	317,240	-	-	503,603	-	-	-	-	-
Accrued Salaries Payable	44,187	120,236	-	-	-	-	391,818	12,169	-
Accounts Payable	7,674	172,400	42,802	5,411	-	3,554	945,986	5,644	-
Contracts Payable	-	-	-	-	-	-	-	-	-
Due to Other Funds	17,604	72,168	-	-	87,204	-	1,722,546	1,374,232	61,149
Due to Other Governmental Units	-	48,758	-	-	-	-	-	-	-
Advance from Other Funds	-	-	-	-	-	-	-	7,617	-
Deferred Revenue	-	523,768	-	8,100	17,638	-	2,114,428	1,092	11,764
Unearned Revenue	-	819,397	-	-	-	-	-	-	-
Total Liabilities	386,705	1,756,727	42,802	517,114	104,842	3,554	5,174,778	1,400,754	72,913
Fund Balances									
Reserved for Encumbrances	-	547,443	-	25,374	-	-	172,013	-	-
Reserved for Imprest Funds	-	36,000	-	-	-	-	-	-	-
Reserved for Advance to Other Funds	-	-	-	-	-	-	236,400	-	-
Reserved for Long-Term Receivable	-	-	-	-	-	-	-	-	-
Unreserved									
Designated for Next Year's Appropriation	-	1,169,517	-	55,000	771,070	-	2,125,932	-	9,709
Designated for Net Unrealized Gains	-	3,898	-	-	-	-	-	-	-
Undesignated	-	889,116	406,730	184,705	129,139	202,702	9,299,311	-	272,170
Total Fund Balances	-	2,645,974	406,730	265,079	900,209	202,702	11,833,656	-	281,879
TOTAL LIABILITIES AND FUND BALANCES	386,705	4,402,701	449,532	782,193	1,005,051	206,256	17,008,434	1,400,754	354,792

continued

City of Saint Paul, Minnesota
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 December 31, 2007

Schedule 8

	Solid Waste and Recycling	Special Projects - Division of Health	Municipal Stadium	Forestry Special	Como Campus	Special Recreation Activities	Municipal Athletic Programming	Charitable Gambling	Debt - Capital Improvement
ASSETS									
Cash and Investments with Treasurer	1,149,889	-	180,630	-	25,935	106,676	-	116,466	279,700
Imprest Funds	-	-	-	-	300	80	100	-	-
Receivables									
Accounts (net of allowance for estimated uncollectible)	-	-	-	-	265,623	63,658	1,310	-	9,971
Assessments	2,574,401	-	-	-	-	-	-	-	-
Notes and Loans	630,467	-	-	-	-	-	-	-	-
Accrued Interest	-	-	-	-	-	-	-	1,215	2,470
Due from Other Funds	-	-	-	190,276	-	-	-	-	-
Due from Component Units	-	-	-	-	-	-	-	-	-
Due from Other Governmental Units	42,920	493,127	-	-	33,750	-	-	-	-
Advance to Other Funds	-	-	-	-	-	-	-	-	-
Land Held for Resale	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	4,397,677	493,127	180,630	190,276	325,608	170,414	1,410	117,681	292,141
LIABILITIES AND FUND BALANCES									
Liabilities									
Interfund Payable for Pooled									
Cash and Investments Overdrafts	-	244,341	-	239,352	-	-	38,975	-	-
Accrued Salaries Payable	4,123	165,362	8,913	66,992	107,404	26,843	6,880	-	-
Accounts Payable	70	-	5,079	3,488	54,323	62,266	1,550	-	-
Contracts Payable	-	-	-	-	-	-	-	-	-
Due to Other Funds	750	29,927	1,451	86,848	26,669	3,587	1,123	-	-
Due to Other Governmental Units	-	-	-	-	-	-	-	-	-
Advance from Other Funds	-	-	-	-	-	-	-	-	-
Deferred Revenue	2,574,401	-	-	-	-	-	-	417	847
Unearned Revenue	-	-	-	-	-	-	-	-	-
Total Liabilities	2,579,344	439,630	15,443	396,680	188,396	92,696	48,528	417	847
Fund Balances									
Reserved for Encumbrances	-	-	-	-	4,700	5,480	-	-	70,910
Reserved for Imprest Funds	-	-	-	-	300	80	100	-	-
Reserved for Advance to Other Funds	-	-	-	-	-	-	-	-	-
Reserved for Long-Term Receivable	630,467	-	-	-	-	-	-	-	-
Unreserved									
Designated for Next Year's Appropriation	235,151	-	-	-	20,305	-	-	5,000	-
Designated for Net Unrealized Gains	-	-	-	-	-	-	-	295	600
Undesignated	952,715	53,497	165,187	(206,404)	111,907	72,158	(47,218)	111,969	219,784
Total Fund Balances	1,818,333	53,497	165,187	(206,404)	137,212	77,718	(47,118)	117,264	291,294
TOTAL LIABILITIES AND FUND BALANCES	4,397,677	493,127	180,630	190,276	325,608	170,414	1,410	117,681	292,141

continued

City of Saint Paul, Minnesota
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
December 31, 2007

Schedule 8

	Parks and Recreation Opportunity	Parks and Recreation Grants and Aids	Library Agency Revenues and Grants	Rella Havens Memorial Fund	Community Development Block Grant	State Grant Programs	HRA Federal and State Programs	Section 108 Programs	Total Nonmajor Special Revenue Funds
ASSETS									
Cash and Investments with Treasurer	175,959	1,105,179	1,272,092	433,889	47,263	384,435	404,308	2,990	22,196,090
Imprest Funds	-	-	-	-	-	-	-	-	40,880
Receivables									
Accounts (net of allowance for estimated uncollectible)	1,500	5,663	50,345	-	-	-	-	-	2,296,438
Assessments	-	-	-	-	-	-	-	-	14,298,240
Notes and Loans	-	-	-	-	3,889,710	395,961	6,635,550	-	11,551,688
Accrued Interest	1,051	-	-	4,674	448,044	11,412	232,982	-	766,443
Due from Other Funds	-	18,905	21,322	-	-	-	-	-	706,297
Due from Component Units	-	-	-	-	-	-	-	-	50,597
Due from Other Governmental Units	-	242,834	-	-	921,112	166,966	111,081	-	8,568,079
Advance to Other Funds	-	-	-	-	-	-	-	-	236,400
Land Held for Resale	-	-	-	-	2,090,373	650,000	-	-	2,740,373
TOTAL ASSETS	178,510	1,372,581	1,343,759	438,563	7,396,502	1,608,774	7,383,921	2,990	63,451,525
LIABILITIES AND FUND BALANCES									
Liabilities									
Interfund Payable for Pooled									
Cash and Investments Overdrafts	-	-	-	-	-	-	-	-	4,360,656
Accrued Salaries Payable	-	35,045	3,979	-	-	-	-	-	1,727,947
Accounts Payable	-	25,141	128,106	-	483,886	166,966	21,130	2,990	2,726,680
Contracts Payable	-	-	-	-	-	-	-	-	115,000
Due to Other Funds	-	12,775	12,012	-	456,694	-	33,418	-	4,471,562
Due to Other Governmental Units	-	-	-	-	27,795	136,477	105,000	-	333,225
Advance from Other Funds	-	-	-	-	-	-	-	-	7,617
Deferred Revenue	360	-	-	1,603	-	651,846	-	-	6,644,353
Unearned Revenue	-	-	5,829	-	6,428,127	265,514	7,224,373	-	14,743,240
Total Liabilities	360	72,961	149,926	1,603	7,396,502	1,220,803	7,383,921	2,990	35,130,280
Fund Balances									
Reserved for Encumbrances	5,206	70,232	19,712	-	-	3,686	-	-	1,110,560
Reserved for Imprest Funds	-	-	-	-	-	-	-	-	40,880
Reserved for Advance to Other Funds	-	-	-	-	-	-	-	-	236,400
Reserved for Long-Term Receivable	-	-	-	-	-	-	-	-	630,467
Unreserved									
Designated for Next Year's Appropriation	25,000	-	100,000	-	-	-	-	-	5,293,065
Designated for Net Unrealized Gains	255	-	-	1,135	-	1,307	-	-	19,276
Undesignated	147,689	1,229,388	1,074,121	435,825	-	382,978	-	-	20,990,597
Total Fund Balances	178,150	1,299,620	1,193,833	436,960	-	387,971	-	-	28,321,245
TOTAL LIABILITIES AND FUND BALANCES	178,510	1,372,581	1,343,759	438,563	7,396,502	1,608,774	7,383,921	2,990	63,451,525

City of Saint Paul, Minnesota
**COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN
 FUND BALANCES**
NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended December 31, 2007

	Special Projects - General Government	Cable Communications	Charitable Gambling Enforcement	Utilities Rate Investigation Administration	Property Code Enforcement	License and Permit	Police Services - Pension Assets	Crime Laboratory	Emergency Communications Center Consolidation
REVENUES									
Taxes									
Gross Earnings Franchise Fees	-	2,046,481	-	-	-	-	-	-	-
Hotel-Motel Tax	2,032,612	-	-	-	-	-	-	-	-
Total Taxes	2,032,612	2,046,481	-	-	-	-	-	-	-
Licenses and Permits	-	-	132,851	-	4,400	8,445,552	-	-	-
Intergovernmental Revenue	270,904	-	-	-	-	-	-	-	-
Fees, Sales and Services	4,989,338	121,708	-	86,245	418,589	1,707,096	-	56,337	2,595,349
Assessments	-	-	-	-	-	-	-	-	-
Investment Income									
Interest Earned on Investments	469,584	-	-	-	-	-	216,891	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	56,249	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-	-
Miscellaneous Revenue	-	-	-	-	-	-	-	-	-
Program Income	-	-	-	-	-	-	-	-	-
Other	246,000	108,407	-	-	-	48,485	-	13,271	-
Total Revenues	8,008,438	2,276,596	132,851	86,245	422,989	10,201,133	273,140	69,608	2,595,349
EXPENDITURES									
Current									
General Government	2,761,550	709,190	127,190	38,660	-	-	-	-	-
Public Safety	-	-	-	-	791,548	10,493,182	149,617	67,365	3,258,714
Highways and Streets	-	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-	-
Housing and Economic Development	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	15,574	-	-	-
Debt Service									
Other Debt Principal	-	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-	-
Total Expenditures	2,761,550	709,190	127,190	38,660	791,548	10,508,756	149,617	67,365	3,258,714
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,246,888	1,567,406	5,661	47,585	(368,559)	(307,623)	123,523	2,243	(663,365)
OTHER FINANCING SOURCES (USES)									
Transfers In	17,735	-	-	-	371,036	74,137	-	31,000	-
Transfers Out	(5,230,096)	(1,888,834)	(10,000)	(22,962)	(100,000)	(417,588)	(1,685)	-	(16,913)
Sale of Capital Assets	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(5,212,361)	(1,888,834)	(10,000)	(22,962)	271,036	(343,451)	(1,685)	31,000	(16,913)
Net Change in Fund Balances	34,527	(321,428)	(4,339)	24,623	(97,523)	(651,074)	121,838	33,243	(680,278)
FUND BALANCES, January 1	1,538,949	1,257,805	6,578	26,179	452,623	3,337,409	681,383	120,984	-
FUND BALANCES, December 31	1,573,476	936,377	2,239	50,802	355,100	2,686,335	803,221	154,227	(680,278)

City of Saint Paul, Minnesota
**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES**
NONMAJOR SPECIAL REVENUE FUNDS
For the Fiscal Year Ended December 31, 2007

Schedule 9

	Parking Enforcement	Special Projects Police	Police Officers Clothing	Fire Responsive Services	Fire Fighting Equipment	Fire Protection Clothing	Right of Way Maintenance	Parking Meter Collections	Lighting Maintenance Assessment Districts
REVENUES									
Taxes									
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-	-
Licenses and Permits	-	215,986	-	-	-	-	-	-	-
Intergovernmental Revenue	-	2,905,840	-	2,098,949	-	-	1,994,422	3,505,693	-
Fees, Sales and Services	-	1,944,414	-	8,073	10,082	-	1,595,895	1,872,641	-
Assessments	-	-	-	-	-	-	18,289,264	-	171,307
Investment Income									
Interest Earned on Investments	-	71,733	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	17,616	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-	-
Miscellaneous Revenue									
Program Income	-	-	-	-	-	-	-	-	-
Other	-	895,104	-	14,075	6,009	-	7,676	-	-
Total Revenues	-	6,050,693	-	2,121,097	16,091	-	21,887,257	5,378,334	171,307
EXPENDITURES									
Current									
General Government	-	-	-	-	-	-	-	-	-
Public Safety	1,334,466	6,264,596	532,260	773,108	-	236,788	-	-	-
Highways and Streets	-	-	-	-	-	-	20,509,031	428,936	166,902
Sanitation	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-	-
Housing and Economic Development	-	-	-	-	-	-	-	-	-
Capital Outlay	-	218,977	-	1,342,692	-	-	635,895	-	-
Debt Service									
Other Debt Principal	51,775	-	-	-	-	-	-	-	-
Interest - Other Debt	1,290	-	-	-	-	-	-	-	-
Total Expenditures	1,387,531	6,483,573	532,260	2,115,800	-	236,788	21,144,926	428,936	166,902
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,387,531)	(432,880)	(532,260)	5,297	16,091	(236,788)	742,331	4,949,398	4,405
OTHER FINANCING SOURCES (USES)									
Transfers In	1,392,211	199,482	585,217	-	-	255,615	-	-	-
Transfers Out	(4,680)	(184,844)	-	-	(87,204)	-	(7,405,643)	(4,949,398)	-
Sale of Capital Assets	-	-	-	-	17,200	-	15,425	-	-
Total Other Financing Sources (Uses)	1,387,531	14,638	585,217	-	(70,004)	255,615	(7,390,218)	(4,949,398)	-
Net Change in Fund Balances	-	(418,242)	52,957	5,297	(53,913)	18,827	(6,647,887)	-	4,405
FUND BALANCES, January 1	-	3,064,216	353,773	259,782	954,122	183,875	18,481,543	-	277,474
FUND BALANCES, December 31	-	2,645,974	406,730	265,079	900,209	202,702	11,833,656	-	281,879

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City of Saint Paul, Minnesota
**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES**
NONMAJOR SPECIAL REVENUE FUNDS
For the Fiscal Year Ended December 31, 2007

Schedule 9

	Solid Waste and Recycling	Special Projects - Division of Health	Municipal Stadium	Forestry Special	Como Campus	Special Recreation Activities	Municipal Athletic Programming	Charitable Gambling	Debt - Capital Improvement
REVENUES									
Taxes									
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-	33,725
Intergovernmental Revenue	540,176	-	-	-	135,000	-	-	-	-
Fees, Sales and Services	-	3,789,730	345,912	-	982,311	1,666,828	455,887	11,351	27,291
Assessments	2,304,115	-	-	-	-	-	-	-	-
Investment Income									
Interest Earned on Investments	-	-	-	-	-	-	6	5,235	10,936
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	(561)	1,243	2,802
Interest Earned - Other	40,434	-	-	-	-	-	-	-	-
Miscellaneous Revenue									
Program Income	-	-	-	-	-	-	-	-	-
Other	-	-	-	101	1,786,153	18,693	10,647	-	-
Total Revenues	2,884,725	3,789,730	345,912	101	2,903,464	1,685,521	465,979	17,829	74,754
EXPENDITURES									
Current									
General Government	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-	-
Sanitation	2,673,843	-	-	-	-	-	-	-	-
Health	-	3,789,730	-	-	-	-	-	-	-
Culture and Recreation	-	-	426,801	2,447,680	3,420,742	1,737,589	425,131	-	-
Housing and Economic Development	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	4,374	14,484	18,868	6,371	-	-
Debt Service	-	-	-	-	-	-	-	-	-
Other Debt Principal	-	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-	-
Total Expenditures	2,673,843	3,789,730	426,801	2,452,054	3,435,226	1,756,457	431,502	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	210,882	-	(80,889)	(2,451,953)	(531,762)	(70,936)	34,477	17,829	74,754
OTHER FINANCING SOURCES (USES)									
Transfers In	7,191	-	43,261	2,303,223	407,489	-	-	-	-
Transfers Out	(200,000)	-	-	-	(153,996)	(54,863)	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(192,809)	-	43,261	2,303,223	253,493	(54,863)	-	-	-
Net Change in Fund Balances	18,073	-	(37,628)	(148,730)	(278,269)	(125,799)	34,477	17,829	74,754
FUND BALANCES, January 1	1,800,260	53,497	202,815	(57,674)	415,481	203,517	(81,595)	99,435	216,540
FUND BALANCES, December 31	1,818,333	53,497	165,187	(206,404)	137,212	77,718	(47,118)	117,264	291,294

continued

City of Saint Paul, Minnesota
**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES**
NONMAJOR SPECIAL REVENUE FUNDS
For the Fiscal Year Ended December 31, 2007

Schedule 9

	<u>Parks and Recreation Opportunity</u>	<u>Parks and Recreation Grants and Aids</u>	<u>Library Agency Revenues and Grants</u>	<u>Rella Havens Memorial Fund</u>	<u>Community Development Block Grant</u>	<u>State Grant Programs</u>	<u>HRA Federal and State Programs</u>	<u>Section 108 Programs</u>	<u>Total Nonmajor Special Revenue Funds</u>
REVENUES									
Taxes									
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-	2,046,481
Hotel-Motel Tax	-	-	-	-	-	-	-	-	2,032,612
Total Taxes	-	-	-	-	-	-	-	-	4,079,093
Licenses and Permits	-	-	-	-	-	-	-	-	8,832,514
Intergovernmental Revenue	-	1,922,395	208,070	-	10,982,477	1,757,212	1,921,769	419,321	28,662,228
Fees, Sales and Services	5,534	8,070	58,912	-	-	-	22,600	-	22,780,193
Assessments	-	-	-	-	-	-	-	-	20,764,686
Investment Income									
Interest Earned on Investments	3,839	-	-	20,700	-	28,393	-	-	827,317
Increase (Decrease) in Fair Value of Investments	556	-	-	5,236	-	8,765	-	-	91,906
Interest Earned - Other	-	-	-	-	-	-	30,666	-	71,100
Miscellaneous Revenue									
Program Income	-	-	-	-	1,094,487	-	1,682,872	-	2,777,359
Other	107,974	326,060	916,846	-	-	-	-	-	4,505,501
Total Revenues	117,903	2,256,525	1,183,828	25,936	12,076,964	1,794,370	3,657,907	419,321	93,391,897
EXPENDITURES									
Current									
General Government	-	-	-	-	-	-	-	-	3,636,590
Public Safety	-	-	-	-	-	-	-	-	23,901,644
Highways and Streets	-	-	-	-	-	-	-	-	21,104,869
Sanitation	-	-	-	-	-	-	-	-	2,673,843
Health	-	-	-	-	-	-	-	-	3,789,730
Culture and Recreation	11,488	1,603,561	980,270	16	-	-	-	-	11,053,278
Housing and Economic Development	-	-	-	-	11,041,737	1,884,111	1,641,784	419,321	14,986,953
Capital Outlay	10,000	26,250	62,165	-	-	75,888	-	-	2,431,538
Debt Service									
Other Debt Principal	-	-	-	-	-	-	-	-	51,775
Interest - Other Debt	-	-	-	-	-	-	-	-	1,290
Total Expenditures	21,488	1,629,811	1,042,435	16	11,041,737	1,959,999	1,641,784	419,321	83,631,510
Excess (Deficiency) of Revenues Over (Under) Expenditures	96,415	626,714	141,393	25,920	1,035,227	(165,629)	2,016,123	-	9,760,387
OTHER FINANCING SOURCES (USES)									
Transfers In	-	515,585	-	-	466,048	-	84,427	-	6,753,657
Transfers Out	-	(762,710)	-	-	(1,501,275)	-	(2,100,550)	-	(25,093,241)
Sale of Capital Assets	-	-	-	-	-	-	-	-	32,625
Total Other Financing Sources (Uses)	-	(247,125)	-	-	(1,035,227)	-	(2,016,123)	-	(18,306,959)
Net Change in Fund Balances	96,415	379,589	141,393	25,920	-	(165,629)	-	-	(8,546,572)
FUND BALANCES, January 1	81,735	920,031	1,052,440	411,040	-	553,600	-	-	36,867,817
FUND BALANCES, December 31	178,150	1,299,620	1,193,833	436,960	-	387,971	-	-	28,321,245

City of Saint Paul, Minnesota
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES
 IN FUND BALANCES
 BUDGET AND ACTUAL - ANNUALLY BUDGETED
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended December 31, 2007

Schedule 10

	Special Projects - General Government				Cable Communications			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	1,950,000	1,950,000	2,046,481	96,481
Hotel-Motel Tax	1,755,350	1,755,350	2,032,612	277,262	-	-	-	-
Total Taxes	1,755,350	1,755,350	2,032,612	277,262	1,950,000	1,950,000	2,046,481	96,481
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	342,855	342,855	270,904	(71,951)	-	-	-	-
Fees, Sales and Services	4,990,236	4,990,236	4,989,338	(898)	113,933	113,933	121,708	7,775
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	480,000	480,000	469,584	(10,416)	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	496,791	496,791	246,000	(250,791)	268,300	268,300	108,407	(159,893)
Total Revenues	8,065,232	8,065,232	8,008,438	(56,794)	2,332,233	2,332,233	2,276,596	(55,637)
EXPENDITURES								
Current								
General Government	3,117,551	3,117,551	2,761,550	356,001	1,043,126	988,452	709,190	279,262
Public Safety	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	75,000	75,000	-	75,000
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
Total Expenditures	3,117,551	3,117,551	2,761,550	356,001	1,118,126	1,063,452	709,190	354,262
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,947,681	4,947,681	5,246,888	299,207	1,214,107	1,268,781	1,567,406	298,625
OTHER FINANCING SOURCES (USES)								
Transfers In	16,939	16,939	17,735	796	-	-	-	-
Transfers Out	(5,232,031)	(5,232,031)	(5,230,096)	1,935	(1,835,656)	(1,890,330)	(1,888,834)	1,496
Sale of Capital Assets	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(5,215,092)	(5,215,092)	(5,212,361)	2,731	(1,835,656)	(1,890,330)	(1,888,834)	1,496
Net Change in Fund Balances	(267,411)	(267,411)	34,527	301,938	(621,549)	(621,549)	(321,428)	300,121
FUND BALANCES, January 1	1,538,949	1,538,949	1,538,949	-	1,257,805	1,257,805	1,257,805	-
FUND BALANCES, December 31	1,271,538	1,271,538	1,573,476	301,938	636,256	636,256	936,377	300,121

continued

City of Saint Paul, Minnesota
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES
 IN FUND BALANCES
 BUDGET AND ACTUAL - ANNUALLY BUDGETED
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended December 31, 2007

Schedule 10

	Charitable Gambling Enforcement				Utilities Rate Investigation Administration			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-
Licenses and Permits	209,645	209,645	132,851	(76,794)	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Fees, Sales and Services	-	-	-	-	74,945	74,945	86,245	11,300
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	-	-	-	-	-	-	-	-
Total Revenues	209,645	209,645	132,851	(76,794)	74,945	74,945	86,245	11,300
EXPENDITURES								
Current								
General Government	201,598	201,598	127,190	74,408	53,053	53,053	38,660	14,393
Public Safety	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
Total Expenditures	201,598	201,598	127,190	74,408	53,053	53,053	38,660	14,393
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,047	8,047	5,661	(2,386)	21,892	21,892	47,585	25,693
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	(10,000)	(10,000)	(10,000)	-	(22,962)	(22,962)	(22,962)	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(10,000)	(10,000)	(10,000)	-	(22,962)	(22,962)	(22,962)	-
Net Change in Fund Balances	(1,953)	(1,953)	(4,339)	(2,386)	(1,070)	(1,070)	24,623	25,693
FUND BALANCES, January 1	6,578	6,578	6,578	-	26,179	26,179	26,179	-
FUND BALANCES, December 31	4,625	4,625	2,239	(2,386)	25,109	25,109	50,802	25,693

continued

City of Saint Paul, Minnesota
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES
 IN FUND BALANCES
 BUDGET AND ACTUAL - ANNUALLY BUDGETED
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended December 31, 2007

Schedule 10

	Property Code Enforcement				License and Permit			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-
Licenses and Permits	4,500	4,500	4,400	(100)	8,830,056	8,830,056	8,445,552	(384,504)
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Fees, Sales and Services	332,484	405,592	418,589	12,997	1,741,996	1,741,996	1,707,096	(34,900)
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	200,000	200,000	-	(200,000)	26,000	45,509	48,485	2,976
Total Revenues	536,984	610,092	422,989	(187,103)	10,598,052	10,617,561	10,201,133	(416,428)
EXPENDITURES								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	724,029	1,054,520	791,548	262,972	10,949,478	10,968,987	10,493,182	475,805
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	15,574	(15,574)
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
Total Expenditures	724,029	1,054,520	791,548	262,972	10,949,478	10,968,987	10,508,756	460,231
Excess (Deficiency) of Revenues Over (Under) Expenditures	(187,045)	(444,428)	(368,559)	75,869	(351,426)	(351,426)	(307,623)	43,803
OTHER FINANCING SOURCES (USES)								
Transfers In	141,820	399,203	371,036	(28,167)	113,000	113,000	74,137	(38,863)
Transfers Out	(103,010)	(103,010)	(100,000)	3,010	(361,507)	(391,507)	(417,588)	(26,081)
Sale of Capital Assets	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	38,810	296,193	271,036	(25,157)	(248,507)	(278,507)	(343,451)	(64,944)
Net Change in Fund Balances	(148,235)	(148,235)	(97,523)	50,712	(599,933)	(629,933)	(651,074)	(21,141)
FUND BALANCES, January 1	452,623	452,623	452,623	-	3,337,409	3,337,409	3,337,409	-
FUND BALANCES, December 31	304,388	304,388	355,100	50,712	2,737,476	2,707,476	2,686,335	(21,141)

continued

City of Saint Paul, Minnesota
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES
 IN FUND BALANCES
 BUDGET AND ACTUAL - ANNUALLY BUDGETED
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended December 31, 2007

Schedule 10

	Police Services - Pension Assets				Crime Laboratory			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Fees, Sales and Services	-	-	-	-	32,000	32,000	56,337	24,337
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	60,000	60,000	216,891	156,891	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	56,249	56,249	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	-	-	-	-	-	-	13,271	13,271
Total Revenues	60,000	60,000	273,140	213,140	32,000	32,000	69,608	37,608
EXPENDITURES								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	149,617	149,617	149,617	-	63,522	63,522	67,365	(3,843)
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
Total Expenditures	149,617	149,617	149,617	-	63,522	63,522	67,365	(3,843)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(89,617)	(89,617)	123,523	213,140	(31,522)	(31,522)	2,243	33,765
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	31,000	31,000	31,000	-
Transfers Out	(1,685)	(1,685)	(1,685)	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(1,685)	(1,685)	(1,685)	-	31,000	31,000	31,000	-
Net Change in Fund Balances	(91,302)	(91,302)	121,838	213,140	(522)	(522)	33,243	33,765
FUND BALANCES, January 1	681,383	681,383	681,383	-	120,984	120,984	120,984	-
FUND BALANCES, December 31	590,081	590,081	803,221	213,140	120,462	120,462	154,227	33,765

continued

City of Saint Paul, Minnesota
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES
 IN FUND BALANCES
 BUDGET AND ACTUAL - ANNUALLY BUDGETED
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended December 31, 2007

Schedule 10

	Emergency Communications Center Consolidation				Parking Enforcement			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Fees, Sales and Services	-	4,019,525	2,595,349	(1,424,176)	-	-	-	-
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	-	-	-	-	-	-	-	-
Total Revenues	-	4,019,525	2,595,349	(1,424,176)	-	-	-	-
EXPENDITURES								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	3,999,725	3,258,714	741,011	1,403,622	1,403,622	1,334,465	69,157
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service								
Other Debt Principal	-	-	-	-	51,776	51,776	51,776	-
Interest - Other Debt	-	-	-	-	1,290	1,290	1,290	-
Total Expenditures	-	3,999,725	3,258,714	741,011	1,456,688	1,456,688	1,387,531	69,157
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	19,800	(663,365)	(683,165)	(1,456,688)	(1,456,688)	(1,387,531)	69,157
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	1,461,368	1,461,368	1,392,211	(69,157)
Transfers Out	-	(19,800)	(16,913)	2,887	(4,680)	(4,680)	(4,680)	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	(19,800)	(16,913)	2,887	1,456,688	1,456,688	1,387,531	(69,157)
Net Change in Fund Balances	-	-	(680,278)	(680,278)	-	-	-	-
FUND BALANCES, January 1	-	-	-	-	-	-	-	-
FUND BALANCES, December 31	-	-	(680,278)	(680,278)	-	-	-	-

continued

City of Saint Paul, Minnesota
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES
 IN FUND BALANCES
 BUDGET AND ACTUAL - ANNUALLY BUDGETED
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended December 31, 2007

Schedule 10

	Special Projects Police				Police Officers Clothing			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-
Licenses and Permits	284,545	284,545	215,986	(68,559)	-	-	-	-
Intergovernmental Revenue	3,758,849	6,185,013	2,905,840	(3,279,173)	-	-	-	-
Fees, Sales and Services	2,400,769	2,527,484	1,944,414	(583,070)	-	-	-	-
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	21,600	21,600	71,733	50,133	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	17,616	17,616	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	348,806	1,043,085	895,104	(147,981)	-	-	-	-
Total Revenues	6,814,569	10,061,727	6,050,693	(4,011,034)	-	-	-	-
EXPENDITURES								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	6,844,064	9,150,172	6,264,596	2,885,576	585,217	585,217	532,260	52,957
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	480,575	1,821,125	218,977	1,602,148	-	-	-	-
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
Total Expenditures	7,324,639	10,971,297	6,483,573	4,487,724	585,217	585,217	532,260	52,957
Excess (Deficiency) of Revenues Over (Under) Expenditures	(510,070)	(909,570)	(432,880)	476,690	(585,217)	(585,217)	(532,260)	52,957
OTHER FINANCING SOURCES (USES)								
Transfers In	199,482	199,482	199,482	-	585,217	585,217	585,217	-
Transfers Out	(335,119)	(335,119)	(184,844)	150,275	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(135,637)	(135,637)	14,638	150,275	585,217	585,217	585,217	-
Net Change in Fund Balances	(645,707)	(1,045,207)	(418,242)	626,965	-	-	52,957	52,957
FUND BALANCES, January 1	3,064,216	3,064,216	3,064,216	-	353,773	353,773	353,773	-
FUND BALANCES, December 31	2,418,509	2,019,009	2,645,974	626,965	353,773	353,773	406,730	52,957

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City of Saint Paul, Minnesota
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES
 IN FUND BALANCES
 BUDGET AND ACTUAL - ANNUALLY BUDGETED
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended December 31, 2007

Schedule 10

	Fire Responsive Services				Fire Fighting Equipment			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	2,248,695	2,383,303	2,098,949	(284,354)	-	-	-	-
Fees, Sales and Services	2,000	2,000	8,073	6,073	-	-	10,082	10,082
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	43,200	43,200	14,075	(29,125)	-	-	6,009	6,009
Total Revenues	2,293,895	2,428,503	2,121,097	(307,406)	-	-	16,091	16,091
EXPENDITURES								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	1,425,232	1,559,840	773,108	786,732	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	1,905,198	1,905,198	1,342,692	562,506	-	30,000	-	30,000
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
Total Expenditures	3,330,430	3,465,038	2,115,800	1,349,238	-	30,000	-	30,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,036,535)	(1,036,535)	5,297	1,041,832	-	(30,000)	16,091	46,091
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	(87,204)	(87,204)	(87,204)	-
Sale of Capital Assets	-	-	-	-	-	-	17,200	17,200
Total Other Financing Sources (Uses)	-	-	-	-	(87,204)	(87,204)	(70,004)	17,200
Net Change in Fund Balances	(1,036,535)	(1,036,535)	5,297	1,041,832	(87,204)	(117,204)	(53,913)	63,291
FUND BALANCES, January 1	259,782	259,782	259,782	-	954,122	954,122	954,122	-
FUND BALANCES, December 31	(776,753)	(776,753)	265,079	1,041,832	866,918	836,918	900,209	63,291

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City of Saint Paul, Minnesota
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES
 IN FUND BALANCES
 BUDGET AND ACTUAL - ANNUALLY BUDGETED
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended December 31, 2007

Schedule 10

	Fire Protection Clothing				Right of Way Maintenance			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	2,345,030	2,345,030	1,994,422	(350,608)
Fees, Sales and Services	-	-	-	-	1,136,711	1,136,711	1,595,895	459,184
Assessments	-	-	-	-	19,099,777	19,099,777	18,289,264	(810,513)
Investment Income								
Interest Earned on Investments	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	-	-	-	-	-	-	7,676	7,676
Total Revenues	-	-	-	-	22,581,518	22,581,518	21,887,257	(694,261)
EXPENDITURES								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	255,615	255,615	236,788	18,827	-	-	-	-
Highways and Streets	-	-	-	-	17,755,211	20,202,531	20,509,031	(306,500)
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	360,646	665,006	635,895	29,111
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
Total Expenditures	255,615	255,615	236,788	18,827	18,115,857	20,867,537	21,144,926	(277,389)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(255,615)	(255,615)	(236,788)	18,827	4,465,661	1,713,981	742,331	(971,650)
OTHER FINANCING SOURCES (USES)								
Transfers In	255,615	255,615	255,615	-	-	-	-	-
Transfers Out	-	-	-	-	(7,074,065)	(7,574,065)	(7,405,643)	168,422
Sale of Capital Assets	-	-	-	-	-	-	15,425	15,425
Total Other Financing Sources (Uses)	255,615	255,615	255,615	-	(7,074,065)	(7,574,065)	(7,390,218)	183,847
Net Change in Fund Balances	-	-	18,827	18,827	(2,608,404)	(5,860,084)	(6,647,887)	(787,803)
FUND BALANCES, January 1	183,875	183,875	183,875	-	18,481,543	18,481,543	18,481,543	-
FUND BALANCES, December 31	183,875	183,875	202,702	18,827	15,873,139	12,621,459	11,833,656	(787,803)

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City of Saint Paul, Minnesota
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES
 IN FUND BALANCES
 BUDGET AND ACTUAL - ANNUALLY BUDGETED
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended December 31, 2007

Schedule 10

	Parking Meter Collections				Lighting Maintenance Assessment Districts			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	4,025,000	4,025,000	3,505,693	(519,307)	-	-	-	-
Fees, Sales and Services	2,333,902	2,333,902	1,872,641	(461,261)	-	-	-	-
Assessments	-	-	-	-	129,584	147,689	171,307	23,618
Investment Income								
Interest Earned on Investments	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	-	-	-	-	-	-	-	-
Total Revenues	6,358,902	6,358,902	5,378,334	(980,568)	129,584	147,689	171,307	23,618
EXPENDITURES								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Highways and Streets	505,405	505,405	428,936	76,469	139,095	157,200	166,902	(9,702)
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	40,800	40,800	-	40,800	-	-	-	-
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
Total Expenditures	546,205	546,205	428,936	117,269	139,095	157,200	166,902	(9,702)
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,812,697	5,812,697	4,949,398	(863,299)	(9,511)	(9,511)	4,405	13,916
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	(5,811,427)	(5,811,427)	(4,949,398)	862,029	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(5,811,427)	(5,811,427)	(4,949,398)	862,029	-	-	-	-
Net Change in Fund Balances	1,270	1,270	-	(1,270)	(9,511)	(9,511)	4,405	13,916
FUND BALANCES, January 1	-	-	-	-	277,474	277,474	277,474	-
FUND BALANCES, December 31	1,270	1,270	-	(1,270)	267,963	267,963	281,879	13,916

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City of Saint Paul, Minnesota
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES
 IN FUND BALANCES
 BUDGET AND ACTUAL - ANNUALLY BUDGETED
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended December 31, 2007

	Solid Waste and Recycling				Special Projects - Division of Health			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	539,549	539,549	540,176	627	-	-	-	-
Fees, Sales and Services	-	-	-	-	4,131,922	4,131,922	3,789,730	(342,192)
Assessments	2,525,100	2,525,100	2,304,115	(220,985)	-	-	-	-
Investment Income								
Interest Earned on Investments	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-
Interest Earned - Other	40,434	40,434	40,434	-	-	-	-	-
Miscellaneous Revenue - Other	-	-	-	-	-	-	-	-
Total Revenues	3,105,083	3,105,083	2,884,725	(220,358)	4,131,922	4,131,922	3,789,730	(342,192)
EXPENDITURES								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	2,934,017	2,934,152	2,673,843	260,309	-	-	-	-
Health	-	-	-	-	4,131,922	4,131,922	3,789,730	342,192
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
Total Expenditures	2,934,017	2,934,152	2,673,843	260,309	4,131,922	4,131,922	3,789,730	342,192
Excess (Deficiency) of Revenues Over (Under) Expenditures	171,066	170,931	210,882	39,951	-	-	-	-
OTHER FINANCING SOURCES (USES)								
Transfers In	7,191	7,191	7,191	-	-	-	-	-
Transfers Out	(200,000)	(200,000)	(200,000)	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(192,809)	(192,809)	(192,809)	-	-	-	-	-
Net Change in Fund Balances	(21,743)	(21,878)	18,073	39,951	-	-	-	-
FUND BALANCES, January 1	1,800,260	1,800,260	1,800,260	-	53,497	53,497	53,497	-
FUND BALANCES, December 31	1,778,517	1,778,382	1,818,333	39,951	53,497	53,497	53,497	-

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City of Saint Paul, Minnesota
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES
 IN FUND BALANCES
 BUDGET AND ACTUAL - ANNUALLY BUDGETED
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended December 31, 2007

	Municipal Stadium				Forestry Special			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Fees, Sales and Services	360,000	360,000	345,912	(14,088)	-	-	-	-
Assessments	-	-	-	-	400,000	400,000	-	(400,000)
Investment Income								
Interest Earned on Investments	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	-	-	-	-	-	-	101	101
Total Revenues	360,000	360,000	345,912	(14,088)	400,000	400,000	101	(399,899)
EXPENDITURES								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	406,281	406,281	426,801	(20,520)	2,641,095	2,641,095	2,447,680	193,415
Capital Outlay	15,271	15,271	-	15,271	-	-	4,374	(4,374)
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
Total Expenditures	421,552	421,552	426,801	(5,249)	2,641,095	2,641,095	2,452,054	189,041
Excess (Deficiency) of Revenues Over (Under) Expenditures	(61,552)	(61,552)	(80,889)	(19,337)	(2,241,095)	(2,241,095)	(2,451,953)	(210,858)
OTHER FINANCING SOURCES (USES)								
Transfers In	43,261	43,261	43,261	-	2,241,095	2,241,095	2,303,223	62,128
Transfers Out	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	43,261	43,261	43,261	-	2,241,095	2,241,095	2,303,223	62,128
Net Change in Fund Balances	(18,291)	(18,291)	(37,628)	(19,337)	-	-	(148,730)	(148,730)
FUND BALANCES, January 1	202,815	202,815	202,815	-	(57,674)	(57,674)	(57,674)	-
FUND BALANCES, December 31	184,524	184,524	165,187	(19,337)	(57,674)	(57,674)	(206,404)	(148,730)

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City of Saint Paul, Minnesota
**COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES
 IN FUND BALANCES**
**BUDGET AND ACTUAL - ANNUALLY BUDGETED
 NONMAJOR SPECIAL REVENUE FUNDS**
 For the Fiscal Year Ended December 31, 2007

	Como Campus				Special Recreation Activities			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	140,000	140,000	135,000	(5,000)	-	-	-	-
Fees, Sales and Services	900,004	900,004	982,311	82,307	1,656,500	1,610,136	1,666,828	56,692
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	1,801,181	1,801,181	1,786,153	(15,028)	20,000	7,300	18,693	11,393
Total Revenues	2,841,185	2,841,185	2,903,464	62,279	1,676,500	1,617,436	1,685,521	68,085
EXPENDITURES								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	3,092,980	3,092,980	3,420,742	(327,762)	1,582,555	1,589,821	1,737,589	(147,768)
Capital Outlay	21,321	59,600	14,484	45,116	-	90,000	18,868	71,132
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
Total Expenditures	3,114,301	3,152,580	3,435,226	(282,646)	1,582,555	1,679,821	1,756,457	(76,636)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(273,116)	(311,395)	(531,762)	(220,367)	93,945	(62,385)	(70,936)	(8,551)
OTHER FINANCING SOURCES (USES)								
Transfers In	407,489	407,489	407,489	-	-	-	-	-
Transfers Out	(153,996)	(153,996)	(153,996)	-	(54,863)	(54,863)	(54,863)	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	253,493	253,493	253,493	-	(54,863)	(54,863)	(54,863)	-
Net Change in Fund Balances	(19,623)	(57,902)	(278,269)	(220,367)	39,082	(117,248)	(125,799)	(8,551)
FUND BALANCES, January 1	415,481	415,481	415,481	-	203,517	203,517	203,517	-
FUND BALANCES, December 31	395,858	357,579	137,212	(220,367)	242,599	86,269	77,718	(8,551)

continued

City of Saint Paul, Minnesota
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES
 IN FUND BALANCES
 BUDGET AND ACTUAL - ANNUALLY BUDGETED
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended December 31, 2007

	Municipal Athletic Programming				Charitable Gambling			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Fees, Sales and Services	453,500	453,500	455,887	2,387	15,000	15,000	11,351	(3,649)
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	-	-	6	6	-	-	5,235	5,235
Increase (Decrease) in Fair Value of Investments	-	-	(561)	(561)	-	-	1,243	1,243
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	-	-	10,647	10,647	-	-	-	-
Total Revenues	453,500	453,500	465,979	12,479	15,000	15,000	17,829	2,829
EXPENDITURES								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	452,160	452,160	425,131	27,029	15,000	15,000	-	15,000
Capital Outlay	-	-	6,371	(6,371)	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
Total Expenditures	452,160	452,160	431,502	20,658	15,000	15,000	-	15,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,340	1,340	34,477	33,137	-	-	17,829	17,829
OTHER FINANCING SOURCES (USES)								
Transfers In								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
Net Change in Fund Balances	1,340	1,340	34,477	33,137	-	-	17,829	17,829
FUND BALANCES, January 1	(81,595)	(81,595)	(81,595)	-	99,435	99,435	99,435	-
FUND BALANCES, December 31	(80,255)	(80,255)	(47,118)	33,137	99,435	99,435	117,264	17,829

continued

City of Saint Paul, Minnesota
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES
 IN FUND BALANCES
 BUDGET AND ACTUAL - ANNUALLY BUDGETED
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended December 31, 2007

	Debt - Capital Improvement				Parks and Recreation Opportunity			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	33,725	33,725	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Fees, Sales and Services	-	-	27,291	27,291	5,000	5,000	5,534	534
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	-	-	10,936	10,936	-	-	3,839	3,839
Increase (Decrease) in Fair Value of Investments	-	-	2,802	2,802	-	-	556	556
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	-	-	-	-	60,000	111,500	107,974	(3,526)
Total Revenues	-	-	74,754	74,754	65,000	116,500	117,903	1,403
EXPENDITURES								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	55,000	76,500	11,488	65,012
Capital Outlay	-	-	-	-	10,000	10,000	10,000	-
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	65,000	86,500	21,488	65,012
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	74,754	74,754	-	30,000	96,415	66,415
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
Net Change in Fund Balances	-	-	74,754	74,754	-	30,000	96,415	66,415
FUND BALANCES, January 1	216,540	216,540	216,540	-	81,735	81,735	81,735	-
FUND BALANCES, December 31	216,540	216,540	291,294	74,754	81,735	111,735	178,150	66,415

continued

City of Saint Paul, Minnesota
**COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES
 IN FUND BALANCES**
**BUDGET AND ACTUAL - ANNUALLY BUDGETED
 NONMAJOR SPECIAL REVENUE FUNDS**
 For the Fiscal Year Ended December 31, 2007

	Parks and Recreation Grant and Aids				Library Agency Revenues and Grants			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	1,311,105	1,791,539	1,922,395	130,856	176,250	176,250	208,070	31,820
Fees, Sales and Services	22,372	22,372	8,070	(14,302)	58,700	58,700	58,912	212
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	105,000	128,075	326,060	197,985	975,258	975,258	916,846	(58,412)
Total Revenues	1,438,477	1,941,986	2,256,525	314,539	1,210,208	1,210,208	1,183,828	(26,380)
EXPENDITURES								
Current								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	1,134,370	1,593,654	1,603,561	(9,907)	1,196,089	1,196,089	980,270	215,819
Capital Outlay	136,093	136,093	26,250	109,843	166,119	166,119	62,165	103,954
Debt Service								
Other Debt Principal	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-
Total Expenditures	1,270,463	1,729,747	1,629,811	99,936	1,362,208	1,362,208	1,042,435	319,773
Excess (Deficiency) of Revenues Over (Under) Expenditures	168,014	212,239	626,714	414,475	(152,000)	(152,000)	141,393	293,393
OTHER FINANCING SOURCES (USES)								
Transfers In	499,465	499,465	515,585	16,120	-	-	-	-
Transfers Out	(762,710)	(762,710)	(762,710)	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(263,245)	(263,245)	(247,125)	16,120	-	-	-	-
Net Change in Fund Balances	(95,231)	(51,006)	379,589	430,595	(152,000)	(152,000)	141,393	293,393
FUND BALANCES, January 1	920,031	920,031	920,031	-	1,052,440	1,052,440	1,052,440	-
FUND BALANCES, December 31	824,800	869,025	1,299,620	430,595	900,440	900,440	1,193,833	293,393

continued

City of Saint Paul, Minnesota
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES
 IN FUND BALANCES
 BUDGET AND ACTUAL - ANNUALLY BUDGETED
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended December 31, 2007

	Relia Havens Memorial Fund				Total			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Gross Earnings Franchise Fees	-	-	-	-	1,950,000	1,950,000	2,046,481	96,481
Hotel-Motel Tax	-	-	-	-	1,755,350	1,755,350	2,032,612	277,262
Total Taxes	-	-	-	-	3,705,350	3,705,350	4,079,093	373,743
Licenses and Permits	-	-	-	-	9,328,746	9,328,746	8,832,514	(496,232)
Intergovernmental Revenue	-	-	-	-	14,887,333	17,928,539	13,581,449	(4,347,090)
Fees, Sales and Services	-	-	-	-	20,761,974	24,934,958	22,757,593	(2,177,365)
Assessments	-	-	-	-	22,154,461	22,172,566	20,764,686	(1,407,880)
Investment Income								
Interest Earned on Investments	20,000	20,000	20,700	700	581,600	581,600	798,924	217,324
Increase (Decrease) in Fair Value of Investments	-	-	5,236	5,236	-	-	83,141	83,141
Interest Earned - Other	-	-	-	-	40,434	40,434	40,434	-
Miscellaneous Revenue - Other	-	-	-	-	4,344,536	5,120,199	4,505,501	(614,698)
Total Revenues	20,000	20,000	25,936	5,936	75,804,434	83,812,392	75,443,335	(8,369,057)
EXPENDITURES								
Current								
General Government	-	-	-	-	4,415,328	4,360,654	3,636,590	724,064
Public Safety	-	-	-	-	22,400,396	29,190,837	23,901,643	5,289,194
Highways and Streets	-	-	-	-	18,399,711	20,865,136	21,104,869	(239,733)
Sanitation	-	-	-	-	2,934,017	2,934,152	2,673,843	260,309
Health	-	-	-	-	4,131,922	4,131,922	3,789,730	342,192
Culture and Recreation	31,327	31,327	16	31,311	10,606,857	11,094,907	11,053,278	41,629
Capital Outlay	-	-	-	-	3,211,023	5,014,212	2,355,650	2,658,562
Debt Service								
Other Debt Principal	-	-	-	-	51,776	51,776	51,776	-
Interest - Other Debt	-	-	-	-	1,290	1,290	1,290	-
Total Expenditures	31,327	31,327	16	31,311	66,152,320	77,644,886	68,568,669	9,076,217
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,327)	(11,327)	25,920	37,247	9,652,114	6,167,506	6,874,666	707,160
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	6,002,942	6,260,325	6,203,182	(57,143)
Transfers Out	-	-	-	-	(22,050,915)	(22,655,389)	(21,491,416)	1,163,973
Sale of Capital Assets	-	-	-	-	-	-	32,625	32,625
Total Other Financing Sources (Uses)	-	-	-	-	(16,047,973)	(16,395,064)	(15,255,609)	1,139,455
Net Change in Fund Balances	(11,327)	(11,327)	25,920	37,247	(6,395,859)	(10,227,558)	(8,380,943)	1,846,615
FUND BALANCES, January 1	411,040	411,040	411,040	-	36,314,217	36,314,217	36,314,217	-
FUND BALANCES, December 31	399,713	399,713	436,960	37,247	29,918,358	26,086,659	27,933,274	1,846,615
							FUND BALANCES, Multi-Year Funds	387,971
							FUND BALANCES, December 31	28,321,245

City of Saint Paul, Minnesota
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
December 31, 2007

Schedule 11

	G.O. Special Assessment - Streets	City Revenue Bonds and Other Long-Term Debt	Library Debt	Revenue Notes and Other Long-Term Debt	Total Nonmajor Debt Service Funds
ASSETS					
Cash and Investments with Treasurer	11,454,583	-	691,217	503,254	12,649,054
Cash and Investments with Trustees	-	6,575,472	-	-	6,575,472
Receivables					
Property Taxes - Due from Ramsey County	4,173	-	-	-	4,173
Assessments	13,708,395	-	-	-	13,708,395
Accrued Interest	208,289	33,666	10,082	3,531	255,568
Due from Component Units	-	-	-	102,500	102,500
Due from Other Governmental Units	36,328	-	-	-	36,328
TOTAL ASSETS	25,411,768	6,609,138	701,299	609,285	33,331,490
LIABILITIES AND FUND BALANCES					
Liabilities					
Interfund Payable for Pooled					
Cash and Investments Overdrafts	-	4,518	-	-	4,518
Deferred Revenue	13,779,839	22,658	3,458	1,211	13,807,166
Total Liabilities	13,779,839	27,176	3,458	1,211	13,811,684
Fund Balances					
Reserved for					
Mandatory 5% for Retirement of Debt	294,130	-	36,103	-	330,233
Unreserved					
Designated for Net Unrealized Gains	50,575	-	2,448	857	53,880
Designated for Debt Service	11,287,224	6,581,962	659,290	607,217	19,135,693
Total Fund Balances	11,631,929	6,581,962	697,841	608,074	19,519,806
TOTAL LIABILITIES AND FUND BALANCES	25,411,768	6,609,138	701,299	609,285	33,331,490

City of Saint Paul, Minnesota
**COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN
 FUND BALANCES**
NONMAJOR DEBT SERVICE FUNDS
 For the Fiscal Year Ended December 31, 2007

Schedule 12

	G.O. Special Assessment - Streets	City Revenue Bonds and Other Long-Term Debt	Library Debt	Revenue Notes and Other Long-Term Debt	Total Nonmajor Debt Service Funds
REVENUES					
Taxes					
Property Taxes					
Current Taxpayer	467,726	-	2,586,281	-	3,054,007
Total Taxes	467,726	-	2,586,281	-	3,054,007
Intergovernmental Revenue	20,972	-	145,143	-	166,115
Fees, Sales and Services	-	3,500,000	-	-	3,500,000
Assessments	3,210,466	-	-	-	3,210,466
Investment Income					
Interest Earned on Investments	898,453	191,633	26,929	20,680	1,137,695
Increase in Fair Value of Investments	215,825	4,290	17,070	4,055	241,240
Miscellaneous Revenue - Other	-	3,328,836	-	243,765	3,572,601
Total Revenues	4,813,442	7,024,759	2,775,423	268,500	14,882,124
EXPENDITURES					
Debt Service					
Bond Principal	3,615,000	1,560,000	200,000	-	5,375,000
Other Debt Principal	-	1,500,000	-	777,719	2,277,719
Interest - Bonds	1,593,219	4,609,791	526,550	-	6,729,560
Interest - Other Debt	-	-	-	238,619	238,619
Total Expenditures	5,208,219	7,669,791	726,550	1,016,338	14,620,898
Excess (Deficiency) of Revenues Over (Under) Expenditures	(394,777)	(645,032)	2,048,873	(747,838)	261,226
OTHER FINANCING SOURCES (USES)					
Transfers In	107,250	3,751,277	-	724,751	4,583,278
Transfers Out	-	(1,192,242)	(2,004,874)	-	(3,197,116)
Total Other Financing Sources (Uses)	107,250	2,559,035	(2,004,874)	724,751	1,386,162
Net Change in Fund Balances	(287,527)	1,914,003	43,999	(23,087)	1,647,388
FUND BALANCES, January 1	11,919,456	4,667,959	653,842	631,161	17,872,418
FUND BALANCES, December 31	11,631,929	6,581,962	697,841	608,074	19,519,806

City of Saint Paul, Minnesota
**COMBINING SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES
IN FUND BALANCES**
**BUDGET AND ACTUAL - ANNUALLY BUDGETED
DEBT SERVICE FUNDS**
For the Fiscal Year Ended December 31, 2007

Schedule 13

	General Debt Service				HRA General Debt Service			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Property Taxes								
Current Taxpayer	8,066,151	8,066,151	8,125,065	58,914	-	-	-	-
Current Tax Increment	-	-	-	-	11,371,946	11,371,946	12,826,437	1,454,491
Delinquent Taxpayer	100,000	100,000	106,513	6,513	-	-	109,903	109,903
Total Property Taxes	8,166,151	8,166,151	8,231,578	65,427	11,371,946	11,371,946	12,936,340	1,564,394
Gross Earnings Franchise Fees	100,000	100,000	100,000	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	220,000	220,000	220,000	-
Total Taxes	8,266,151	8,266,151	8,331,578	65,427	11,591,946	11,591,946	13,156,340	1,564,394
Intergovernmental Revenue	452,675	452,675	365,011	(87,664)	101,262	101,262	139,542	38,280
Fees, Sales and Services	-	-	45,371	45,371	-	-	12,871	12,871
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	500,000	500,000	470,294	(29,706)	569,884	569,884	908,866	338,982
Increase in Fair Value of Investments	-	-	188,158	188,158	-	-	82,782	82,782
Interest Earned - Other	-	-	-	-	385,885	385,885	419,321	33,436
Miscellaneous Revenue - Other	-	-	38,709	38,709	800,956	800,956	1,554,752	753,796
Total Revenues	9,218,826	9,218,826	9,439,121	220,295	13,449,933	13,449,933	16,274,474	2,824,541
EXPENDITURES								
Current								
General Government	601,758	601,758	277,350	324,408	-	-	-	-
Housing and Economic Development	-	-	-	-	-	742,122	742,122	-
Debt Service								
Bond Principal	17,985,000	17,985,000	17,985,000	-	10,568,784	10,568,784	6,672,183	3,896,601
Other Debt Principal	-	-	-	-	300,000	300,000	1,251,818	(951,818)
Interest - Bonds	3,732,543	3,732,543	3,698,544	33,999	7,474,059	7,474,059	7,552,068	(78,009)
Interest - Other Debt	-	-	-	-	250,270	250,270	716,031	(465,761)
Bond Issuance Costs	5,000	5,000	-	5,000	-	-	6,777	(6,777)
Total Expenditures	22,324,301	22,324,301	21,960,894	363,407	18,593,113	19,335,235	16,940,999	2,394,236
Excess (Deficiency) of Revenues Over (Under) Expenditures	(13,105,475)	(13,105,475)	(12,521,773)	583,702	(5,143,180)	(5,885,302)	(666,525)	5,218,777
OTHER FINANCING SOURCES (USES)								
Transfers In	11,836,274	11,836,274	11,729,494	(106,780)	16,911,023	17,320,067	18,266,135	946,068
Transfers Out	-	-	(553)	(553)	(14,071,210)	(14,071,210)	(13,579,413)	491,797
Bonds Issued	-	-	-	-	3,950,000	3,950,000	3,895,000	(55,000)
Refunded Bonds	-	-	-	-	-	-	(3,895,000)	(3,895,000)
Premium on Bonds Issued	-	-	-	-	-	-	44,831	44,831
Total Other Financing Sources (Uses)	11,836,274	11,836,274	11,728,941	(107,333)	6,789,813	7,198,857	4,731,553	(2,467,304)
Net Change in Fund Balances	(1,269,201)	(1,269,201)	(792,832)	476,369	1,646,633	1,313,555	4,065,028	2,751,473
FUND BALANCES, January 1	19,753,773	19,753,773	19,753,773	-	20,460,082	20,460,082	20,460,082	-
FUND BALANCES, December 31	18,484,572	18,484,572	18,960,941	476,369	22,106,715	21,773,637	24,525,110	2,751,473

continued

City of Saint Paul, Minnesota
**COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES
 IN FUND BALANCES**
**BUDGET AND ACTUAL - ANNUALLY BUDGETED
 DEBT SERVICE FUNDS**
 For the Fiscal Year Ended December 31, 2007

Schedule 13

	G.O. Special Assessment - Streets				City Revenue Bonds and Other Long-Term Debt			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Property Taxes								
Current Taxpayer	473,431	473,431	467,726	(5,705)	-	-	-	-
Current Tax Increment	-	-	-	-	-	-	-	-
Delinquent Taxpayer	-	-	-	-	-	-	-	-
Total Property Taxes	473,431	473,431	467,726	(5,705)	-	-	-	-
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	473,431	473,431	467,726	(5,705)	-	-	-	-
Intergovernmental Revenue	26,569	26,569	20,972	(5,597)	-	-	-	-
Fees, Sales and Services	-	-	-	-	3,500,000	3,500,000	3,500,000	-
Assessments	3,211,495	3,211,495	3,210,466	(1,029)	-	-	-	-
Investment Income								
Interest Earned on Investments	-	-	898,453	898,453	-	-	191,633	191,633
Increase in Fair Value of Investments	-	-	215,825	215,825	-	-	4,290	4,290
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	-	-	-	-	3,328,836	3,328,836	3,328,836	-
Total Revenues	3,711,495	3,711,495	4,813,442	1,101,947	6,828,836	6,828,836	7,024,759	195,923
EXPENDITURES								
Current								
General Government	-	-	-	-	-	-	-	-
Housing and Economic Development	-	-	-	-	-	-	-	-
Debt Service								
Bond Principal	3,615,000	3,615,000	3,615,000	-	1,560,000	1,560,000	1,560,000	-
Other Debt Principal	-	-	-	-	1,500,000	1,500,000	1,500,000	-
Interest - Bonds	1,746,951	1,746,951	1,593,219	153,732	4,609,791	4,609,791	4,609,791	-
Interest - Other Debt	-	-	-	-	-	-	-	-
Bond Issuance Costs	-	-	-	-	-	-	-	-
Total Expenditures	5,361,951	5,361,951	5,208,219	153,732	7,669,791	7,669,791	7,669,791	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,650,456)	(1,650,456)	(394,777)	1,255,679	(840,955)	(840,955)	(645,032)	195,923
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	107,250	107,250	-	2,792,607	3,751,277	958,670
Transfers Out	-	-	-	-	-	(175,229)	(1,192,242)	(1,017,013)
Bonds Issued	-	-	-	-	-	-	-	-
Refunded Bonds	-	-	-	-	-	-	-	-
Premium on Bonds Issued	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	107,250	107,250	-	2,617,378	2,559,035	(58,343)
Net Change in Fund Balances	(1,650,456)	(1,650,456)	(287,527)	1,362,929	(840,955)	1,776,423	1,914,003	137,580
FUND BALANCES, January 1	11,919,456	11,919,456	11,919,456	-	4,667,959	4,667,959	4,667,959	-
FUND BALANCES, December 31	10,269,000	10,269,000	11,631,929	1,362,929	3,827,004	6,444,382	6,581,962	137,580

continued

City of Saint Paul, Minnesota
**COMBINING SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES
IN FUND BALANCES**
**BUDGET AND ACTUAL - ANNUALLY BUDGETED
DEBT SERVICE FUNDS**
For the Fiscal Year Ended December 31, 2007

Schedule 13

	Library Debt				Revenue Notes and Other Long-Term Debt			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
REVENUES								
Taxes								
Property Taxes								
Current Taxpayer	2,586,281	2,586,281	2,586,281	-	-	-	-	-
Current Tax Increment	-	-	-	-	-	-	-	-
Delinquent Taxpayer	-	-	-	-	-	-	-	-
Total Property Taxes	2,586,281	2,586,281	2,586,281	-	-	-	-	-
Gross Earnings Franchise Fees	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
Total Taxes	2,586,281	2,586,281	2,586,281	-	-	-	-	-
Intergovernmental Revenue	145,143	145,143	145,143	-	-	-	-	-
Fees, Sales and Services	-	-	-	-	-	-	-	-
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	20,000	20,000	26,929	6,929	-	-	20,680	20,680
Increase in Fair Value of Investments	-	-	17,070	17,070	-	-	4,055	4,055
Interest Earned - Other	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	-	-	-	-	394,088	394,088	243,765	(150,323)
Total Revenues	2,751,424	2,751,424	2,775,423	23,999	394,088	394,088	268,500	(125,588)
EXPENDITURES								
Current								
General Government	-	-	-	-	-	-	-	-
Housing and Economic Development	-	-	-	-	-	-	-	-
Debt Service								
Bond Principal	200,000	200,000	200,000	-	-	-	-	-
Other Debt Principal	-	-	-	-	777,720	777,720	777,719	1
Interest - Bonds	988,825	988,825	526,550	462,275	-	-	-	-
Interest - Other Debt	-	-	-	-	238,620	238,620	238,619	1
Bond Issuance Costs	-	-	-	-	-	-	-	-
Total Expenditures	1,188,825	1,188,825	726,550	462,275	1,016,340	1,016,340	1,016,338	2
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,562,599	1,562,599	2,048,873	486,274	(622,252)	(622,252)	(747,838)	(125,586)
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	622,252	622,252	724,751	102,499
Transfers Out	(2,004,874)	(2,004,874)	(2,004,874)	-	-	-	-	-
Bonds Issued	-	-	-	-	-	-	-	-
Refunded Bonds	-	-	-	-	-	-	-	-
Premium on Bonds Issued	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(2,004,874)	(2,004,874)	(2,004,874)	-	622,252	622,252	724,751	102,499
Net Change in Fund Balances	(442,275)	(442,275)	43,999	486,274	-	-	(23,087)	(23,087)
FUND BALANCES, January 1	653,842	653,842	653,842	-	631,161	631,161	631,161	-
FUND BALANCES, December 31	211,567	211,567	697,841	486,274	631,161	631,161	608,074	(23,087)

continued

City of Saint Paul, Minnesota
**COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES
 IN FUND BALANCES**
BUDGET AND ACTUAL - ANNUALLY BUDGETED
DEBT SERVICE FUNDS
 For the Fiscal Year Ended December 31, 2007

Schedule 13

	Total			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES				
Taxes				
Property Taxes				
Current Taxpayer	11,125,863	11,125,863	11,179,072	53,209
Current Tax Increment	11,371,946	11,371,946	12,826,437	1,454,491
Delinquent Taxpayer	100,000	100,000	216,416	116,416
Total Property Taxes	<u>22,597,809</u>	<u>22,597,809</u>	<u>24,221,925</u>	<u>1,624,116</u>
Gross Earnings Franchise Fees	100,000	100,000	100,000	-
Hotel-Motel Tax	220,000	220,000	220,000	-
Total Taxes	<u>22,917,809</u>	<u>22,917,809</u>	<u>24,541,925</u>	<u>1,624,116</u>
Intergovernmental Revenue	725,649	725,649	670,668	(54,981)
Fees, Sales and Services	3,500,000	3,500,000	3,558,242	58,242
Assessments	3,211,495	3,211,495	3,210,466	(1,029)
Investment Income				
Interest Earned on Investments	1,089,884	1,089,884	2,516,855	1,426,971
Increase in Fair Value of Investments	-	-	512,180	512,180
Interest Earned - Other	385,885	385,885	419,321	33,436
Miscellaneous Revenue - Other	4,523,880	4,523,880	5,166,062	642,182
Total Revenues	<u>36,354,602</u>	<u>36,354,602</u>	<u>40,595,719</u>	<u>4,241,117</u>
EXPENDITURES				
Current				
General Government	601,758	601,758	277,350	324,408
Housing and Economic Development	-	742,122	742,122	-
Debt Service				
Bond Principal	33,928,784	33,928,784	30,032,183	3,896,601
Other Debt Principal	2,577,720	2,577,720	3,529,537	(951,817)
Interest - Bonds	18,552,169	18,552,169	17,980,172	571,997
Interest - Other Debt	488,890	488,890	954,650	(465,760)
Bond Issuance Costs	5,000	5,000	6,777	(1,777)
Total Expenditures	<u>56,154,321</u>	<u>56,896,443</u>	<u>53,522,791</u>	<u>3,373,652</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(19,799,719)</u>	<u>(20,541,841)</u>	<u>(12,927,072)</u>	<u>7,614,769</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	29,369,549	32,571,200	34,578,907	2,007,707
Transfers Out	(16,076,084)	(16,251,313)	(16,777,082)	(525,769)
Bonds Issued	3,950,000	3,950,000	3,895,000	(55,000)
Refunded Bonds	-	-	(3,895,000)	(3,895,000)
Premium on Bonds Issued	-	-	44,831	44,831
Total Other Financing Sources (Uses)	<u>17,243,465</u>	<u>20,269,887</u>	<u>17,846,656</u>	<u>(2,423,231)</u>
Net Change in Fund Balances	<u>(2,556,254)</u>	<u>(271,954)</u>	<u>4,919,584</u>	<u>5,191,538</u>
FUND BALANCES, January 1	<u>58,086,273</u>	<u>58,086,273</u>	<u>58,086,273</u>	<u>-</u>
FUND BALANCES, December 31	<u>55,530,019</u>	<u>57,814,319</u>	<u>63,005,857</u>	<u>5,191,538</u>

City of Saint Paul, Minnesota
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
 December 31, 2007

Schedule 14

	Capital Improvement Bonds	Library Capital Projects	City Downtown Capital Projects	HRA Development Capital Projects	HRA Tax Increment	Total Nonmajor Capital Projects Funds
ASSETS						
Cash and Investments with Treasurer	14,137,354	826,973	92,273	4,693,370	11,654,657	31,404,627
Cash and Investments with Trustees	-	-	-	8,456,621	1,074,672	9,531,293
Receivables						
Property Taxes - Due from Ramsey County	-	-	-	-	7,983	7,983
Property Taxes - Delinquent	-	-	-	-	144,196	144,196
Notes and Loans	-	-	315,000	-	291,071	606,071
Accrued Interest	172,756	8,026	-	22,551	114,400	317,733
Due from Other Funds	67,577	-	163,994	17,500,000	28,245	17,759,816
Land Held for Resale	-	-	-	-	1,117,947	1,117,947
TOTAL ASSETS	14,377,687	834,999	571,267	30,672,542	14,433,171	60,889,666
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts Payable	-	-	12,554	2,320	35,285	50,159
Due to Other Funds	3,959,381	-	128,545	-	298,664	4,386,590
Due to Other Governmental Units	-	-	-	5,175	-	5,175
Advance from Other Funds	-	-	-	-	8,572,976	8,572,976
Deferred Revenue	59,257	2,753	315,000	-	1,593,243	1,970,253
Total Liabilities	4,018,638	2,753	456,099	7,495	10,500,168	14,985,153
Fund Balances						
Reserved for Encumbrances	-	8,200	-	932,190	2,595	942,985
Unreserved						
Designated for Net Unrealized Gains	-	1,949	-	-	26,446	28,395
Designated for Specific Capital Projects	10,359,049	822,097	115,168	29,732,857	3,903,962	44,933,133
Total Fund Balances	10,359,049	832,246	115,168	30,665,047	3,933,003	45,904,513
TOTAL LIABILITIES AND FUND BALANCES	14,377,687	834,999	571,267	30,672,542	14,433,171	60,889,666

City of Saint Paul, Minnesota
**COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN
 FUND BALANCES**
NONMAJOR CAPITAL PROJECTS FUNDS
 For the Fiscal Year Ended December 31, 2007

	<u>Capital Improvement Bonds</u>	<u>Library Capital Projects</u>	<u>City Downtown Capital Projects</u>	<u>HRA Development Capital Projects</u>	<u>HRA Tax Increment</u>	<u>Total Nonmajor Capital Projects Funds</u>
REVENUES						
Taxes						
Property Taxes						
Current Tax Increment	-	-	-	-	3,941,625	3,941,625
Delinquent Tax Increment	-	-	-	-	162,376	162,376
Total Taxes	-	-	-	-	4,104,001	4,104,001
Intergovernmental Revenue	-	319,833	-	-	49,218	369,051
Fees, Sales and Services	-	-	-	-	97,903	97,903
Investment Income						
Interest Earned on Investments	803,916	38,484	-	22,551	552,885	1,417,836
Increase in Fair Value of Investments	258,321	22,746	-	-	130,585	411,652
Interest Earned - Other	-	-	-	-	3,997	3,997
Miscellaneous Revenue - Other	-	-	-	-	14,427	14,427
Total Revenues	1,062,237	381,063	-	22,551	4,953,016	6,418,867
EXPENDITURES						
Current						
Culture and Recreation	-	50,076	-	-	-	50,076
Housing and Economic Development	-	-	950,313	968,757	2,121,647	4,040,717
Capital Outlay	-	262,479	-	-	-	262,479
Debt Service						
Interest - Other Debt	-	-	-	-	3,085,062	3,085,062
Bond Issuance Costs	59,673	-	-	-	-	59,673
Total Expenditures	59,673	312,555	950,313	968,757	5,206,709	7,498,007
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,002,564	68,508	(950,313)	(946,206)	(253,693)	(1,079,140)
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	968,387	32,177,686	168,965	33,315,038
Transfers Out	(11,930,510)	-	-	(566,433)	(633,931)	(13,130,874)
Bonds Issued	6,250,000	-	-	-	-	6,250,000
Premium on Bond Issued	61,422	-	-	-	-	61,422
Total Other Financing Sources (Uses)	(5,619,088)	-	968,387	31,611,253	(464,966)	26,495,586
Net Change in Fund Balances	(4,616,524)	68,508	18,074	30,665,047	(718,659)	25,416,446
FUND BALANCES, January 1	14,975,573	763,738	97,094	-	4,651,662	20,488,067
FUND BALANCES, December 31	10,359,049	832,246	115,168	30,665,047	3,933,003	45,904,513

City of Saint Paul, Minnesota
COMBINING BALANCE SHEET
NONMAJOR PERMANENT FUNDS
 December 31, 2007

Schedule 16

	Japanese Gardens	Hoffman Memorial	Total Nonmajor Permanent Funds
ASSETS			
Cash and Investments with Treasurer	57,663	10,732	68,395
Receivables			
Accrued Interest	621	116	737
TOTAL ASSETS	58,284	10,848	69,132
LIABILITIES AND FUND BALANCES			
Liabilities			
Deferred Revenue	213	40	253
Total Liabilities	213	40	253
Fund Balances			
Reserved for Permanent Fund Activities	30,000	5,000	35,000
Unreserved			
Designated for Net Unrealized Gains	151	28	179
Undesignated	27,920	5,780	33,700
Total Fund Balances	58,071	10,808	68,879
TOTAL LIABILITIES AND FUND BALANCES	58,284	10,848	69,132

City of Saint Paul, Minnesota
**COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN
 FUND BALANCES**
NONMAJOR PERMANENT FUNDS
 For the Fiscal Year Ended December 31, 2007

Schedule 17

	Japanese Gardens	Hoffman Memorial	Total Nonmajor Permanent Funds
REVENUES			
Investment Income			
Interest Earned on Investments	2,751	512	3,263
Increase in Fair Value of Investments	699	129	828
Total Revenues	3,450	641	4,091
EXPENDITURES			
Current			
Culture and Recreation	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,450	641	4,091
Net Change in Fund Balances	3,450	641	4,091
FUND BALANCES, January 1	54,621	10,167	64,788
FUND BALANCES, December 31	58,071	10,808	68,879

City of Saint Paul, Minnesota
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES
 IN FUND BALANCES
 BUDGET AND ACTUAL - ANNUALLY BUDGETED
 NONMAJOR PERMANENT FUNDS
 For the Fiscal Year Ended December 31, 2007

Schedule 18

	Japanese Gardens				Hoffman Memorial			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
REVENUES								
Investment Income								
Interest Earned on Investments	1,700	1,700	2,751	1,051	300	300	512	212
Increase in Fair Value of Investments	-	-	699	699	-	-	129	129
Total Revenues	1,700	1,700	3,450	1,750	300	300	641	341
EXPENDITURES								
Current								
Culture and Recreation	1,700	1,700	-	1,700	300	300	-	300
Total Expenditures	1,700	1,700	-	1,700	300	300	-	300
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	3,450	3,450	-	-	641	641
Net Change in Fund Balances	-	-	3,450	3,450	-	-	641	641
FUND BALANCES, January 1	54,621	54,621	54,621	-	10,167	10,167	10,167	-
FUND BALANCES, December 31	54,621	54,621	58,071	3,450	10,167	10,167	10,808	641

continued

City of Saint Paul, Minnesota
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES
 IN FUND BALANCES
 BUDGET AND ACTUAL - ANNUALLY BUDGETED
 NONMAJOR PERMANENT FUNDS
 For the Fiscal Year Ended December 31, 2007

	Total			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES				
Investment Income				
Interest Earned on Investments	2,000	2,000	3,263	1,263
Increase in Fair Value of Investments	-	-	828	828
Total Revenues	2,000	2,000	4,091	2,091
EXPENDITURES				
Current				
Culture and Recreation	2,000	2,000	-	2,000
Total Expenditures	2,000	2,000	-	2,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	4,091	4,091
Net Change in Fund Balances	-	-	4,091	4,091
FUND BALANCES, January 1	64,788	64,788	64,788	-
FUND BALANCES, December 31	64,788	64,788	68,879	4,091

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Nonmajor Enterprise Funds

Enterprise Funds

Enterprise funds account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate.

Special Services - to account for the operations of park pavilions, refreshment stands, golf courses, canoe and boat rentals, swimming pools and beaches, tennis instructions, ski instructions, and ski facilities.

Watergate Marina - to account for the operation and maintenance of the Marina.

Impounding Lot - to account for the city's vehicle impounding operations. Charges are made for the towing and storage of impounded vehicles and are collected when vehicles are claimed. Unclaimed vehicles are sold at public auction and proceeds retained. Funds are also received from the salvage of vehicles junked.

River Print Saint Paul/Ramsey County - to account for printing services rendered to city departments, offices, and other governmental units.

City of Saint Paul, Minnesota
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
 December 31, 2007

Schedule 19

	Special Services	Watergate Marina	Impounding Lot	RiverPrint Saint Paul/ Ramsey County	Total
ASSETS					
Current Assets					
Cash and Investments with Treasurer	-	-	893,931	411,017	1,304,948
Imprest Funds	5,500	-	1,000	-	6,500
Receivables					
Accounts (net of allowance for estimated uncollectibles)	74,232	5,000	260,472	1,387	341,091
Accrued Interest	9,716	-	-	-	9,716
Due from Other Funds	19,012	-	5,638	24,336	48,986
Due from Component Units	-	-	-	30,333	30,333
Due from Other Governmental Units	121	-	162	125,421	125,704
Inventories					
Materials and Supplies	44,399	-	-	129,114	173,513
Impounded Cars	-	-	224,172	-	224,172
Total Current Assets	152,980	5,000	1,385,375	721,608	2,264,963
Noncurrent Assets					
Restricted Assets					
Investment for Revenue Bond Debt Service Reserve	666,750	-	-	-	666,750
Total Restricted Assets	666,750	-	-	-	666,750
Other Assets					
Deferred Charges	101,362	-	-	-	101,362
Total Other Assets	101,362	-	-	-	101,362
Capital Assets					
Land	3,464,055	-	-	-	3,464,055
Buildings and Structures	2,396,984	332,293	13,394	-	2,742,671
Less: Accumulated Depreciation	(748,159)	(271,961)	(13,394)	-	(1,033,514)
Equipment	2,498,432	68,126	74,097	710,684	3,351,339
Less: Accumulated Depreciation	(1,759,018)	(68,126)	(37,049)	(638,656)	(2,502,849)
Total Capital Assets	5,852,294	60,332	37,048	72,028	6,021,702
Total Noncurrent Assets	6,620,406	60,332	37,048	72,028	6,789,814
TOTAL ASSETS	6,773,386	65,332	1,422,423	793,636	9,054,777

continued

City of Saint Paul, Minnesota
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
December 31, 2007

Schedule 19

	<u>Special Services</u>	<u>Watergate Marina</u>	<u>Impounding Lot</u>	<u>RiverPrint Saint Paul/ Ramsey County</u>	<u>Total</u>
LIABILITIES					
Current Liabilities (Payable from Current Assets)					
Interfund Payable for Pooled					
Cash and Investments Overdrafts	2,489,936	267,954	-	-	2,757,890
Accrued Salaries Payable	110,319	-	60,629	21,439	192,387
Accounts Payable	72,873	-	274,070	52,667	399,610
Due to Other Funds	25,632	-	13,329	6,045	45,006
Due to Other Governmental Units	406	321	10,670	-	11,397
Unearned Revenue	-	-	162	-	162
Compensated Absences Payable	5,698	-	3,524	1,693	10,915
Revenue Bonds Payable	220,000	-	-	-	220,000
Capital Leases Payable	71,116	-	-	-	71,116
Accrued Interest Payable					
Revenue Bonds	80,159	-	-	-	80,159
Capital Lease	174	-	-	-	174
Total Current Liabilities (Payable from Current Assets)	<u>3,076,313</u>	<u>268,275</u>	<u>362,384</u>	<u>81,844</u>	<u>3,788,816</u>
Noncurrent Liabilities					
Revenue Bonds Payable	6,675,000	-	-	-	6,675,000
Add: Unamortized Premium	200,086	-	-	-	200,086
Compensated Absences Payable	390,693	-	146,437	52,232	589,362
Net Other Postemployment Benefits Obligation	109,057	-	35,599	8,312	152,968
Total Noncurrent Liabilities	<u>7,374,836</u>	<u>-</u>	<u>182,036</u>	<u>60,544</u>	<u>7,617,416</u>
TOTAL LIABILITIES	<u>10,451,149</u>	<u>268,275</u>	<u>544,420</u>	<u>142,388</u>	<u>11,406,232</u>
NET ASSETS					
Invested in Capital Assets, Net of Related Debt	(1,313,908)	60,332	37,048	72,028	(1,144,500)
Unrestricted	(2,363,855)	(263,275)	840,955	579,220	(1,206,955)
TOTAL NET ASSETS	<u>(3,677,763)</u>	<u>(202,943)</u>	<u>878,003</u>	<u>651,248</u>	<u>(2,351,455)</u>

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City of Saint Paul, Minnesota
**COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
NONMAJOR ENTERPRISE FUNDS**
For the Fiscal Year Ended December 31, 2007

Schedule 20

	<u>Special Services</u>	<u>Watergate Marina</u>	<u>Impounding Lot</u>	<u>RiverPrint Saint Paul/ Ramsey County</u>	<u>Total</u>
OPERATING REVENUES					
Fees, Sales and Services	3,470,646	5,000	3,212,873	1,162,449	7,850,968
Rents and Leases	631,190	24,687	-	-	655,877
Miscellaneous	4,888	-	-	14,277	19,165
Total Operating Revenues	4,106,724	29,687	3,212,873	1,176,726	8,526,010
OPERATING EXPENSES					
Cost of Merchandise Sold	203,373	-	-	-	203,373
Salaries	2,114,506	-	907,289	338,603	3,360,398
Employee Fringe Benefits	560,797	-	353,457	117,379	1,031,633
Services	532,711	2,737	1,520,585	381,411	2,437,444
Materials and Supplies	635,261	-	68,884	511,646	1,215,791
Depreciation	286,244	5,332	4,940	34,750	331,266
Bad Debts	10,489	-	-	-	10,489
Total Operating Expenses	4,343,381	8,069	2,855,155	1,383,789	8,590,394
OPERATING INCOME (LOSS)	(236,657)	21,618	357,718	(207,063)	(64,384)
NON-OPERATING REVENUES (EXPENSES)					
Investment Income					
Interest Earned on Investments	42,641	-	-	-	42,641
Increase in Fair Value of Investments	2,918	-	-	-	2,918
Interest Expense					
Revenue Bonds	(314,799)	-	-	-	(314,799)
Capital Lease	(6,550)	-	-	-	(6,550)
Amortization of Bond Issuance Costs	(5,684)	-	-	-	(5,684)
Total Non-Operating Revenues (Expenses)	(281,474)	-	-	-	(281,474)
Income (Loss) Before Capital Contributions and Transfers	(518,131)	21,618	357,718	(207,063)	(345,858)
Transfers In	296,000	-	-	-	296,000
Transfers Out	(68,017)	-	(396,696)	(65,000)	(529,713)
Change in Net Assets	(290,148)	21,618	(38,978)	(272,063)	(579,571)
NET ASSETS, January 1	(3,387,615)	(224,561)	916,981	923,311	(1,771,884)
NET ASSETS, December 31	(3,677,763)	(202,943)	878,003	651,248	(2,351,455)

City of Saint Paul, Minnesota
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Fiscal Year Ended December 31, 2007

Schedule 21

	Special Services	Watergate Marina	Impounding Lot	River Print Saint Paul/ Ramsey County	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers	4,103,668	29,687	2,934,932	783,298	7,851,585
Receipts from Other Funds for Services Provided	8,494	-	21,311	368,777	398,582
Payment to Suppliers	(1,061,914)	(600)	(1,491,212)	(767,472)	(3,321,198)
Payment to Employees	(2,608,185)	-	(1,168,776)	(436,747)	(4,213,708)
Payment to Other Funds for Services Used	(226,039)	(1,976)	(13,952)	(91,015)	(332,982)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	216,024	27,111	282,303	(143,159)	382,279
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers In from Other Funds	296,000	-	-	-	296,000
Transfers Out to Other Funds	(68,017)	-	(396,696)	(65,000)	(529,713)
Advance Received for Pooled Cash and Investments Overdraft	370,324	-	-	-	370,324
Repayment of Advance Received for Pooled Cash and Investments Overdrafts	-	(27,111)	-	-	(27,111)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	598,307	(27,111)	(396,696)	(65,000)	109,500
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Principal Paid on					
Revenue Bonds	(205,000)	-	-	-	(205,000)
Capital Lease	(279,318)	-	-	-	(279,318)
Payments for Acquisition and Construction of Capital Assets					
Equipment	(40,621)	-	-	-	(40,621)
Interest Paid On					
Revenue Bonds	(327,813)	-	-	-	(327,813)
Capital Lease	(7,233)	-	-	-	(7,233)
NET CASH PROVIDED (USED) IN CAPITAL AND RELATED FINANCING ACTIVITIES	(859,985)	-	-	-	(859,985)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and Dividends Received	42,765	-	-	-	42,765
Increase (Decrease) in Fair Value of Investments	2,889	-	-	-	2,889
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	45,654	-	-	-	45,654
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	-	(114,393)	(208,159)	(322,552)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	5,500	-	1,009,324	619,176	1,634,000
CASH AND CASH EQUIVALENTS AT END OF YEAR	5,500	-	894,931	411,017	1,311,448

continued

City of Saint Paul, Minnesota
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Fiscal Year Ended December 31, 2007

Schedule 21

	Special Services	Watergate Marina	Impounding Lot	River Print Saint Paul/ Ramsey County	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	(236,657)	21,618	357,718	(207,063)	(64,384)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities					
Depreciation	286,244	5,332	4,940	34,750	331,266
Increase (Decrease) in Allowance for Uncollectible Accounts/Loans	(7,684)	-	(9,599)	-	(17,283)
Changes in Assets and Liabilities (Increase) Decrease in					
Accounts Receivable	31,619	-	(246,376)	213	(214,544)
Due from Other Funds	(8,478)	-	(655)	1,707	(7,426)
Due from Component Units	-	-	-	(13,321)	(13,321)
Due from Other Governmental Units	470	-	(162)	(13,251)	(12,943)
Inventories	36,759	-	(110,573)	12,936	(60,878)
Increase (Decrease) in					
Accrued Salaries Payable	19,171	-	10,359	3,866	33,396
Accounts Payable	55,933	-	211,893	29,230	297,056
Due to Other Funds	1,544	-	3,083	(6,580)	(1,953)
Due to Other Governmental Units	(7,136)	161	(2,194)	(128)	(9,297)
Unearned Revenue	-	-	162	-	162
Compensated Absences Payable	(64,818)	-	28,108	6,170	(30,540)
Net Other Postemployment Benefits Obligation	109,057	-	35,599	8,312	152,968
Total Adjustments	452,681	5,493	(75,415)	63,904	446,663
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	216,024	27,111	282,303	(143,159)	382,279
DETAILS OF CASH AND CASH EQUIVALENTS					
Cash and Investments with Treasurer	-	-	893,931	411,017	1,304,948
Imprest Funds	5,500	-	1,000	-	6,500
TOTAL CASH AND CASH EQUIVALENTS	5,500	-	894,931	411,017	1,311,448

Internal Service Funds

Internal Service funds account for the financing of goods or services provided by one department to other departments or to other governmental units.

City Attorney - Outside Services - to account for recoverable legal services rendered to non-city agencies.

Risk Management Retention - to account for the management of the city's workers' compensation, property insurance and tort liability claims.

Internal Borrowing - to account for internal borrowing from the city's cash pool and assets secured to support repayment of loan principal with interest to the pool.

Purchasing's Value Added Services - to account for the service provided by the purchasing division to users such as Ramsey County, the City of Saint Paul, and various smaller agencies.

Information Systems - to account for the costs associated with the design and implementation of new information systems.

City-Wide Data Processing - to account for information services provided to Safety and Inspections, Planning and Economic Development, and Public Works financed through special funds.

Equipment Services Fire-Police - to account for the operations of the Public Safety repair shop.

Public Works Engineering - to account for recoverable engineering and professional services rendered by the Department of Public Works.

Energy Conservation Investment - to account for energy conservation measures implemented in city-owned buildings under the Xcel Energy Recommissioning Program.

Public Works Traffic, Signal and Lighting Maintenance - to account for costs incurred by city forces to maintain or upgrade traffic sign, street marking, traffic signal, and street lighting infrastructure.

Asphalt Plant - to account for the manufacturing of asphalt products.

Public Works Equipment - to account for the purchase and repair of most vehicles used by the Department of Public Works.

Public Works Administration - to account for the costs of administrative services provided for the divisions of the Department of Public Works.

continued

Parks and Recreation Special Projects - to account for materials purchased and design services performed by the Division of Parks and Recreation for other departments' capital funds, and outside parties.

Parks and Recreation Supply and Maintenance - to account for all supplies, materials, repair parts, and equipment purchased for use in park and playground maintenance and repair and the recovery of the costs thereof.

Planning and Economic Development Administration - to account for administrative operations within the Department of Planning and Economic Development.

	City Attorney- Outside Services	Risk Management Retention	Internal Borrowing	Purchasing's Value Added Services	Information Systems	City-Wide Data Processing	Equipment Services Fire-Police	Public Works Engineering	Energy Conservation Investment
ASSETS									
Current Assets									
Cash and Investments with Treasurer	-	466,662	-	673,683	54,949	-	66,243	2,752,121	-
Imprest Funds	-	-	-	150	-	-	100	150	-
Receivables									
Accounts (net of allowance for estimated uncollectibles)	-	60,549	-	102,362	-	-	20,088	156,248	-
Accrued Interest	-	-	97,850	-	-	-	-	-	-
Due from Other Funds	227,220	-	292,610	-	-	43,834	435,741	44,184	2,730
Due from Component Units	-	-	-	-	-	-	-	-	-
Due from Other Governmental Units	142,283	127,021	-	7,347	-	-	11,858	-	-
Inventories - Materials and Supplies	-	-	-	-	-	-	273,942	-	-
Prepaid Items	-	267,506	-	-	-	-	-	3,966,359	-
Total Current Assets	369,503	921,738	390,460	783,542	54,949	43,834	807,972	6,919,062	2,730
Non-Current Assets									
Other Assets									
Advance to Other Funds	-	-	2,147,343	-	-	-	-	-	-
Other Long-Term Loans Receivable	-	-	10,337,069	-	-	-	-	-	-
Total Other Assets	-	-	12,484,412	-	-	-	-	-	-
Capital Assets									
Land	-	-	-	-	-	-	-	32,000	-
Buildings and Structures	-	-	-	-	-	-	1,140,446	-	-
Less: Accumulated Depreciation	-	-	-	-	-	-	(712,376)	-	-
Equipment	17,624	-	-	10,353	-	-	485,599	1,471,071	-
Less: Accumulated Depreciation	(17,624)	-	-	(2,071)	-	-	(235,450)	(1,250,115)	-
Total Capital Assets	-	-	-	8,282	-	-	678,219	252,956	-
Total Noncurrent Assets	-	-	12,484,412	8,282	-	-	678,219	252,956	-
TOTAL ASSETS	369,503	921,738	12,874,872	791,824	54,949	43,834	1,486,191	7,172,018	2,730
LIABILITIES									
Current Liabilities (Payable from Current Assets)									
Interfund Payable for Pooled									
Cash and Investments Overdrafts	153,218	-	-	-	-	35,784	-	-	1,286
Accrued Salaries Payable	52,214	-	-	38,554	-	6,810	44,114	235,016	-
Accounts Payable	852	39,630	-	2,872	-	-	164,201	16,792	4,174
Due to Other Funds	9,501	-	8,301,983	7,018	-	1,240	33,638	66,506	-
Due to Component Units	-	-	-	-	-	-	-	-	-
Due to Other Governmental Units	-	251,145	-	-	-	-	-	4,330	-
Unearned Revenue	-	-	1,284,580	362,523	-	-	-	1,866,230	-
Compensated Absences Payable	3,428	-	-	3,264	-	-	3,818	17,228	-
Capital Lease Payable	-	-	-	-	-	-	-	-	-
Accrued Interest Payable	-	-	-	-	-	-	-	-	-
Capital Lease	-	-	-	-	-	-	-	-	-
Total Current Liabilities (Payable from Current Assets)	219,213	290,775	9,586,563	414,231	-	43,834	245,771	2,206,102	5,460
Noncurrent Liabilities									
Capital Lease Payable	-	-	-	-	-	-	-	-	-
Advance from Other Funds	-	-	290,000	-	-	-	-	-	-
Compensated Absences Payable	91,534	-	-	79,292	-	-	82,800	439,724	-
Net Other Postemployment Benefits Obligation	26,847	-	-	41,015	-	-	47,446	117,974	-
Total Noncurrent Liabilities	118,381	-	290,000	120,307	-	-	130,246	557,698	-
TOTAL LIABILITIES	337,594	290,775	9,876,563	534,538	-	43,834	376,017	2,763,800	5,460
NET ASSETS									
Invested in Capital Assets, Net of Related Debt	-	-	-	8,282	-	-	678,219	252,956	-
Unrestricted	31,909	630,963	2,998,309	249,004	54,949	-	431,955	4,155,262	(2,730)
TOTAL NET ASSETS	31,909	630,963	2,998,309	257,286	54,949	-	1,110,174	4,408,218	(2,730)

continued

City of Saint Paul, Minnesota
 COMBINING STATEMENT OF NET ASSETS
 INTERNAL SERVICE FUNDS
 December 31, 2007

	Public Works Traffic, Signal and Lighting Maintenance	Asphalt Plant	Public Works Equipment	Public Works Administration	Parks and Recreation Special Projects	Parks and Recreation Supply and Maintenance	Planning and Economic Development Administration	Total
ASSETS								
Current Assets								
Cash and Investments with Treasurer Imprest Funds	-	701,396	447,738	855,612	102,036	1,453,325	1,256,768	8,830,533
Receivables	225	50	-	100	-	-	200	975
Accounts (net of allowance for estimated uncollectibles)	213,569	92,759	82	2,179	-	3,728	9,515	661,079
Accrued Interest	-	-	-	-	-	-	-	97,850
Due from Other Funds	122,082	-	1,006,754	108,129	289,991	551,961	1,276,653	4,401,889
Due from Component Units	10,716	-	47,284	-	-	-	-	58,000
Due from Other Governmental Units	50,890	9,791	47,371	39,589	-	1,238	13,142	450,530
Inventories - Materials and Supplies	1,042,093	264,400	606,721	-	-	181,394	-	2,368,550
Prepaid Items	-	-	6,936	-	-	-	-	4,240,801
Total Current Assets	1,439,575	1,068,396	2,162,886	1,005,609	392,027	2,191,646	2,556,278	21,110,207
Non-Current Assets								
Other Assets								
Advance to Other Funds	-	-	-	75,000	-	-	-	2,222,343
Other Long-Term Loans Receivable	-	-	-	-	-	-	-	10,337,069
Total Other Assets	-	-	-	75,000	-	-	-	12,559,412
Capital Assets								
Land	-	23,664	25,243	-	-	-	-	80,907
Buildings and Structures	59,649	697,930	1,678,617	6,487,455	-	15,608	-	10,079,705
Less: Accumulated Depreciation	(31,841)	(671,409)	(1,266,562)	(2,954,348)	-	(3,295)	-	(5,639,831)
Equipment	1,065,535	338,059	21,238,344	817,253	37,498	738,999	163,256	26,383,591
Less: Accumulated Depreciation	(796,904)	(236,109)	(16,118,733)	(646,743)	(34,495)	(401,586)	(144,524)	(19,884,354)
Total Capital Assets	296,439	152,135	5,556,909	3,703,617	3,003	349,726	18,732	11,020,018
Total Noncurrent Assets	296,439	152,135	5,556,909	3,778,617	3,003	349,726	18,732	23,579,430
TOTAL ASSETS	1,736,014	1,220,531	7,719,795	4,784,226	395,030	2,541,372	2,575,010	44,689,637
LIABILITIES								
Current Liabilities (Payable from Current Assets)								
Interfund Payable for Pooled Cash and Investments Overdrafts	1,335,320	-	-	-	-	-	-	1,525,608
Accrued Salaries Payable	220,144	12,295	71,397	129,375	53,649	29,354	300,627	1,193,549
Accounts Payable	181,813	106,149	315,990	62,705	1,465	38,992	208,023	1,143,658
Due to Other Funds	141,611	4,050	48,160	984,639	10,890	9,928	59,158	9,678,322
Due to Component Units	-	-	-	24,972	-	-	-	24,972
Due to Other Governmental Units	-	144	-	-	-	351	6,971	262,941
Unearned Revenue	-	-	9,632	5,080	-	-	-	3,528,045
Compensated Absences Payable	9,951	980	5,842	11,577	4,594	3,584	24,236	88,502
Capital Lease Payable	-	-	-	149,908	-	-	-	149,908
Accrued Interest Payable	-	-	-	-	-	-	-	-
Capital Lease	-	-	-	23,275	-	-	-	23,275
Total Current Liabilities (Payable from Current Assets)	1,888,839	123,618	451,021	1,391,531	70,598	82,209	599,015	17,618,780
Noncurrent Liabilities								
Capital Lease Payable	-	-	-	1,928,250	-	-	-	1,928,250
Advance from Other Funds	228,783	-	-	483,533	-	-	-	1,002,316
Compensated Absences Payable	287,071	23,411	139,561	321,828	133,766	70,469	719,186	2,388,642
Net Other Postemployment Benefits Obligation	168,469	16,947	114,701	99,574	52,781	68,120	273,864	1,027,738
Total Noncurrent Liabilities	684,323	40,358	254,262	2,833,185	186,547	138,589	993,050	6,346,946
TOTAL LIABILITIES	2,573,162	163,976	705,283	4,224,716	257,145	220,798	1,592,065	23,965,726
NET ASSETS								
Invested in Capital Assets, Net of Related Debt Unrestricted	296,439	152,135	5,556,909	1,141,926	3,003	349,726	18,732	8,458,327
	(1,133,587)	904,420	1,457,603	(582,416)	134,882	1,970,848	964,213	12,265,584
TOTAL NET ASSETS	(837,148)	1,056,555	7,014,512	559,510	137,885	2,320,574	982,945	20,723,911

City of Saint Paul, Minnesota
 COMBINING STATEMENT OF REVENUES,
 EXPENSES AND CHANGES IN FUND NET ASSETS
 INTERNAL SERVICE FUNDS
 For the Fiscal Year Ended December 31, 2007

Schedule 23

	City Attorney- Outside Services	Risk Management Retention	Internal Borrowing	Purchasing's Value Added Services	Information Systems	City-Wide Data Processing	Equipment Services Fire-Police	Public Works Engineering	Energy Conservation Investment
OPERATING REVENUES									
Fees, Sales and Services	1,036,830	1,165,062	-	1,143,356	-	151,913	2,941,765	6,309,770	-
Rents and Leases	-	-	-	-	-	-	-	-	-
Interest Earned on Loans	-	-	675,404	-	-	-	-	-	-
Miscellaneous	-	671,436	-	-	161,225	-	120	100	-
Total Operating Revenues	1,036,830	1,836,498	675,404	1,143,356	161,225	151,913	2,941,885	6,309,870	-
OPERATING EXPENSES									
Cost of Merchandise Sold	-	-	-	-	-	-	-	-	-
Salaries	685,836	-	-	639,331	-	108,552	750,159	2,936,818	-
Employee Fringe Benefits	249,607	1,631,303	-	232,842	-	34,632	303,387	1,062,639	-
Services	36,761	514,016	-	208,570	-	8,729	137,583	1,154,800	2,730
Materials and Supplies	11,784	55	-	9,179	-	-	1,744,501	115,489	-
Depreciation	-	-	-	2,071	-	-	42,376	123,189	-
Bad Debts	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	425,443	-	-	-	-	55	-
Total Operating Expenses	983,988	2,145,374	425,443	1,091,993	-	151,913	2,978,006	5,392,990	2,730
OPERATING INCOME (LOSS)	52,842	(308,876)	249,961	51,363	161,225	-	(36,121)	916,880	(2,730)
NON-OPERATING REVENUES (EXPENSES)									
Intergovernmental Revenue	-	147,628	-	-	-	-	-	-	-
Operating Grants	2,000	-	-	-	-	-	-	-	-
Gain on Sale of Assets	-	-	-	-	-	-	-	4,700	-
Loss on Retirement of Assets	-	-	-	(1,855)	-	-	(3,397)	-	-
Interest Expense on Capital Lease	-	-	-	-	-	-	-	-	-
Interest Expense on Advance from Other Fund	-	-	-	-	-	-	-	-	-
Miscellaneous Nonoperating Expense	-	-	-	-	-	-	-	-	-
Total Non-Operating Revenues (Expenses)	2,000	147,628	-	(1,855)	-	-	(3,397)	4,700	-
Income (Loss) Before Capital Contributions and Transfers	54,842	(161,248)	249,961	49,508	161,225	-	(39,518)	921,580	(2,730)
Transfers In	-	-	-	-	-	-	-	-	-
Transfers Out	(52,887)	-	(25,000)	-	-	-	(25,000)	(645,348)	-
Change in Net Assets	1,955	(161,248)	224,961	49,508	161,225	-	(64,518)	276,232	(2,730)
NET ASSETS, January 1	29,954	792,211	2,773,348	207,778	(106,276)	-	1,174,692	4,131,986	-
NET ASSETS, December 31	31,909	630,963	2,998,309	257,286	54,949	-	1,110,174	4,408,218	(2,730)

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City of Saint Paul, Minnesota
 COMBINING STATEMENT OF REVENUES,
 EXPENSES AND CHANGES IN FUND NET ASSETS
 INTERNAL SERVICE FUNDS
 For the Fiscal Year Ended December 31, 2007

	Public Works Traffic, Signal and Lighting Maintenance	Asphalt Plant	Public Works Equipment	Public Works Administration	Parks and Recreation Special Projects	Parks and Recreation Supply and Maintenance	Planning and Economic Development Administration	Total
OPERATING REVENUES								
Fees, Sales and Services	3,565,593	2,345,902	5,779,424	3,340,020	1,285,794	2,582,567	8,263,147	39,911,143
Rents and Leases	-	-	8,000	1,637,518	-	-	-	1,645,518
Interest Earned on Loans	-	-	-	-	-	-	-	675,404
Miscellaneous	337,855	-	6,787	-	7,020	200	-	1,184,743
Total Operating Revenues	3,903,448	2,345,902	5,794,211	4,977,538	1,292,814	2,582,767	8,263,147	43,416,808
OPERATING EXPENSES								
Cost of Merchandise Sold	-	-	-	-	-	589,223	-	589,223
Salaries	3,829,245	237,869	1,194,771	2,071,326	837,487	594,918	5,052,660	18,938,972
Employee Fringe Benefits	1,963,580	86,305	534,579	798,374	324,300	261,789	1,917,904	9,401,241
Services	1,804,328	110,039	735,707	946,906	135,790	239,623	1,470,444	7,506,026
Materials and Supplies	3,063,125	1,880,404	2,565,817	502,721	7,285	145,769	73,947	10,120,076
Depreciation	93,935	13,604	1,063,314	479,331	2,310	63,868	5,758	1,889,756
Bad Debts	62,200	36,763	-	6,023	-	-	-	104,986
Miscellaneous	16,075	-	-	9,655	-	-	2,065	453,293
Total Operating Expenses	10,832,488	2,364,984	6,094,188	4,814,336	1,307,172	1,895,190	8,522,778	49,003,573
OPERATING INCOME (LOSS)	(6,929,040)	(19,082)	(299,977)	163,202	(14,358)	687,577	(259,631)	(5,586,765)
NON-OPERATING REVENUES (EXPENSES)								
Intergovernmental Revenue	2,254,648	-	-	-	-	-	-	2,402,276
Operating Grants	-	-	-	-	-	-	675,000	677,000
Gain on Sale of Assets	-	7,295	13,098	-	-	-	-	25,093
Loss on Retirement of Assets	-	-	(670)	-	-	-	-	(5,922)
Interest Expense on Capital Lease	-	-	-	(110,309)	-	-	-	(110,309)
Interest Expense on Advance from Other Fund	-	-	-	(49,513)	-	-	-	(49,513)
Miscellaneous Nonoperating Expense	-	-	-	(30,897)	-	-	-	(30,897)
Total Non-Operating Revenues (Expenses)	2,254,648	7,295	12,428	(190,719)	-	-	675,000	2,907,728
Income (Loss) Before Capital Contributions and Transfers	(4,674,392)	(11,787)	(287,549)	(27,517)	(14,358)	687,577	415,369	(2,679,037)
Transfers In	3,219,698	-	-	364,166	-	-	-	3,583,864
Transfers Out	(14,581)	-	-	(824,566)	-	(14,100)	(249,866)	(1,851,348)
Change in Net Assets	(1,469,275)	(11,787)	(287,549)	(487,917)	(14,358)	673,477	165,503	(946,521)
NET ASSETS, January 1	632,127	1,068,342	7,302,061	1,047,427	152,243	1,647,097	817,442	21,670,432
NET ASSETS, December 31	(837,148)	1,056,555	7,014,512	559,510	137,885	2,320,574	982,945	20,723,911

City of Saint Paul, Minnesota
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended December 31, 2007

	City Attorney- Outside Services	Risk Management Retention	Internal Borrowing	Purchasing's Value Added Services	Information Systems	City-Wide Data Processing	Equipment Services Fire-Police	Public Works Engineering	Energy Conservation Investment
CASH FLOWS FROM OPERATING ACTIVITIES									
Receipts from Loan Recipients and Other Customers	428,750	213,204	2,263,333	532,216	12,242	-	179,536	57,954	-
Receipts from Other Funds for Services Provided	516,483	1,642,191	-	439,927	148,983	151,212	2,540,162	4,981,796	-
Other Operating Receipts	-	252,649	-	-	-	-	3,691	100	-
Payment to Suppliers	(47,329)	(229,683)	-	(273,500)	-	-	(1,864,188)	(1,350,255)	(1,286)
Payment to Employees	(861,375)	(1,631,303)	-	(845,362)	-	(143,623)	(997,010)	(3,804,324)	-
Payment to Other Funds for Services Used	(977)	(12,923)	(425,443)	(3,232)	-	(8,729)	(30,378)	(942,827)	-
Other Operating Payments	-	-	-	-	-	-	-	(43,907)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	35,552	234,135	1,837,890	(149,951)	161,225	(1,140)	(168,187)	(1,101,463)	(1,286)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES									
Transfers In from Other Funds	-	-	-	-	-	-	-	-	-
Transfers Out to Other Funds	(132,886)	-	(25,000)	-	-	-	(25,000)	(624,853)	-
Operating Grants Received	-	20,607	-	-	-	-	-	-	-
Noncapital Contributions Received from Outside Sources	2,000	-	-	-	-	-	-	-	-
Advance Received for Pooled Cash and Investments Overdraft	95,334	-	-	-	-	1,140	-	-	1,286
Advance Received from Other Funds	-	-	8,301,983	-	-	-	-	-	-
Repayment of Advance Made to Other Funds	-	-	-	-	-	-	-	-	-
Repayment of Advance Received for Pooled Cash and Investments Overdraft	-	-	-	-	-	-	-	-	-
Repayment of Advance Received from Other Funds	-	-	(10,114,873)	-	(170,000)	-	-	-	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	(35,552)	20,607	(1,837,890)	-	(170,000)	1,140	(25,000)	(624,853)	1,286
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES									
Cash Proceeds from Issuance of									
Capital Lease	-	-	-	-	-	-	-	-	-
Proceeds from Sale of Capital Assets									
Equipment	-	-	-	-	-	-	-	4,700	-
Principal Paid on									
Capital Lease	-	-	-	-	-	-	-	-	-
Advance from Other Funds	-	-	-	-	-	-	-	-	-
Payments for Acquisition and Construction of Capital Assets									
Buildings and Structures	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	(10,353)	-	-	(182,348)	(102,910)	-
Interest Paid On									
Capital Lease	-	-	-	-	-	-	-	-	-
Advance from Other Funds	-	-	-	-	-	-	-	-	-
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	-	-	-	(10,353)	-	-	(182,348)	(98,210)	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	254,742	-	(160,304)	(8,775)	-	(375,535)	(1,824,526)	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	-	211,920	-	834,137	63,724	-	441,878	4,576,797	-
CASH AND CASH EQUIVALENTS AT END OF YEAR	-	466,662	-	673,833	54,949	-	66,343	2,752,271	-

continued

City of Saint Paul, Minnesota
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended December 31, 2007

	City Attorney- Outside Services	Risk Management Retention	Internal Borrowing	Purchasing's Value Added Services	Information Systems	City-Wide Data Processing	Equipment Services Fire-Police	Public Works Engineering	Energy Conservation Investment
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES									
Operating Income (Loss)	52,842	(308,876)	249,961	51,363	161,225	-	(36,121)	916,880	(2,730)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities									
Depreciation	-	-	-	2,071	-	-	42,376	123,189	-
Increase (Decrease) in Allowance for Uncollectible Accounts	-	-	(72,744)	-	-	-	(9,598)	-	-
Nonoperating Miscellaneous Other Expense Paid	-	-	-	-	-	-	-	-	-
Changes in Assets and Liabilities									
(Increase) Decrease in									
Accounts Receivable	-	33,073	20,833	(99,482)	-	-	(10,434)	(28,133)	-
Notes and Loans Receivable	-	-	1,427,702	-	-	-	-	-	-
Accrued Interest Receivable	-	-	15,108	-	-	-	-	-	-
Due from Other Funds	(59,528)	238,472	255,257	8,758	-	(702)	(190,077)	(44,092)	-
Due from Component Units	-	-	-	-	-	-	-	-	-
Due from Other Governmental Units	(32,069)	-	-	10,496	-	-	(8,387)	-	-
Inventories	-	-	-	-	-	-	(47,461)	-	-
Prepaid Items	-	11,851	-	-	-	-	-	(965,984)	-
Increase (Decrease) in									
Accrued Salaries Payable	16,966	-	-	4,328	-	(422)	1,023	40,498	-
Accounts Payable	240	21,393	-	(58,983)	-	-	16,722	(43,553)	1,444
Due to Other Funds	3,352	(12,923)	-	1,047	-	(16)	18,795	(41,382)	-
Due to Component Units	-	-	-	-	-	-	-	(11,505)	-
Due to Other Governmental Units	-	251,145	-	-	-	-	-	4,289	-
Unearned Revenue	-	-	(58,227)	(90,984)	-	-	-	(1,197,796)	-
Compensated Absences Payable	26,902	-	-	(19,580)	-	-	7,529	28,152	-
Net Other Postemployment Benefits Obligation	26,847	-	-	41,015	-	-	47,446	117,974	-
Total Adjustments	(17,290)	543,011	1,587,929	(201,314)	-	(1,140)	(132,066)	(2,018,343)	1,444
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	35,552	234,135	1,837,890	(149,951)	161,225	(1,140)	(168,187)	(1,101,463)	(1,286)
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET ASSETS									
Cash and Investments with Treasurer	-	466,662	-	673,683	54,949	-	66,243	2,752,121	-
Imprest Funds	-	-	-	150	-	-	100	150	-
TOTAL CASH AND CASH EQUIVALENTS	-	466,662	-	673,833	54,949	-	66,343	2,752,271	-
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES									
Loss on Retirement of Assets	-	-	-	(1,855)	-	-	(3,397)	-	-

continued

City of Saint Paul, Minnesota
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
 For the Fiscal Year Ended December 31, 2007

	Public Works Traffic, Signal and Lighting Maintenance	Asphalt Plant	Public Works Equipment	Public Works Administration	Parks and Recreation Special Projects	Parks and Recreation Supply and Maintenance	Planning and Economic Development Administration	Total
CASH FLOWS FROM OPERATING ACTIVITIES								
Receipts from Loan Recipients and Other Customers	1,607,711	1,058,622	226,257	163,192	99,815	23,791	383,460	7,250,083
Receipts from Other Funds for Services Provided	2,169,574	1,442,857	5,912,248	4,786,148	1,285,794	2,265,830	7,542,555	35,825,760
Other Operating Receipts	-	-	6,787	-	-	-	-	263,227
Payment to Suppliers	(3,283,542)	(1,896,844)	(2,783,004)	(1,163,017)	(14,070)	(792,553)	(727,450)	(14,426,721)
Payment to Employees	(5,574,969)	(303,387)	(1,582,933)	(2,722,645)	(1,106,995)	(848,166)	(6,627,399)	(27,049,491)
Payment to Other Funds for Services Used	(1,734,292)	(55,433)	(438,971)	(644,777)	(127,290)	(94,515)	(621,899)	(5,141,686)
Other Operating Payments	-	-	-	-	-	-	-	(43,907)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(6,815,518)	245,815	1,340,384	418,901	137,254	554,387	(50,733)	(3,322,735)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES								
Transfers In from Other Funds	3,383,335	-	-	517,726	-	-	-	3,901,061
Transfers Out to Other Funds	(14,581)	-	-	(736,401)	-	(14,100)	(249,866)	(1,822,687)
Operating Grants Received	2,254,648	-	-	-	-	-	-	2,275,255
Noncapital Contributions Received from Outside Sources	-	-	-	-	-	-	677,000	677,000
Advance Received for Pooled Cash and Investments Overdraft	1,252,535	-	-	-	-	-	-	1,350,295
Advance Received from Other Funds	-	-	-	-	-	-	-	8,301,983
Repayment of Advance Made to Other Funds	-	-	-	25,000	-	-	-	25,000
Repayment of Advance Received for Pooled Cash and Investments Overdraft	-	-	-	-	(35,218)	-	-	(35,218)
Repayment of Advance Received from Other Funds	(38,130)	-	-	-	-	-	-	(10,323,003)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	6,837,807	-	-	(193,675)	(35,218)	(14,100)	425,134	4,349,686
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES								
Cash Proceeds from Issuance of								
Capital Lease	-	-	-	2,150,657	-	-	-	2,150,657
Proceeds from Sale of Capital Assets								
Equipment	-	7,295	13,615	-	-	-	-	25,610
Principal Paid on								
Capital Lease	-	-	-	(2,248,841)	-	-	-	(2,248,841)
Advance from Other Funds	-	-	-	(341,645)	-	-	-	(341,645)
Payments for Acquisition and Construction of Capital Assets								
Buildings and Structures	-	-	-	(460,506)	-	-	-	(460,506)
Equipment	(22,289)	-	(1,342,727)	(57,546)	-	(42,596)	(15,606)	(1,776,375)
Interest Paid On								
Capital Lease	-	-	-	(110,309)	-	-	-	(110,309)
Advance from Other Funds	-	-	-	(49,513)	-	-	-	(49,513)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(22,289)	7,295	(1,329,112)	(1,117,703)	-	(42,596)	(15,606)	(2,810,922)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	253,110	11,272	(892,477)	102,036	497,691	358,795	(1,783,971)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	225	448,336	436,466	1,748,189	-	955,634	898,173	10,615,479
CASH AND CASH EQUIVALENTS AT END OF YEAR	225	701,446	447,738	855,712	102,036	1,453,325	1,256,968	8,831,508

continued

City of Saint Paul, Minnesota
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
 For the Fiscal Year Ended December 31, 2007

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	Public Works Traffic, Signal and Lighting Maintenance	Asphalt Plant	Public Works Equipment	Public Works Administration	Parks and Recreation Special Projects	Parks and Recreation Supply and Maintenance	Planning and Economic Development Administration	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO								
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES								
Operating Income (Loss)	(6,929,040)	(19,082)	(299,977)	163,202	(14,358)	687,577	(259,631)	(5,586,765)
Adjustments to Reconcile Operating Income to								
Net Cash Provided (Used) by Operating Activities								
Depreciation	93,935	13,604	1,063,314	479,331	2,310	63,868	5,758	1,889,756
Increase (Decrease) in Allowance for								
Uncollectible Accounts	62,200	2,555	-	1,293	(9,599)	-	-	(25,893)
Nonoperating Miscellaneous Other Expense Paid	-	-	-	(38,689)	-	-	-	(38,689)
Changes in Assets and Liabilities								
(Increase) Decrease in								
Accounts Receivable	(115,037)	48,468	131	(1,488)	9,599	5,778	(9,515)	(146,207)
Notes and Loans Receivable	-	-	-	-	-	-	-	1,427,702
Accrued Interest Receivable	-	-	-	-	-	-	-	15,108
Due from Other Funds	(70,153)	113,158	368,933	(34,769)	92,795	(302,140)	(351,980)	23,932
Due from Component Units	2,058	5,468	(11,893)	27,791	-	-	-	23,424
Due from Other Governmental Units	56,970	22,691	(15,722)	(16,129)	-	3,216	24,364	45,430
Inventories	(42,597)	(22,506)	(38,259)	-	-	(2,261)	-	(153,084)
Prepaid Items	-	-	4,922	-	-	-	-	(949,211)
Increase (Decrease) in								
Accrued Salaries Payable	6,166	234	6,692	14,341	4,800	(2,812)	7,983	99,797
Accounts Payable	4,913	60,985	96,394	(323,758)	577	18,371	199,606	(5,649)
Due to Other Funds	(95,503)	(177)	18,186	(466)	2,369	4,097	(5,652)	(108,273)
Due to Component Units	-	-	-	17,743	-	-	-	6,238
Due to Other Governmental Units	-	(2)	-	-	-	(1,059)	6,392	260,765
Unearned Revenue	-	-	9,632	1,128	-	-	-	(1,336,247)
Compensated Absences Payable	42,101	3,472	23,330	29,797	(4,020)	11,632	58,078	207,393
Net Other Postemployment Benefits Obligation	168,469	16,947	114,701	99,574	52,781	68,120	273,864	1,027,738
Total Adjustments	113,522	264,897	1,640,361	255,699	151,612	(133,190)	208,898	2,264,030
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(6,815,518)	245,815	1,340,384	418,901	137,254	554,387	(50,733)	(3,322,735)
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE								
STATEMENT OF NET ASSETS								
Cash and Investments with Treasurer	-	701,396	447,738	855,612	102,036	1,453,325	1,256,768	8,830,533
Imprest Funds	225	50	-	100	-	-	200	975
TOTAL CASH AND CASH EQUIVALENTS	225	701,446	447,738	855,712	102,036	1,453,325	1,256,968	8,831,508
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES								
Loss on Retirement of Assets	-	-	(670)	-	-	-	-	(5,922)

Fiduciary Funds

Agency Funds

Agency funds account for assets held in a custodial capacity for others and/or other funds.

Employee Withholding - to account for monies withheld from employees' salaries and remitted to governmental and outside agencies.

Miscellaneous - to account for proceeds from Comcast for distribution relating to the city's Cable Access Program and to account for taxes levied and collected by Ramsey County and remitted to the Port Authority of the City of Saint Paul.

Unclaimed Property - to account for outstanding checks, which have been written off and are being held under the Minnesota Uniform Disposition of Unclaimed Property Act.

Suspense - to account for receipts and disbursements for which proper accounting cannot be made at time of transaction.

Minnesota Selective Excise Tax Collection - to account for receipts and disbursements of sales tax as required by the Tax Reform and Relief Act.

Building Permits - State Surcharge - to account for city collection of building permit surcharge.

Confiscated and Unclaimed Monies - to account for cash received by the Police Department that is lost, unclaimed, or contraband collected during the course of Police business.

Arbitrage Rebate - to account for the arbitrage rebate due to the Federal Government on the city's bond issues.

City of Saint Paul, Minnesota
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
ALL AGENCY FUNDS
 December 31, 2007

Schedule 25

	<u>Employee Withholding</u>	<u>Miscellaneous</u>	<u>Unclaimed Property</u>	<u>Suspense</u>	<u>Minnesota Selective Excise Tax Collection</u>	<u>Building Permits State Surcharge</u>	<u>Confiscated and Unclaimed Monies</u>	<u>Arbitrage Rebate</u>	<u>Total</u>
ASSETS									
Cash and Investments with Treasurer	857,318	63,683	15,418	357,854	48,473	11,047	1,623,582	1,003,409	3,980,784
Receivables									
Property Taxes - Due from Ramsey County	-	14,662	-	-	-	-	-	-	14,662
Accounts (net of allowance for estimated uncollectibles)	-	-	-	-	6,661	-	-	-	6,661
Accrued Interest	-	-	-	-	-	-	-	11,015	11,015
Due from Other Funds	-	-	-	-	8,665	-	-	-	8,665
Due from Other Governmental Units	-	-	-	-	1,655	-	-	-	1,655
TOTAL ASSETS	<u>857,318</u>	<u>78,345</u>	<u>15,418</u>	<u>357,854</u>	<u>65,454</u>	<u>11,047</u>	<u>1,623,582</u>	<u>1,014,424</u>	<u>4,023,442</u>
LIABILITIES									
Accounts Payable	341,008	78,345	-	357,854	-	-	1,623,582	-	2,400,789
Due to Other Governmental Units	516,310	-	15,418	-	65,454	11,047	-	1,014,424	1,622,653
TOTAL LIABILITIES	<u>857,318</u>	<u>78,345</u>	<u>15,418</u>	<u>357,854</u>	<u>65,454</u>	<u>11,047</u>	<u>1,623,582</u>	<u>1,014,424</u>	<u>4,023,442</u>

City of Saint Paul, Minnesota
**STATEMENT OF CHANGES IN ASSETS
 AND LIABILITIES - ALL AGENCY FUNDS**
 For the Fiscal Year Ended December 31, 2007

Schedule 26

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	Employee Withholding				Miscellaneous				Unclaimed Property			
	01/01/07	Additions	Deductions	12/31/07	01/01/07	Additions	Deductions	12/31/07	01/01/07	Additions	Deductions	12/31/07
ASSETS												
Cash and Investments with Treasurer	751,998	45,077,648	44,972,328	857,318	-	1,618,426	1,554,743	63,683	20,660	3,392	8,634	15,418
Receivables												
Property Taxes - Due from Ramsey County	-	-	-	-	16,220	14,662	16,220	14,662	-	-	-	-
Accounts (net of allowance for												
estimated uncollectibles)	-	-	-	-	-	-	-	-	-	-	-	-
Accrued Interest	-	-	-	-	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-	-	-	-	-
Due from Other Governmental Units	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	<u>751,998</u>	<u>45,077,648</u>	<u>44,972,328</u>	<u>857,318</u>	<u>16,220</u>	<u>1,633,088</u>	<u>1,570,963</u>	<u>78,345</u>	<u>20,660</u>	<u>3,392</u>	<u>8,634</u>	<u>15,418</u>
LIABILITIES												
Accounts Payable	374,161	6,273,866	6,307,019	341,008	16,220	1,633,088	1,570,963	78,345	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-	-	-	-	-
Due to Other Governmental Units	377,837	38,803,782	38,665,309	516,310	-	-	-	-	20,660	3,392	8,634	15,418
TOTAL LIABILITIES	<u>751,998</u>	<u>45,077,648</u>	<u>44,972,328</u>	<u>857,318</u>	<u>16,220</u>	<u>1,633,088</u>	<u>1,570,963</u>	<u>78,345</u>	<u>20,660</u>	<u>3,392</u>	<u>8,634</u>	<u>15,418</u>

continued

City of Saint Paul, Minnesota
**STATEMENT OF CHANGES IN ASSETS
 AND LIABILITIES - ALL AGENCY FUNDS**
 For the Fiscal Year Ended December 31, 2007

Schedule 26

	Suspense				Minnesota Selective Excise Tax Collection				Building Permits State Surcharge			
	01/01/07	Additions	Deductions	12/31/07	01/01/07	Additions	Deductions	12/31/07	01/01/07	Additions	Deductions	12/31/07
ASSETS												
Cash and Investments with Treasurer	525,000	616,703	783,849	357,854	31,870	1,109,552	1,092,949	48,473	19,564	203,528	212,045	11,047
Receivables												
Property Taxes - Due from Ramsey County	-	-	-	-	-	-	-	-	-	-	-	-
Accounts (net of allowance for												
estimated uncollectibles)	-	-	-	-	6,677	25,804	25,820	6,661	-	-	-	-
Accrued Interest	-	-	-	-	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	3,848	8,665	3,848	8,665	-	-	-	-
Due from Other Governmental Units	-	-	-	-	777	1,655	777	1,655	-	-	-	-
TOTAL ASSETS	525,000	616,703	783,849	357,854	43,172	1,145,676	1,123,394	65,454	19,564	203,528	212,045	11,047
LIABILITIES												
Accounts Payable	525,000	515,506	682,652	357,854	-	-	-	-	-	656	656	-
Due to Other Funds	-	101,197	101,197	-	-	-	-	-	-	-	-	-
Due to Other Governmental Units	-	-	-	-	43,172	1,703,603	1,681,321	65,454	19,564	202,872	211,389	11,047
TOTAL LIABILITIES	525,000	616,703	783,849	357,854	43,172	1,703,603	1,681,321	65,454	19,564	203,528	212,045	11,047

continued

City of Saint Paul, Minnesota
**STATEMENT OF CHANGES IN ASSETS
 AND LIABILITIES - ALL AGENCY FUNDS**
 For the Fiscal Year Ended December 31, 2007

Schedule 26

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	Confiscated and Unclaimed Monies				Arbitrage Rebate				Total			
	01/01/07	Additions	Deductions	12/31/07	01/01/07	Additions	Deductions	12/31/07	01/01/07	Additions	Deductions	12/31/07
ASSETS												
Cash and Investments with Treasurer	1,425,499	370,918	172,835	1,623,582	1,114,270	50,092	160,953	1,003,409	3,888,861	49,050,259	48,958,336	3,980,784
Receivables												
Property Taxes - Due from Ramsey County	-	-	-	-	-	-	-	-	16,220	14,662	16,220	14,662
Accounts (net of allowance for												
estimated uncollectibles)	-	-	-	-	-	-	-	-	6,677	25,804	25,820	6,661
Accrued Interest	-	-	-	-	10,784	11,015	10,784	11,015	10,784	11,015	10,784	11,015
Due from Other Funds	-	-	-	-	-	-	-	-	3,848	8,665	3,848	8,665
Due from Other Governmental Units	-	-	-	-	-	-	-	-	777	1,655	777	1,655
TOTAL ASSETS	<u>1,425,499</u>	<u>370,918</u>	<u>172,835</u>	<u>1,623,582</u>	<u>1,125,054</u>	<u>61,107</u>	<u>171,737</u>	<u>1,014,424</u>	<u>3,927,167</u>	<u>49,112,060</u>	<u>49,015,785</u>	<u>4,023,442</u>
LIABILITIES												
Accounts Payable	1,425,499	370,918	172,835	1,623,582	-	-	-	-	2,340,880	8,794,034	8,734,125	2,400,789
Due to Other Funds	-	-	-	-	-	-	-	-	-	101,197	101,197	-
Due to Other Governmental Units	-	-	-	-	1,125,054	61,107	171,737	1,014,424	1,586,287	40,774,756	40,738,390	1,622,653
TOTAL LIABILITIES	<u>1,425,499</u>	<u>370,918</u>	<u>172,835</u>	<u>1,623,582</u>	<u>1,125,054</u>	<u>61,107</u>	<u>171,737</u>	<u>1,014,424</u>	<u>3,927,167</u>	<u>49,669,987</u>	<u>49,573,712</u>	<u>4,023,442</u>

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**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULES BY SOURCE
December 31, 2007 and December 31, 2006**

	<u>2007</u>	<u>2006</u>
Governmental Funds Capital Assets:		
Land	141,886,389	141,357,601
Buildings and Structures	532,844,088	530,999,611
Improvements Other than Buildings	93,304,725	86,800,515
Equipment	58,263,984	56,951,677
Infrastructure	711,749,710	681,350,697
Construction in Progress	<u>33,607,969</u>	<u>37,671,629</u>
Total Governmental Funds Capital Assets	<u><u>1,571,656,865</u></u>	<u><u>1,535,131,730</u></u>
Investment in Governmental Funds Capital Assets by Source:		
Investment in Property Acquired Prior to January 1, 1976		
- Source Unidentified	37,803,630	37,803,630
Investment in Infrastructure Prior to January 1, 2002	616,493,117	619,614,485
General Obligation Bonds	227,086,920	186,210,828
Federal Grants	80,074,728	78,094,071
State Grants	111,700,594	102,469,403
County	32,037,276	31,980,747
Metro Grants	48,599,384	48,599,384
Expenditures from General Fund	44,870,845	45,759,176
Expenditures from Special Revenue Funds	17,103,743	16,083,008
Expenditures from Capital Projects Funds	253,704,923	270,888,851
Expenditures from Trust Funds	6,209,081	6,209,081
Other	<u>95,972,624</u>	<u>91,419,066</u>
Total Governmental Funds Capital Assets	<u><u>1,571,656,865</u></u>	<u><u>1,535,131,730</u></u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

City of Saint Paul, Minnesota
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
 December 31, 2007

Schedule 28

Function and Activity	Total	Land	Buildings and Structures	Improvements Other than Buildings	Equipment	Infrastructure	Construction in Progress
General Government							
Control							
Legislative	34,164	-	-	-	34,164	-	-
Executive	320,162	-	-	-	320,162	-	-
Total Control	354,326	-	-	-	354,326	-	-
Staff Agencies							
City Clerk	690,439	-	-	-	690,439	-	-
Technology and Management Services	1,352,205	-	-	-	1,352,205	-	-
City Attorney	284,003	-	-	-	284,003	-	-
General Government Buildings	37,931,054	483,516	37,355,256	35,753	-	-	56,529
Total Staff Agencies	40,257,701	483,516	37,355,256	35,753	2,326,647	-	56,529
Total General Government	40,612,027	483,516	37,355,256	35,753	2,680,973	-	56,529
Public Safety							
Police Protection	34,276,984	3,037,826	18,290,460	-	12,948,698	-	-
Fire Protection	30,995,099	563,058	10,823,221	274,334	19,334,486	-	-
Safety and Inspection	1,017,291	-	413,701	-	603,590	-	-
Total Public Safety	66,289,374	3,600,884	29,527,382	274,334	32,886,774	-	-
Highways and Streets	764,810,270	32,881,879	6,917,209	-	4,150,685	711,749,710	9,110,787
Culture and Recreation							
Office of Financial Services	9,148,195	9,148,195	-	-	-	-	-
Parks and Recreation	331,317,980	91,361,513	145,167,699	66,101,246	4,284,964	-	24,402,558
Library	50,157,824	1,325,284	43,369,353	-	5,463,187	-	-
RiverCentre	280,207,382	1,748,508	269,661,473	-	8,797,401	-	-
Total Culture and Recreation	670,831,381	103,583,500	458,198,525	66,101,246	18,545,552	-	24,402,558
Economic Development	29,113,813	1,336,610	845,716	26,893,392	-	-	38,095
Total Governmental Funds Capital Assets	1,571,656,865	141,886,389	532,844,088	93,304,725	58,263,984	711,749,710	33,607,969

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

City of Saint Paul, Minnesota
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
For the Fiscal Year Ended December 31, 2007

Schedule 29

<u>Function and Activity</u>	<u>Balance 01/01/07</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 12/31/07</u>
General Government Control				
Legislative	34,164	-	-	34,164
Executive	313,366	6,796	-	320,162
Total Control	347,530	6,796	-	354,326
Staff Agencies				
City Clerk	695,752	-	5,313	690,439
Technology and Management Services	1,517,382	22,732	187,909	1,352,205
City Attorney	284,003	-	-	284,003
General Government Buildings	37,874,525	56,529	-	37,931,054
Total Staff Agencies	40,371,662	79,261	193,222	40,257,701
Total General Government	40,719,192	86,057	193,222	40,612,027
Public Safety				
Police Protection	34,107,677	263,468	94,161	34,276,984
Fire Protection	29,343,204	2,116,431	464,536	30,995,099
Safety and Inspection	1,013,060	15,574	11,343	1,017,291
Total Public Safety	64,463,941	2,395,473	570,040	66,289,374
Highways and Streets	753,050,694	17,499,945	5,740,369	764,810,270
Culture and Recreation				
Office of Financial Services	9,148,195	-	-	9,148,195
Parks and Recreation	308,606,095	22,902,671	190,786	331,317,980
Library	49,822,418	335,406	-	50,157,824
RiverCentre	280,207,382	-	-	280,207,382
Total Culture and Recreation	647,784,090	23,238,077	190,786	670,831,381
Economic Development	29,113,813	-	-	29,113,813
Total Governmental Funds Capital Assets	1,535,131,730	43,219,552	6,694,417	1,571,656,865

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

City of Saint Paul, Minnesota
 SCHEDULE OF DELINQUENT TAXES RECEIVABLE
 ALL FUNDS
 December 31, 2007

Schedule 30

	FUNDS							
	Total	General	SPECIAL REVENUE		DEBT SERVICE		CAPITAL PROJECTS	ENTERPRISE
			Library Agency	HRA General Fund	General Debt Service	HRA General Debt Service	HRA Tax Increment	HRA Parking
Delinquent Taxes Receivable by Year								
Delinquent Taxes								
2007	1,751,262	1,030,864	250,276	22,166	193,705	93,675	143,828	16,748
2006	383,851	232,398	82,619	5,348	36,202	13,201	368	13,715
2005	132,093	84,510	19,114	1,675	12,326	2,649	-	11,819
2004 and Prior	107,969	116,500	8,143	(27)	(104,048)	87,401	-	-
Total Delinquent Taxes Receivable	<u>2,375,175</u>	<u>1,464,272</u>	<u>360,152</u>	<u>29,162</u>	<u>138,185</u>	<u>196,926</u>	<u>144,196</u>	<u>42,282</u>

City of Saint Paul, Minnesota
SCHEDULE OF CHANGES IN BONDS PAYABLE
For the Fiscal Year Ended December 31, 2007

Schedule 31

	Balance 01/01/07	Issued	Retired/ Defeased	Balance 12/31/07
General Long-Term Debt				
General Obligation Bonds				
Property Tax Supported	111,720,000	6,250,000	18,185,000	99,785,000
Special Assessment Debt with Governmental Commitment	33,535,000	12,500,000	3,615,000	42,420,000
HRA Tax Increment	15,490,000	3,895,000	5,275,000	14,110,000
Total General Obligation Bonds	<u>160,745,000</u>	<u>22,645,000</u>	<u>27,075,000</u>	<u>156,315,000</u>
Revenue Bonds				
Sales Tax Revenue Bonds	66,280,000	27,280,000	1,560,000	92,000,000
HRA Tax Increment Revenue Bonds	53,930,923	-	3,467,183	50,463,740
HRA Sales Tax Revenue Bonds	43,585,000	-	1,400,000	42,185,000
HRA Lease Revenue Bonds	6,570,000	-	425,000	6,145,000
Total Revenue Bonds	<u>170,365,923</u>	<u>27,280,000</u>	<u>6,852,183</u>	<u>190,793,740</u>
Total Bonds	<u>331,110,923</u>	<u>49,925,000</u>	<u>33,927,183</u>	<u>347,108,740</u>
Sewer Utility Enterprise Fund				
General Obligation Bonds - Self Supporting	3,275,000	-	215,000	3,060,000
Revenue Bonds	20,730,000	-	5,745,000	14,985,000
	<u>24,005,000</u>	<u>-</u>	<u>5,960,000</u>	<u>18,045,000</u>
Special Services Enterprise Fund				
Revenue Bonds	7,100,000	-	205,000	6,895,000
HRA Loan Enterprise Fund				
Revenue Bonds	12,455,000	-	3,320,000	9,135,000
HRA Parking Enterprise Fund				
General Obligation Bonds - Self Supporting	34,705,000	-	1,445,000	33,260,000
Revenue Bonds	53,795,000	-	1,815,000	51,980,000
	<u>88,500,000</u>	<u>-</u>	<u>3,260,000</u>	<u>85,240,000</u>
Total	<u>463,170,923</u>	<u>49,925,000</u>	<u>46,672,183</u>	<u>466,423,740</u>

DEBT SERVICE REQUIREMENTS TO MATURITY - GENERAL OBLIGATION BONDS

December 31, 2007

Fiscal Year	GENERAL OBLIGATION BONDS - PROPERTY TAX SUPPORTED (Governmental Activity)			GENERAL OBLIGATION SPECIAL ASSESSMENT DEBT WITH GOVERNMENTAL COMMITMENT (Governmental Activity)			GENERAL OBLIGATION BONDS - HRA TAX INCREMENT (Governmental Activity)		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2008	17,185,000	3,681,210.64	20,866,210.64	3,770,000	1,727,770.07	5,497,770.07	1,405,000	631,345.00	2,036,345.00
2009	15,960,000	3,028,225.01	18,988,225.01	3,445,000	1,568,802.57	5,013,802.57	1,475,000	563,589.50	2,038,589.50
2010	14,515,000	2,422,325.01	16,937,325.01	3,400,000	1,418,910.07	4,818,910.07	5,440,000	408,590.25	5,848,590.25
2011	12,580,000	1,891,481.26	14,471,481.26	3,625,000	1,267,952.57	4,892,952.57	1,615,000	248,892.00	1,863,892.00
2012	10,900,000	1,446,118.76	12,346,118.76	3,105,000	1,119,926.32	4,224,926.32	1,715,000	165,933.75	1,880,933.75
2013	9,240,000	1,079,271.88	10,319,271.88	3,130,000	979,865.69	4,109,865.69	450,000	111,897.50	561,897.50
2014	5,205,000	768,600.00	5,973,600.00	1,840,000	873,397.56	2,713,397.56	470,000	89,582.50	559,582.50
2015	4,195,000	556,300.00	4,751,300.00	2,725,000	784,272.56	3,509,272.56	490,000	65,940.00	555,940.00
2016	2,435,000	406,611.25	2,841,611.25	2,280,000	687,753.81	2,967,753.81	515,000	40,615.63	555,615.63
2017	1,390,000	318,606.25	1,708,606.25	2,190,000	599,885.06	2,789,885.06	535,000	13,709.38	548,709.38
2018	1,000,000	266,050.00	1,266,050.00	1,270,000	531,085.06	1,801,085.06	-	-	-
2019	1,000,000	221,050.00	1,221,050.00	1,305,000	479,678.81	1,784,678.81	-	-	-
2020	975,000	175,393.75	1,150,393.75	1,345,000	426,035.05	1,771,035.05	-	-	-
2021	925,000	130,268.75	1,055,268.75	1,385,000	370,010.04	1,755,010.04	-	-	-
2022	900,000	86,925.00	986,925.00	1,425,000	311,625.04	1,736,625.04	-	-	-
2023	780,000	47,025.00	827,025.00	1,475,000	250,531.29	1,725,531.29	-	-	-
2024	600,000	14,250.00	614,250.00	1,525,000	187,312.54	1,712,312.54	-	-	-
2025	-	-	-	1,575,000	121,825.04	1,696,825.04	-	-	-
2026	-	-	-	1,200,000	52,609.40	1,252,609.40	-	-	-
2027	-	-	-	405,000	8,859.38	413,859.38	-	-	-
	<u>99,785,000</u>	<u>16,539,712.56</u>	<u>116,324,712.56</u>	<u>42,420,000</u>	<u>13,768,107.93</u>	<u>56,188,107.93</u>	<u>14,110,000</u>	<u>2,340,095.51</u>	<u>16,450,095.51</u>

continued

City of Saint Paul, Minnesota
DEBT SERVICE REQUIREMENTS TO MATURITY - GENERAL OBLIGATION BONDS
December 31, 2007

Schedule 32

Fiscal Year	TOTAL GOVERNMENTAL ACTIVITIES			GENERAL OBLIGATION BONDS - SELF-SUPPORTING SEWER UTILITY ENTERPRISE FUND (Business-Type Activity)			GENERAL OBLIGATION BONDS - SELF-SUPPORTING HRA PARKING ENTERPRISE FUND (Business-Type Activity)		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
	2008	22,360,000	6,040,325.71	28,400,325.71	220,000	150,097.50	370,097.50	1,570,000	1,712,472.50
2009	20,880,000	5,160,617.08	26,040,617.08	230,000	140,087.50	370,087.50	1,700,000	1,611,887.50	3,311,887.50
2010	23,355,000	4,249,825.33	27,604,825.33	240,000	129,392.50	369,392.50	1,885,000	1,500,281.25	3,385,281.25
2011	17,820,000	3,408,325.83	21,228,325.83	250,000	117,992.50	367,992.50	2,040,000	1,378,135.00	3,418,135.00
2012	15,720,000	2,731,978.83	18,451,978.83	265,000	105,867.50	370,867.50	2,210,000	1,243,622.50	3,453,622.50
2013	12,820,000	2,171,035.07	14,991,035.07	275,000	92,750.00	367,750.00	2,430,000	1,104,388.75	3,534,388.75
2014	7,515,000	1,731,580.06	9,246,580.06	290,000	79,000.00	369,000.00	2,610,000	967,128.75	3,577,128.75
2015	7,410,000	1,406,512.56	8,816,512.56	300,000	64,500.00	364,500.00	2,790,000	829,508.75	3,619,508.75
2016	5,230,000	1,134,980.69	6,364,980.69	315,000	49,500.00	364,500.00	2,930,000	691,600.00	3,621,600.00
2017	4,115,000	932,200.69	5,047,200.69	330,000	33,750.00	363,750.00	1,200,000	593,512.50	1,793,512.50
2018	2,270,000	797,135.06	3,067,135.06	345,000	17,250.00	362,250.00	1,255,000	535,206.25	1,790,206.25
2019	2,305,000	700,728.81	3,005,728.81	-	-	-	1,315,000	474,168.75	1,789,168.75
2020	2,320,000	601,428.80	2,921,428.80	-	-	-	1,380,000	410,162.50	1,790,162.50
2021	2,310,000	500,278.79	2,810,278.79	-	-	-	1,445,000	343,068.75	1,788,068.75
2022	2,325,000	398,550.04	2,723,550.04	-	-	-	1,515,000	272,768.75	1,787,768.75
2023	2,255,000	297,556.29	2,552,556.29	-	-	-	1,585,000	199,143.75	1,784,143.75
2024	2,125,000	201,562.54	2,326,562.54	-	-	-	1,660,000	122,075.00	1,782,075.00
2025	1,575,000	121,825.04	1,696,825.04	-	-	-	1,740,000	41,325.00	1,781,325.00
2026	1,200,000	52,609.40	1,252,609.40	-	-	-	-	-	-
2027	405,000	8,859.38	413,859.38	-	-	-	-	-	-
	<u>156,315,000</u>	<u>32,647,916.00</u>	<u>188,962,916.00</u>	<u>3,060,000</u>	<u>980,187.50</u>	<u>4,040,187.50</u>	<u>33,260,000</u>	<u>14,030,456.25</u>	<u>47,290,456.25</u>

continued

DEBT SERVICE REQUIREMENTS TO MATURITY - GENERAL OBLIGATION BONDS

December 31, 2007

228

Fiscal Year	TOTAL BUSINESS-TYPE ACTIVITIES			TOTAL ALL ACTIVITIES		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2008	1,790,000	1,862,570.00	3,652,570.00	24,150,000	7,902,895.71	32,052,895.71
2009	1,930,000	1,751,975.00	3,681,975.00	22,810,000	6,912,592.08	29,722,592.08
2010	2,125,000	1,629,673.75	3,754,673.75	25,480,000	5,879,499.08	31,359,499.08
2011	2,290,000	1,496,127.50	3,786,127.50	20,110,000	4,904,453.33	25,014,453.33
2012	2,475,000	1,349,490.00	3,824,490.00	18,195,000	4,081,468.83	22,276,468.83
2013	2,705,000	1,197,138.75	3,902,138.75	15,525,000	3,368,173.82	18,893,173.82
2014	2,900,000	1,046,128.75	3,946,128.75	10,415,000	2,777,708.81	13,192,708.81
2015	3,090,000	894,008.75	3,984,008.75	10,500,000	2,300,521.31	12,800,521.31
2016	3,245,000	741,100.00	3,986,100.00	8,475,000	1,876,080.69	10,351,080.69
2017	1,530,000	627,262.50	2,157,262.50	5,645,000	1,559,463.19	7,204,463.19
2018	1,600,000	552,456.25	2,152,456.25	3,870,000	1,349,591.31	5,219,591.31
2019	1,315,000	474,168.75	1,789,168.75	3,620,000	1,174,897.56	4,794,897.56
2020	1,380,000	410,162.50	1,790,162.50	3,700,000	1,011,591.30	4,711,591.30
2021	1,445,000	343,068.75	1,788,068.75	3,755,000	843,347.54	4,598,347.54
2022	1,515,000	272,768.75	1,787,768.75	3,840,000	671,318.79	4,511,318.79
2023	1,585,000	199,143.75	1,784,143.75	3,840,000	496,700.04	4,336,700.04
2024	1,660,000	122,075.00	1,782,075.00	3,785,000	323,637.54	4,108,637.54
2025	1,740,000	41,325.00	1,781,325.00	3,315,000	163,150.04	3,478,150.04
2026	-	-	-	1,200,000	52,609.40	1,252,609.40
2027	-	-	-	405,000	8,859.38	413,859.38
	<u>36,320,000</u>	<u>15,010,643.75</u>	<u>51,330,643.75</u>	<u>192,635,000</u>	<u>47,658,559.75</u>	<u>240,293,559.75</u>

City of Saint Paul, Minnesota
DEBT SERVICE REQUIREMENTS TO MATURITY - REVENUE BONDS
 December 31, 2007

Schedule 33

Fiscal Year	SALES TAX REVENUE BONDS (Governmental Activity)			HRA TAX INCREMENT REVENUE BONDS (Governmental Activity)			HRA SALES TAX REVENUE BONDS (Governmental Activity)		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2008	1,720,000	6,146,303.83	7,866,303.83	3,846,180	3,207,189.39	7,053,369.39	1,500,000	2,995,135.00	4,495,135.00
2009	1,955,000	5,911,236.50	7,866,236.50	2,824,891	2,962,450.21	5,787,341.21	1,605,000	2,888,635.00	4,493,635.00
2010	2,580,000	5,787,500.50	8,367,500.50	1,614,364	2,830,467.77	4,444,831.77	1,720,000	2,774,680.00	4,494,680.00
2011	2,750,000	5,622,748.50	8,372,748.50	1,714,648	2,733,689.09	4,448,337.09	1,840,000	2,652,560.00	4,492,560.00
2012	2,920,000	5,447,049.50	8,367,049.50	1,828,795	2,630,162.47	4,458,957.47	1,975,000	2,521,920.00	4,496,920.00
2013	3,110,000	5,260,329.00	8,370,329.00	1,941,862	2,517,644.03	4,459,506.03	2,115,000	2,381,695.00	4,496,695.00
2014	3,310,000	5,058,508.00	8,368,508.00	1,809,000	2,396,538.00	4,205,538.00	2,265,000	2,231,530.00	4,496,530.00
2015	3,530,000	4,843,620.00	8,373,620.00	1,936,000	2,283,431.88	4,219,431.88	2,425,000	2,070,715.00	4,495,715.00
2016	3,760,000	4,610,441.50	8,370,441.50	2,046,000	2,162,585.38	4,208,585.38	2,595,000	1,898,540.00	4,493,540.00
2017	4,010,000	4,361,946.00	8,371,946.00	2,559,000	2,013,219.00	4,572,219.00	2,780,000	1,714,295.00	4,494,295.00
2018	4,270,000	4,096,810.00	8,366,810.00	1,538,000	1,885,581.13	3,423,581.13	2,980,000	1,516,915.00	4,496,915.00
2019	4,560,000	3,809,233.26	8,369,233.26	1,646,000	1,781,641.38	3,427,641.38	3,190,000	1,305,335.00	4,495,335.00
2020	4,870,000	3,502,101.00	8,372,101.00	1,758,000	1,670,988.50	3,428,988.50	3,420,000	1,078,845.00	4,498,845.00
2021	5,205,000	3,168,542.76	8,373,542.76	1,877,000	1,548,960.50	3,425,960.50	3,660,000	836,025.00	4,496,025.00
2022	5,555,000	2,811,956.76	8,366,956.76	2,002,000	1,419,776.50	3,421,776.50	3,920,000	576,165.00	4,496,165.00
2023	5,935,000	2,431,279.50	8,366,279.50	2,139,000	1,281,574.50	3,420,574.50	4,195,000	297,845.00	4,492,845.00
2024	10,845,000	2,024,480.50	12,869,480.50	2,282,000	1,132,358.25	3,414,358.25	-	-	-
2025	11,595,000	1,270,431.00	12,865,431.00	2,441,000	973,273.00	3,414,273.00	-	-	-
2026	1,720,000	476,000.00	2,196,000.00	2,613,000	802,941.50	3,415,941.50	-	-	-
2027	1,810,000	390,000.00	2,200,000.00	2,787,000	620,893.75	3,407,893.75	-	-	-
2028	1,900,000	299,500.00	2,199,500.00	3,936,000	369,784.00	4,305,784.00	-	-	-
2029	1,995,000	204,500.00	2,199,500.00	3,324,000	114,751.00	3,438,751.00	-	-	-
2030	2,095,000	104,750.00	2,199,750.00	-	-	-	-	-	-
	<u>92,000,000</u>	<u>77,639,268.11</u>	<u>169,639,268.11</u>	<u>50,463,740</u>	<u>39,339,901.23</u>	<u>89,803,641.23</u>	<u>42,185,000</u>	<u>29,740,835.00</u>	<u>71,925,835.00</u>

continued

City of Saint Paul, Minnesota
DEBT SERVICE REQUIREMENTS TO MATURITY - REVENUE BONDS
 December 31, 2007

Fiscal Year	HRA LEASE REVENUE BONDS (Governmental Activity)			TOTAL GOVERNMENTAL ACTIVITIES			SEWER UTILITY ENTERPRISE FUND REVENUE BONDS (Business-Type Activity)		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2008	525,000	348,988.00	873,988.00	7,591,180	12,697,616.22	20,288,796.22	4,135,000	587,793.76	4,722,793.76
2009	650,000	315,337.00	965,337.00	7,034,891	12,077,658.71	19,112,549.71	655,000	426,218.76	1,081,218.76
2010	775,000	274,175.00	1,049,175.00	6,689,364	11,666,823.27	18,356,187.27	670,000	403,918.76	1,073,918.76
2011	925,000	223,950.00	1,148,950.00	7,229,648	11,232,947.59	18,462,595.59	695,000	379,768.76	1,074,768.76
2012	1,075,000	163,950.00	1,238,950.00	7,798,795	10,763,081.97	18,561,876.97	725,000	354,718.76	1,079,718.76
2013	1,225,000	94,950.00	1,319,950.00	8,391,862	10,254,618.03	18,646,480.03	745,000	328,212.50	1,073,212.50
2014	970,000	29,100.00	999,100.00	8,354,000	9,715,676.00	18,069,676.00	770,000	300,442.50	1,070,442.50
2015	-	-	-	7,891,000	9,197,766.88	17,088,766.88	805,000	271,142.50	1,076,142.50
2016	-	-	-	8,401,000	8,671,566.88	17,072,566.88	835,000	239,730.00	1,074,730.00
2017	-	-	-	9,349,000	8,089,460.00	17,438,460.00	870,000	207,142.50	1,077,142.50
2018	-	-	-	8,788,000	7,499,306.13	16,287,306.13	905,000	172,342.50	1,077,342.50
2019	-	-	-	9,396,000	6,896,209.64	16,292,209.64	940,000	136,142.50	1,076,142.50
2020	-	-	-	10,048,000	6,251,934.50	16,299,934.50	985,000	95,302.50	1,080,302.50
2021	-	-	-	10,742,000	5,553,528.26	16,295,528.26	400,000	52,517.50	452,517.50
2022	-	-	-	11,477,000	4,807,898.26	16,284,898.26	415,000	35,917.50	450,917.50
2023	-	-	-	12,269,000	4,010,699.00	16,279,699.00	435,000	18,487.50	453,487.50
2024	-	-	-	13,127,000	3,156,838.75	16,283,838.75	-	-	-
2025	-	-	-	14,036,000	2,243,704.00	16,279,704.00	-	-	-
2026	-	-	-	4,333,000	1,278,941.50	5,611,941.50	-	-	-
2027	-	-	-	4,597,000	1,010,893.75	5,607,893.75	-	-	-
2028	-	-	-	5,836,000	669,284.00	6,505,284.00	-	-	-
2029	-	-	-	5,319,000	319,251.00	5,638,251.00	-	-	-
2030	-	-	-	2,095,000	104,750.00	2,199,750.00	-	-	-
	<u>6,145,000</u>	<u>1,450,450.00</u>	<u>7,595,450.00</u>	<u>190,793,740</u>	<u>148,170,454.34</u>	<u>338,964,194.34</u>	<u>14,985,000</u>	<u>4,009,798.80</u>	<u>18,994,798.80</u>

continued

City of Saint Paul, Minnesota
DEBT SERVICE REQUIREMENTS TO MATURITY - REVENUE BONDS
 December 31, 2007

Schedule 33

Fiscal Year	SPECIAL SERVICES ENTERPRISE FUND RECREATION FACILITY REVENUE BONDS (Business-Type Activity)			HRA PARKING ENTERPRISE FUND REVENUE BONDS (Business-Type Activity)			HRA LOAN ENTERPRISE FUND REVENUE BONDS (Business-Type Activity)		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2008	220,000	320,637.50	540,637.50	2,270,000	2,518,467.50	4,788,467.50	2,694,000	434,580.00	3,128,580.00
2009	235,000	312,937.50	547,937.50	2,375,000	2,415,172.50	4,790,172.50	3,930,000	171,210.00	4,101,210.00
2010	250,000	304,125.00	554,125.00	2,475,000	2,305,290.50	4,780,290.50	-	151,560.00	151,560.00
2011	265,000	294,750.00	559,750.00	2,595,000	2,188,812.50	4,783,812.50	-	151,560.00	151,560.00
2012	280,000	284,150.00	564,150.00	18,060,000	1,764,950.50	19,824,950.50	-	151,560.00	151,560.00
2013	295,000	272,950.00	567,950.00	2,710,000	1,336,408.00	4,046,408.00	-	151,560.00	151,560.00
2014	310,000	261,150.00	571,150.00	1,945,000	1,197,135.00	3,142,135.00	-	151,560.00	151,560.00
2015	325,000	248,750.00	573,750.00	2,060,000	1,076,722.00	3,136,722.00	-	151,560.00	151,560.00
2016	350,000	235,750.00	585,750.00	2,190,000	948,048.00	3,138,048.00	-	151,560.00	151,560.00
2017	375,000	218,250.00	593,250.00	2,315,000	820,139.50	3,135,139.50	-	151,560.00	151,560.00
2018	400,000	199,500.00	599,500.00	805,000	687,185.00	1,492,185.00	-	151,560.00	151,560.00
2019	425,000	179,500.00	604,500.00	845,000	646,935.00	1,491,935.00	-	151,560.00	151,560.00
2020	450,000	158,250.00	608,250.00	890,000	602,572.50	1,492,572.50	-	151,560.00	151,560.00
2021	475,000	135,750.00	610,750.00	935,000	555,847.50	1,490,847.50	-	151,560.00	151,560.00
2022	505,000	112,000.00	617,000.00	985,000	506,760.00	1,491,760.00	-	151,560.00	151,560.00
2023	535,000	86,750.00	621,750.00	1,040,000	455,047.50	1,495,047.50	-	151,560.00	151,560.00
2024	565,000	60,000.00	625,000.00	1,090,000	400,447.50	1,490,447.50	2,511,000	3,737.00	2,514,737.00
2025	635,000	31,750.00	666,750.00	1,150,000	342,132.50	1,492,132.50	-	-	-
2026	-	-	-	1,210,000	280,607.50	1,490,607.50	-	-	-
2027	-	-	-	1,275,000	215,872.50	1,490,872.50	-	-	-
2028	-	-	-	1,345,000	147,660.00	1,492,660.00	-	-	-
2029	-	-	-	1,415,000	75,702.50	1,490,702.50	-	-	-
2030	-	-	-	-	-	-	-	-	-
	<u>6,895,000</u>	<u>3,716,950.00</u>	<u>10,611,950.00</u>	<u>51,980,000</u>	<u>21,487,916.00</u>	<u>73,467,916.00</u>	<u>9,135,000</u>	<u>2,731,367.00</u>	<u>11,866,367.00</u>

continued

City of Saint Paul, Minnesota
DEBT SERVICE REQUIREMENTS TO MATURITY - REVENUE BONDS
 December 31, 2007

Fiscal Year	TOTAL BUSINESS-TYPE ACTIVITIES			TOTAL ALL ACTIVITIES		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2008	9,319,000	3,861,478.76	13,180,478.76	16,910,180	16,559,094.98	33,469,274.98
2009	7,195,000	3,325,538.76	10,520,538.76	14,229,891	15,403,197.47	29,633,088.47
2010	3,395,000	3,164,894.26	6,559,894.26	10,084,364	14,831,717.53	24,916,081.53
2011	3,555,000	3,014,891.26	6,569,891.26	10,784,648	14,247,838.85	25,032,486.85
2012	19,065,000	2,555,379.26	21,620,379.26	26,863,795	13,318,461.23	40,182,256.23
2013	3,750,000	2,089,130.50	5,839,130.50	12,141,862	12,343,748.53	24,485,610.53
2014	3,025,000	1,910,287.50	4,935,287.50	11,379,000	11,625,963.50	23,004,963.50
2015	3,190,000	1,748,174.50	4,938,174.50	11,081,000	10,945,941.38	22,026,941.38
2016	3,375,000	1,575,088.00	4,950,088.00	11,776,000	10,246,654.88	22,022,654.88
2017	3,560,000	1,397,092.00	4,957,092.00	12,909,000	9,486,552.00	22,395,552.00
2018	2,110,000	1,210,587.50	3,320,587.50	10,898,000	8,709,893.63	19,607,893.63
2019	2,210,000	1,114,137.50	3,324,137.50	11,606,000	8,010,347.14	19,616,347.14
2020	2,325,000	1,007,685.00	3,332,685.00	12,373,000	7,259,619.50	19,632,619.50
2021	1,810,000	895,675.00	2,705,675.00	12,552,000	6,449,203.26	19,001,203.26
2022	1,905,000	806,237.50	2,711,237.50	13,382,000	5,614,135.76	18,996,135.76
2023	2,010,000	711,845.00	2,721,845.00	14,279,000	4,722,544.00	19,001,544.00
2024	4,166,000	464,184.50	4,630,184.50	17,293,000	3,621,023.25	20,914,023.25
2025	1,785,000	373,882.50	2,158,882.50	15,821,000	2,617,586.50	18,438,586.50
2026	1,210,000	280,607.50	1,490,607.50	5,543,000	1,559,549.00	7,102,549.00
2027	1,275,000	215,872.50	1,490,872.50	5,872,000	1,226,766.25	7,098,766.25
2028	1,345,000	147,660.00	1,492,660.00	7,181,000	816,944.00	7,997,944.00
2029	1,415,000	75,702.50	1,490,702.50	6,734,000	394,953.50	7,128,953.50
2030	-	-	-	2,095,000	104,750.00	2,199,750.00
	<u>82,995,000</u>	<u>31,946,031.80</u>	<u>114,941,031.80</u>	<u>273,788,740</u>	<u>180,116,486.14</u>	<u>453,905,226.14</u>

City of Saint Paul, Minnesota
SUMMARY OF BONDED DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2007

Schedule 34

Fiscal Year	ANNUAL PRINCIPAL AND INTEREST REQUIREMENTS		
	General Obligation Bond Requirements	Revenue Bond Requirements	Total Requirements
2008	32,052,895.71	33,469,274.98	65,522,170.69
2009	29,722,592.08	29,633,088.47	59,355,680.55
2010	31,359,499.08	24,916,081.53	56,275,580.61
2011	25,014,453.33	25,032,486.85	50,046,940.18
2012	22,276,468.83	40,182,256.23	62,458,725.06
2013	18,893,173.82	24,485,610.53	43,378,784.35
2014	13,192,708.81	23,004,963.50	36,197,672.31
2015	12,800,521.31	22,026,941.38	34,827,462.69
2016	10,351,080.69	22,022,654.88	32,373,735.57
2017	7,204,463.19	22,395,552.00	29,600,015.19
2018	5,219,591.31	19,607,893.63	24,827,484.94
2019	4,794,897.56	19,616,347.14	24,411,244.70
2020	4,711,591.30	19,632,619.50	24,344,210.80
2021	4,598,347.54	19,001,203.26	23,599,550.80
2022	4,511,318.79	18,996,135.76	23,507,454.55
2023	4,336,700.04	19,001,544.00	23,338,244.04
2024	4,108,637.54	20,914,023.25	25,022,660.79
2025	3,478,150.04	18,438,586.50	21,916,736.54
2026	1,252,609.40	7,102,549.00	8,355,158.40
2027	413,859.38	7,098,766.25	7,512,625.63
2028	-	7,997,944.00	7,997,944.00
2029	-	7,128,953.50	7,128,953.50
2030	-	2,199,750.00	2,199,750.00
	<u>240,293,559.75</u>	<u>453,905,226.14</u>	<u>694,198,785.89</u>

**SCHEDULE OF GENERAL OBLIGATION BOND ANNUAL CHARGES FOR
BOND AND INTEREST - PROPERTY TAX SUPPORTED BONDS
December 31, 2007**

	Capital Improvement		Library Agency		Total	
	Bonds	Interest	Bonds	Interest	Bonds	Interest
2008	16,985,000	3,159,160.64	200,000	522,050.00	17,185,000	3,681,210.64
2009	15,760,000	2,511,425.01	200,000	516,800.00	15,960,000	3,028,225.01
2010	14,315,000	1,911,275.01	200,000	511,050.00	14,515,000	2,422,325.01
2011	12,380,000	1,386,431.26	200,000	505,050.00	12,580,000	1,891,481.26
2012	10,500,000	951,068.76	400,000	495,050.00	10,900,000	1,446,118.76
2013	8,540,000	603,471.88	700,000	475,800.00	9,240,000	1,079,271.88
2014	4,205,000	325,050.00	1,000,000	443,550.00	5,205,000	768,600.00
2015	3,195,000	155,250.00	1,000,000	401,050.00	4,195,000	556,300.00
2016	1,435,000	50,561.25	1,000,000	356,050.00	2,435,000	406,611.25
2017	390,000	7,556.25	1,000,000	311,050.00	1,390,000	318,606.25
2018	-	-	1,000,000	266,050.00	1,000,000	266,050.00
2019	-	-	1,000,000	221,050.00	1,000,000	221,050.00
2020	-	-	975,000	175,393.75	975,000	175,393.75
2021	-	-	925,000	130,268.75	925,000	130,268.75
2022	-	-	900,000	86,925.00	900,000	86,925.00
2023	-	-	780,000	47,025.00	780,000	47,025.00
2024	-	-	600,000	14,250.00	600,000	14,250.00
	<u>87,705,000</u>	<u>11,061,250.06</u>	<u>12,080,000</u>	<u>5,478,462.50</u>	<u>99,785,000</u>	<u>16,539,712.56</u>

City of Saint Paul, Minnesota
SCHEDULE OF INTERGOVERNMENTAL REVENUE
ALL FUNDS
For the Fiscal Year Ended December 31, 2007

Schedule 36

	Federal	State	County	Other	Total
GOVERNMENTAL FUNDS					
Major Governmental Funds					
General Fund					
City Share of State Department of Transportation Fines	-	16,410	-	-	16,410
Fire Pension Amortization and Insurance Premium Aid	-	2,141,886	-	-	2,141,886
Local Government Aid	-	54,639,705	-	-	54,639,705
Market Value Homestead Credit	-	2,052,434	-	-	2,052,434
Police/Fire Disability Benefit Act	-	334,625	-	-	334,625
Police Pension Amortization Aid	-	4,121,011	-	-	4,121,011
Pre-Disaster Mitigation Grant	-	125	-	-	125
Public Employees Retirement Association Pension Aid	-	517,512	-	-	517,512
City Share of State Highway Rent	-	-	2,522	-	2,522
Emergency Management Performance Grant	-	-	3,563	-	3,563
	-	63,823,708	6,085	-	63,829,793
Library Agency					
Local Government Aid	-	5,001,664	-	-	5,001,664
Market Value Homestead Credit	-	353,014	-	-	353,014
City Share of State Highway Rent	-	-	612	-	612
	-	5,354,678	612	-	5,355,290
HRA General Fund					
Market Value Homestead Credit	-	44,056	-	-	44,056
General Debt Service					
Market Value Homestead Credit	-	364,537	-	-	364,537
Government Acquired Property Rent	-	-	474	-	474
	-	364,537	474	-	365,011
HRA General Debt Service					
Market Value Homestead Credit	-	139,542	-	-	139,542
Capital Improvement Projects					
Economic Development Administration	301,193	-	-	-	301,193
Federal Highway Administration - State Administered	2,094,407	-	-	-	2,094,407
National Park Service	97,000	-	-	-	97,000
Minnesota Department of Economic Development	-	2,734,039	-	-	2,734,039
Minnesota Department of Education	-	25,000	-	-	25,000
Municipal State Aid - Construction	-	2,239,404	-	-	2,239,404
State Trunk Highway	-	541,960	-	-	541,960
Ramsey County Aid	-	-	51,572	-	51,572
Metropolitan Council	-	-	-	4,472,659	4,472,659
	2,492,600	5,540,403	51,572	4,472,659	12,557,234
Total Major Governmental Funds	2,492,600	75,266,924	58,743	4,472,659	82,290,926

continued

City of Saint Paul, Minnesota
 SCHEDULE OF INTERGOVERNMENTAL REVENUE
 ALL FUNDS
 For the Fiscal Year Ended December 31, 2007

Schedule 36

	Federal	State	County	Other	Total
Non Major Governmental Funds					
Special Revenue Funds					
Special Projects - General Government					
AmeriCorps - Corporation for National and Community Service	218,556	-	-	-	218,556
Equal Employment Opportunity - EEOC	51,089	-	-	-	51,089
Saint Paul Public Schools - AmeriCorps*VISTA Cost Share	-	-	-	1,259	1,259
	<u>269,645</u>	<u>-</u>	<u>-</u>	<u>1,259</u>	<u>270,904</u>
Special Projects Police					
African American Immigrant and Muslim Healing Initiative - State Administered	65,919	-	-	-	65,919
Central Corridor - State Administered	145,223	-	-	-	145,223
Cops More 2002 - Justice	1,854	-	-	-	1,854
Cops 2002 Technology - Justice	99,451	-	-	-	99,451
First Light, Accountability, Response, and Enforcement - Justice	168,891	-	-	-	168,891
Gang Resistance Education and Training Program 2007 - Justice	6,158	-	-	-	6,158
Homeland Security Part II Equipment - State Administered	165,348	-	-	-	165,348
Human Trafficking - Justice	163,567	-	-	-	163,567
Internet Crimes Against Children - Justice	305,418	-	-	-	305,418
Justice Assistance Grant - Justice	249,348	-	-	-	249,348
Juvenile Accountability Block Grant - State Administered	9,515	-	-	-	9,515
Juvenile Delinquency Prevention - State Administered	60,000	-	-	-	60,000
Law Enforcement Terrorism Prevention Program - State Administered	68,436	-	-	-	68,436
Narcotics Control Program - Surveillance - Justice - Ramsey County Administered	104,227	-	-	-	104,227
Night Cap Grant - State Administered	11,144	-	-	-	11,144
Police Athletic League (PAL)	7,500	-	-	-	7,500
Safe & Sober Grant - State Administered	52,119	-	-	-	52,119
Secure Our Schools - Justice	14,983	-	-	-	14,983
Speed Limit Enforcement Grant - State Administered	9,233	-	-	-	9,233
Urban Areas Strategic Initiative - State Administered	129,302	-	-	-	129,302
Youth Gang Intervention - State Administered	11,845	-	-	-	11,845
Minnesota Auto Theft Prevention Program	-	76,798	-	-	76,798
Minnesota Financial Crimes Task Force	-	108,934	-	-	108,934
Peace Officers Standards Board	-	226,315	-	-	226,315
State of Minnesota - 911 Service Fee	-	364,312	-	-	364,312
Strike Force Grant	-	280,000	-	-	280,000
	<u>1,849,481</u>	<u>1,056,359</u>	<u>-</u>	<u>-</u>	<u>2,905,840</u>
Fire Responsive Services					
2004 UASI Grant - State Administered	388,032	-	-	-	388,032
2005 UASI Supplemental Grant - State Administered	685,945	-	-	-	685,945
2006 Homeland Security Grant - State Administered	10,704	-	-	-	10,704
2006 UASI Grant - State Administered	954,660	-	-	-	954,660
2007 Influenza Planning Grant	-	59,608	-	-	59,608
	<u>2,039,341</u>	<u>59,608</u>	<u>-</u>	<u>-</u>	<u>2,098,949</u>
Right of Way Maintenance					
Municipal State Aid - Maintenance	-	1,515,736	-	-	1,515,736
State Trunk Highway	-	151,132	-	-	151,132
Ramsey County Aid	-	-	327,554	-	327,554
	<u>-</u>	<u>1,666,868</u>	<u>327,554</u>	<u>-</u>	<u>1,994,422</u>
Parking Meter Collections					
City Share of District Court - Fines & Forfeits	-	3,505,693	-	-	3,505,693
Solid Waste and Recycling					
Ramsey County Recycling Program	-	-	540,176	-	540,176
Como Campus					
Minnesota Department of Natural Resources Como Zoo Grant	-	135,000	-	-	135,000

continued

City of Saint Paul, Minnesota
 SCHEDULE OF INTERGOVERNMENTAL REVENUE
 ALL FUNDS
 For the Fiscal Year Ended December 31, 2007

Schedule 36

	Federal	State	County	Other	Total
Parks and Recreation Grants and Aids					
Minnesota Department of Natural Resources					
Fish and Wildlife - Como Lakeside Restoration	-	8,340	-	-	8,340
Regional Parks Maintenance	-	1,613,760	-	-	1,613,760
Youth Job Corp Grant - State Administered	-	300,295	-	-	300,295
	-	1,922,395	-	-	1,922,395
Library Agency Revenues and Grants					
Assistive Technology Institute of Museum and Library - State Administered	2,745	-	-	-	2,745
Teaching - Learning Library - College of St. Catherine Administered	65,439	-	-	-	65,439
Metropolitan Library Service Agency (MELSA)	-	126,563	-	-	126,563
Staying Connected - Gates Grant	-	13,323	-	-	13,323
	68,184	139,886	-	-	208,070
Community Development Block Grant					
Community Development Block Grant - HUD	10,741,311	-	-	-	10,741,311
Emergency Shelter Grant - HUD	241,166	-	-	-	241,166
	10,982,477	-	-	-	10,982,477
State Grant Programs					
State of Minnesota - Special Projects	-	843,409	-	-	843,409
Metropolitan Council Grant - Special Projects	-	-	-	913,803	913,803
	-	843,409	-	913,803	1,757,212
HRA Federal and State Programs					
American Dream Down Payment Initiative - HUD	56,000	-	-	-	56,000
Home Investment Partnerships Program - HUD	901,987	-	-	-	901,987
Lead Based Paint Hazard Control - HUD - Ramsey County Administered	3,205	-	-	-	3,205
Minnesota Housing Finance Agency (MHFA) Loan and Grant Program	-	960,577	-	-	960,577
	961,192	960,577	-	-	1,921,769
Section 108 Programs					
Economic Development Initiative Grant - HUD	419,321	-	-	-	419,321
Total Special Revenue Funds	16,589,641	10,289,795	867,730	915,062	28,662,228
Debt Service Funds					
G.O. Special Assessments - Streets					
Market Value Homestead Credit	-	20,972	-	-	20,972
Library Debt					
Market Value Homestead Credit	-	145,143	-	-	145,143
Total Debt Service Funds	-	166,115	-	-	166,115
Capital Projects Funds					
Library Capital Projects					
Local Government Aid	-	319,833	-	-	319,833
HRA Tax Increment					
Market Value Homestead Credit	-	49,218	-	-	49,218
Total Capital Projects Funds	-	369,051	-	-	369,051
Total Nonmajor Governmental Funds	16,589,641	10,824,961	867,730	915,062	29,197,394
Total Governmental Funds	19,082,241	86,091,885	926,473	5,387,721	111,488,320

continued

City of Saint Paul, Minnesota
SCHEDULE OF INTERGOVERNMENTAL REVENUE
ALL FUNDS
For the Fiscal Year Ended December 31, 2007

Schedule 36

	Federal	State	County	Other	Total
PROPRIETARY FUNDS					
Major Enterprise Funds					
Sewer Utility					
Ramsey County Aid	-	-	71,427	-	71,427
HRA Loan Enterprise					
Housing Counseling Grant - HUD	51,746	-	-	-	51,746
Minnesota Housing Finance Agency (MHFA)					
Mortgage Foreclosure Prevention Assistance Program	-	83,000	-	-	83,000
	51,746	83,000	-	-	134,746
Total Major Enterprise Funds	51,746	83,000	71,427	-	206,173
Internal Service Funds					
Risk Management Retention					
Minnesota Special Compensation Fund	-	147,628	-	-	147,628
Public Works Traffic, Signal and Lighting Maintenance					
Municipal State Aid	-	1,240,148	-	-	1,240,148
State Trunk Highway	-	50,377	-	-	50,377
Ramsey County Aid	-	-	964,123	-	964,123
	-	1,290,525	964,123	-	2,254,648
Total Internal Service Funds	-	1,438,153	964,123	-	2,402,276
Total Proprietary Funds	51,746	1,521,153	1,035,550	-	2,608,449
TOTAL ALL FUNDS	19,133,987	87,613,038	1,962,023	5,387,721	114,096,769

City of Saint Paul, Minnesota
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended December 31, 2007

Schedule 37

Federal Grantor Pass-Through Agency Grant Program Title	Federal CFDA Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Commerce			
Direct Grant			
Investments for Public Works and Economic Development Facilities	11.300	301,193	-
U.S. Department of Housing and Urban Development			
Direct Grants			
Community Development Block Grants/Entitlement Grants	14.218	10,741,311	4,388,638
Emergency Shelter Grants Program	14.231	241,166	217,596
Community Development Block Grants/Brownfields Economic Development Initiative (BEDI; Section 108)	14.246	419,321	-
Total U. S. Department of Housing and Urban Development		11,401,798	4,606,234
U.S. Department of the Interior			
Direct Grant			
Rivers, Trails and Conservation Assistance Lilydale Park Trail Connection	15.921	97,000	-
U.S. Department of Justice			
Direct Grants			
Services for Trafficking Victims	16.320	163,567	-
Missing Children's Assistance-Internet Crimes Against Children	16.543	305,418	-
Grants to Encourage Arrest Policies and Enforcement of Protection Orders-First Light, Accountability, Response, and Enforcement (FLARE)	16.590	168,891	-
Public Safety Partnership and Community Policing Grants			
Cops More Technology	16.710	99,451	-
Cops More 2002	16.710	1,854	-
Secure Our Schools	16.710	14,983	-
Gang Resistance Education and Training (G.R.E.A.T.) Program	16.737	6,158	-
Edward Byrne Memorial Justice Assistance Grant Program Justice Assistance	16.738	249,348	-
Passed Through Minnesota Department of Public Safety Juvenile Accountability Incentive Block Grants	16.523	9,515	-
Title V- Delinquency Prevention Program	16.548	60,000	-
Edward Byrne Memorial Formula Grant Program African American Immigrant and Muslim Healing Initiative	16.579	65,919	-
Anti-Gang Initiative Youth Gang Intervention	16.744	11,845	-
Passed Through the National Association of Police Athletic/Activities League Part E - Developing, Testing and Demonstrating Promising New Programs Youth Enrichment Program	16.541	7,500	-
Passed Through Ramsey County, Minnesota Edward Byrne Memorial Justice Assistance Grant Program Narcotics Control Program - Surveillance	16.738	104,227	-
Total U. S. Department of Justice		1,268,676	-
U.S. Department of Transportation			
Passed Through Minnesota Department of Transportation			
Highway Planning and Construction Federal Highway Administration	20.205	1,824,894	-
Federal Transit - Capital Investment Grants Central Corridor Grant	20.500	145,223	-
Passed Through Minnesota Department of Public Safety State and Community Highway Safety			
Speed Limit Enforcement Grant	20.600	9,233	-
Night Cap Grant	20.600	11,144	-
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants - Safe and Sober	20.601	52,119	-
Total U.S. Department of Transportation		2,042,613	-

continued

City of Saint Paul, Minnesota
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended December 31, 2007

Schedule 37

Federal Grantor Pass-Through Agency Grant Program Title	Federal CFDA Number	Expenditures	Passed Through to Subrecipients
U.S. Equal Employment Opportunity Commission			
Direct Grant			
Employment Discrimination - State and Local Fair Employment Practices			
Equal Employment Opportunity - EEOC	30.002	51,089	-
Office of Library Services, Institute of Museum and Library Services, National Foundation on the Arts and the Humanities			
Passed Through Minnesota Department of Education and the Friends of the Library			
Grants to States			
Institute of Museum and Library	45.310	2,745	-
Passed Through College of St. Catherine			
Laura Bush 21st Century Librarian Program			
Teaching - Learning Library	45.313	65,439	-
Total Office of Library Services, Institute of Museum and Library Services			
		<u>68,184</u>	-
Corporation for National and Community Service			
Direct Grant			
Volunteers in Service to America (VISTA)			
AmeriCorps	94.013	218,556	-
U.S. Department of Homeland Security			
Passed Through Minnesota Department of Public Safety			
Urban Areas Security Initiative	97.008	388,032	-
Homeland Security Grant Program			
Law Enforcement Terrorism Prevention Program	97.067	31,085	-
State Homeland Security Grant Program	97.067	48,055	-
Urban Areas Security Initiative	97.067	805,638	-
Urban Areas Security Supplemental	97.067	964,269	-
Buffer Zone Protection Program			
Homeland Security Part II Equipment	97.078	165,348	-
Total U.S. Department of Homeland Security			
		<u>2,402,427</u>	-
Total Federal Awards		<u>17,851,536</u>	<u>4,606,234</u>

Notes to Schedule of Expenditures of Federal Awards

- The Schedule of Expenditures of Federal Awards presents the activity of federal award programs expended by the City of Saint Paul. It does not include \$1,565,113 (See Note 4. below) in federal awards expended by the HRA component unit of the City, which had a separate single audit. The City's reporting entity is defined in Note II to the basic financial statements.
- The expenditures on this schedule are on the basis of accounting used by the individual funds of the City of Saint Paul. Governmental funds use the modified accrual basis of accounting. Proprietary funds use the accrual basis.
- Pass-through grant numbers were not assigned by the pass-through agencies.
- The Schedule of Intergovernmental Revenue - All Funds (Schedule 36) indicates \$19,133,987 of federal revenue. The federal awards on this schedule is \$17,851,536, a difference of \$1,282,451. The federal intergovernmental revenue related to the Federal Highway Administration grant (CFDA 20.205) was \$2,094,407 with related expenditures of \$1,824,894, a difference of \$269,513. The HRA Federal and State Programs Fund had \$961,192 of federal intergovernmental revenue and the HRA Loan Enterprise Fund had \$51,746 of federal intergovernmental revenue. In addition, the HRA Parking Enterprise Fund is reporting a capital contribution of \$552,175 for the construction of the West End Multi-Modal Hub (Smith Avenue Transit Ramp).

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends	242-247
These tables contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	248-253
These tables contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.	
Debt Capacity	254-265
These tables 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	266-267
These tables offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	
Operating Information	268-270
These tables contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these tables is derived from the Comprehensive Annual Financial Reports for the relevant year. The City implemented GASB Statement No. 34 in 2002; tables presenting government-wide information include information beginning in that year.

City of Saint Paul, Minnesota
NET ASSETS BY COMPONENT
Last Six Fiscal Years
(accrual basis of accounting)

Table 1

	Fiscal Year					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Governmental Activities						
Invested in Capital Assets, Net of Related Debt	\$ 724,622,777	\$ 795,317,632	\$ 828,644,882	\$ 844,290,032	\$ 873,832,717	\$ 876,864,683
Restricted	25,820,024	13,558,684	15,834,269	16,618,146	13,395,398	14,398,465
Unrestricted	<u>156,225,516</u>	<u>110,149,300</u>	<u>76,428,755</u>	<u>40,137,785</u>	<u>10,774,044</u>	<u>28,472,609</u>
Total Governmental Activities Net Assets	<u>906,668,317</u>	<u>919,025,616</u>	<u>920,907,906</u>	<u>901,045,963</u>	<u>898,002,159</u>	<u>919,735,757</u>
Business-Type Activities						
Invested in Capital Assets, Net of Related Debt	235,294,207	245,187,836	238,808,414	239,912,873	242,732,729	259,106,106
Restricted	9,052,464	10,195,968	16,105,185	22,966,596	17,621,141	17,066,554
Unrestricted	<u>77,181,656</u>	<u>66,940,134</u>	<u>81,087,008</u>	<u>82,190,294</u>	<u>85,135,530</u>	<u>57,645,856</u>
Total Business-Type Activities Net Assets	<u>321,528,327</u>	<u>322,323,938</u>	<u>336,000,607</u>	<u>345,069,763</u>	<u>345,489,400</u>	<u>333,818,516</u>
Primary Government						
Invested in Capital Assets, Net of Related Debt	959,916,984	1,040,505,468	1,067,453,296	1,084,202,905	1,116,565,446	1,135,970,789
Restricted	34,872,488	23,754,652	31,939,454	39,584,742	31,016,539	31,465,019
Unrestricted	<u>233,407,172</u>	<u>177,089,434</u>	<u>157,515,763</u>	<u>122,328,079</u>	<u>95,909,574</u>	<u>86,118,465</u>
Total Primary Government Net Assets	<u>\$ 1,228,196,644</u>	<u>\$ 1,241,349,554</u>	<u>\$ 1,256,908,513</u>	<u>\$ 1,246,115,726</u>	<u>\$ 1,243,491,559</u>	<u>\$ 1,253,554,273</u>

Note: The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2002.

unaudited

City of Saint Paul, Minnesota
CHANGES IN NET ASSETS
Last Six Fiscal Years
(accrual basis of accounting)

Table 2

	Fiscal Year					
	2002	2003	2004	2005	2006	2007
Expenses						
Governmental Activities:						
General Government	\$ 47,673,043	\$ 39,528,689	\$ 33,153,322	\$ 32,568,766	\$ 32,449,114	\$ 35,161,482
Public Safety	112,556,715	114,228,654	119,288,009	126,072,685	132,378,948	146,989,216
Highways and Streets	41,654,557	45,361,789	50,951,082	52,527,297	50,495,027	57,723,703
Sanitation	7,190,960	2,485,794	8,482,242	12,443,954	11,583,096	9,996,866
Health	4,088,663	4,114,359	3,673,383	3,892,004	3,635,124	3,985,174
Culture and Recreation	55,810,624	53,672,185	56,895,873	66,028,202	65,013,514	66,125,420
Housing and Economic Development	32,623,977	41,281,037	33,804,802	44,280,480	42,549,059	32,448,793
Interest and Fiscal Charges	22,344,872	22,275,378	23,052,309	26,160,599	30,244,973	28,779,314
Total Governmental Activities Expenses	323,943,411	322,947,885	329,301,022	363,973,987	368,348,855	381,209,968
Business-Type Activities:						
Convention Facility ^a	7,530,420	7,259,234	7,548,429	-	-	-
Sewer	30,640,702	29,404,536	27,103,522	25,292,391	26,354,648	30,542,650
Development Loan Programs	4,429,546	5,853,893	11,244,451	7,116,666	17,395,885	14,297,712
Parking	9,430,127	8,430,255	10,724,858	10,507,965	11,494,853	11,256,264
Parks, Recreation and Athletics	5,996,636	6,027,950	4,996,435	5,996,403	4,771,876	4,645,706
Impound Lot	2,079,124	2,153,642	1,972,880	2,479,721	2,402,149	2,858,214
Printing	1,475,209	1,288,297	1,242,616	1,230,610	1,279,068	1,380,224
Total Business-Type Activities Expenses	61,581,764	60,417,807	64,833,191	52,623,756	63,698,479	64,980,770
Total Primary Government Expenses	\$ 385,525,175	\$ 383,365,692	\$ 394,134,213	\$ 416,597,743	\$ 432,047,334	\$ 446,190,738
Program Revenues (See Table 3)						
Governmental Activities:						
Charges for Services						
General Government	\$ 9,191,967	\$ 4,699,573	\$ 9,380,491	\$ 8,798,527	\$ 9,134,829	\$ 9,166,672
Public Safety	22,121,306	26,432,687	26,665,718	27,769,334	26,692,642	31,359,017
Highways and Streets	20,301,628	26,529,885	26,438,639	32,967,651	34,352,127	33,295,801
Sanitation	2,111,722	2,242,363	2,297,414	2,449,595	2,324,880	2,540,827
Health	4,114,552	4,019,763	3,831,618	3,840,090	3,707,070	3,789,730
Culture and Recreation	3,884,827	2,896,007	4,219,813	4,222,197	5,512,146	5,188,558
Housing and Economic Development	19,641,805	2,467,053	5,557,466	8,076,376	8,196,016	7,291,601
Operating Grants and Contributions	32,629,611	24,023,893	33,840,616	32,975,895	29,671,811	35,593,466
Capital Grants and Contributions	18,505,643	36,811,025	31,801,235	26,385,391	16,943,630	15,445,884
Total Governmental Activities Program Revenues	132,503,061	130,122,249	144,033,010	147,485,056	136,535,151	143,671,556
Business-Type Activities:						
Charges for Services						
Convention Facility ^a	7,382,132	6,832,435	7,469,223	-	-	-
Sewer	38,850,245	40,760,760	41,582,550	41,108,850	40,480,344	42,180,934
Development Loan Programs	1,619,812	2,652,971	2,524,308	5,477,876	7,046,559	427,676
Parking	8,377,128	8,646,251	9,855,748	10,266,046	10,799,884	10,667,979
Parks, Recreation and Athletics	5,374,658	4,763,140	3,987,924	5,007,471	4,253,281	4,136,411
Impound Lot	2,094,383	2,093,756	2,160,387	2,837,692	2,913,522	3,212,873
Printing	1,428,629	1,238,072	1,385,361	1,336,638	1,142,229	1,176,609
Operating Grants and Contributions	557,645	903,216	1,519,836	487,960	1,316,288	299,973
Capital Grants and Contributions	3,499,747	615,884	1,444,700	900,000	6,239,395	11,412,775
Total Business-Type Activities Program Revenues	69,184,379	68,506,485	71,930,037	67,422,533	74,191,502	73,515,230
Total Primary Government Program Revenues	\$ 201,687,440	\$ 198,628,734	\$ 215,963,047	\$ 214,907,589	\$ 210,726,653	\$ 217,186,786

continued

unaudited

City of Saint Paul, Minnesota
CHANGES IN NET ASSETS
 Last Six Fiscal Years
(accrual basis of accounting)

	Fiscal Year					
	2002	2003	2004	2005	2006	2007
Net (Expense)/Revenue						
Governmental Activities	\$ (191,440,350)	\$ (192,825,636)	\$ (185,268,012)	\$ (216,488,931)	\$ (231,813,704)	\$ (237,538,412)
Business-Type Activities	7,602,615	8,088,678	7,096,846	14,798,777	10,493,023	8,534,460
Total Primary Government Net Expense	<u>\$ (183,837,735)</u>	<u>\$ (184,736,958)</u>	<u>\$ (178,171,166)</u>	<u>\$ (201,690,154)</u>	<u>\$ (221,320,681)</u>	<u>\$ (229,003,952)</u>
General Revenues and Other Changes in Net Assets						
Governmental Activities:						
Taxes						
Property Taxes, Levied for General Purposes	\$ 43,391,803	\$ 53,127,175	\$ 53,208,363	\$ 64,039,066	\$ 66,522,052	\$ 62,817,701
Property Taxes, Levied for Debt Service	25,355,830	17,639,710	16,314,143	7,820,482	11,026,264	21,625,442
City Sales Tax	13,344,192	13,312,004	13,753,085	14,219,562	14,788,775	15,664,067
Gross Earnings Franchise Fee	20,461,718	20,363,250	20,734,092	21,453,093	23,631,601	23,094,436
Other Taxes	3,010,662	2,685,387	3,051,574	2,973,717	1,064,984	3,056,451
Revenues Not Restricted to Specific Programs						
Local Government Aid	73,554,056	63,083,699	56,713,060	53,206,165	59,544,620	59,961,201
Grants and Contributions	7,400,023	19,868,660	14,253,707	10,569,389	10,038,235	13,076,214
Investment Income						
Interest Earned on Investments	9,028,333	7,702,266	8,030,739	9,192,966	9,421,782	9,670,021
Increase (Decrease) in Fair Value of Investments	-	(2,132,076)	(1,911,771)	(2,690,817)	(116,483)	2,160,885
Other Investment Income	4,891,080	1,355,348	2,068,978	4,159,922	6,828,069	10,258,865
Gain on Sale of Capital Assets	-	62,396	55,201	86,887	1,774,601	46,145
Miscellaneous	4,344,264	6,090,628	5,040,447	5,464,179	4,405,124	13,777,578
Transfers	11,766,916	8,913,826	(4,161,316)	9,126,692	19,840,276	24,063,004
Total Governmental Activities	<u>216,548,877</u>	<u>212,072,273</u>	<u>187,150,302</u>	<u>199,621,303</u>	<u>228,769,900</u>	<u>259,272,010</u>
Business-Type Activities:						
Taxes						
Property Taxes, Levied for General Purposes	1,195,454	1,203,262	1,219,706	1,372,349	1,397,216	1,276,002
Other Taxes	70,495	-	-	-	-	-
Revenues Not Restricted to Specific Programs						
Grants and Contributions	69,265	93,483	-	-	-	-
Investment Income						
Interest Earned on Investments	1,889,488	712,394	1,539,142	2,511,389	2,921,360	2,018,152
Increase (Decrease) in Fair Value of Investments	-	(399,839)	(494,038)	(663,833)	35,534	530,935
Other Investment Income	454,174	15,547	28,395	-	-	-
Gain on Sale of Capital Assets	-	-	1,108	1,055	70,535	868
Miscellaneous	347,306	240,820	124,194	625,120	4,013,182	31,703
Transfers	(11,766,916)	(8,913,826)	4,161,316	(9,126,692)	(19,840,276)	(24,063,004)
Total Business-Type Activities	<u>(7,740,734)</u>	<u>(7,048,159)</u>	<u>6,579,823</u>	<u>(5,280,612)</u>	<u>(11,402,449)</u>	<u>(20,205,344)</u>
Total Primary Government	<u>\$ 208,808,143</u>	<u>\$ 205,024,114</u>	<u>\$ 193,730,125</u>	<u>\$ 194,340,691</u>	<u>\$ 217,367,451</u>	<u>\$ 239,066,666</u>
Change in Net Assets						
Governmental Activities	\$ 25,108,527	\$ 19,246,637	\$ 1,882,290	\$ (16,867,628)	\$ (3,043,804)	\$ 21,733,598
Business-Type Activities	(138,119)	1,040,519	13,676,669	9,518,165	(909,426)	(11,670,884)
Total Primary Government	<u>\$ 24,970,408</u>	<u>\$ 20,287,156</u>	<u>\$ 15,558,959</u>	<u>\$ (7,349,463)</u>	<u>\$ (3,953,230)</u>	<u>\$ 10,062,714</u>

Notes: The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2002.

^a In 2005, the RiverCentre Operating Enterprise Fund, previously part of the City's Business-Type Activities and functionalized as a Convention Facility, was reclassified to a Discretely Presented Component Unit.

^b In 2002, Increase in Fair Value of Investments in the Governmental Activities was \$3,411,767. This amount was included as part of the Other Investment Income total.

^c In 2002, Increase in Fair Value of Investments in the Business-Type Activities was \$454,174. This amount was included as part of the Other Investment Income total.

City of Saint Paul, Minnesota
PROGRAM REVENUES BY FUNCTION/PROGRAM
Last Six Fiscal Years
(accrual basis of accounting)

Table 3

Function/Program	Fiscal Year					
	2002	2003	2004	2005	2006	2007
Governmental Activities:						
General Government	\$ 15,950,864	\$ 5,223,463	\$ 10,464,401	\$ 10,218,531	\$ 9,823,498	\$ 13,552,350
Public Safety	26,452,334	29,962,350	30,781,259	31,898,748	32,780,568	36,888,438
Highways and Streets	28,456,425	46,461,748	54,114,650	53,792,724	48,747,880	45,238,729
Sanitation	4,227,008	2,933,760	2,863,670	3,126,471	2,864,932	3,081,003
Health	4,114,552	4,019,763	3,831,618	3,840,090	3,707,070	4,464,730
Culture and Recreation	10,694,788	20,794,153	21,080,303	17,638,863	17,326,036	16,469,733
Housing and Economic Development	42,607,090	20,727,012	20,897,109	26,969,629	21,285,167	23,976,573
Total Governmental Activities	132,503,061	130,122,249	144,033,010	147,485,056	136,535,151	143,671,556
Business-Type Activities:						
Convention Facility ^a	7,531,146	6,832,435	8,883,571	-	-	-
Sewer	38,850,245	40,760,760	41,660,786	41,181,561	40,553,055	42,252,361
Development Loan Programs	2,105,153	3,541,261	3,951,786	5,878,284	8,290,136	656,222
Parking	11,727,861	9,262,135	9,855,748	11,166,046	17,035,259	22,080,754
Parks, Recreation and Athletics	5,446,962	4,778,066	4,032,398	5,022,312	4,253,281	4,136,411
Impound Lot	2,094,383	2,093,756	2,160,387	2,837,692	2,913,522	3,212,873
Printing	1,428,629	1,238,072	1,385,361	1,336,638	1,146,249	1,176,609
Total Business-Type Activities	69,184,379	68,506,485	71,930,037	67,422,533	74,191,502	73,515,230
Total Primary Government	\$ 201,687,440	\$ 198,628,734	\$ 215,963,047	\$ 214,907,589	\$ 210,726,653	\$ 217,186,786

Notes: The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2002.

^a In 2005, the RiverCentre Operating Enterprise Fund, previously part of the City's Business-Type Activities and functionalized as a Convention Facility, was reclassified to a Discretely Presented Component Unit.

unaudited

City of Saint Paul, Minnesota

Table 4

FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General Fund										
Reserved	\$ 6,887,512	\$ 6,387,976	\$ 5,535,984	\$ 5,533,669	\$ 5,613,140	\$ 5,334,613	\$ 4,340,814	\$ 4,187,181	\$ 3,267,812	\$ 3,226,188
Unreserved	42,505,842	36,837,301	40,062,050	38,189,657	35,993,191	32,510,286	29,499,571	23,067,576	27,004,762	31,753,404
Total General Fund	<u>\$ 49,393,354</u>	<u>\$ 43,225,277</u>	<u>\$ 45,598,034</u>	<u>\$ 43,723,326</u>	<u>\$ 41,606,331</u>	<u>\$ 37,844,899</u>	<u>\$ 33,840,385</u>	<u>\$ 27,254,757</u>	<u>\$ 30,272,574</u>	<u>\$ 34,979,592</u>
All Other Governmental Funds										
Reserved	\$ 20,896,614	\$ 20,409,711	\$ 20,108,806	\$ 21,508,479	\$ 36,919,324	\$ 20,701,025	\$ 10,453,614	\$ 25,695,148	\$ 19,312,928	\$ 19,146,044
Unreserved, reported in:										
Special Revenue Funds	38,082,202	40,743,057	47,457,241	51,257,548	53,214,523	54,295,471	52,158,335	48,776,930	42,749,516	34,695,621
Debt Service Funds	57,923,757	55,381,996	62,600,163	68,837,886	66,631,417	68,740,713	67,187,680	59,553,764	56,421,129	61,109,450
Capital Projects Funds	67,077,677	73,266,992	64,436,685	44,748,721	33,625,724	45,076,818	53,663,461	28,851,862	18,638,492	46,964,614
Permanent Funds	-	-	-	-	27,236	27,790	27,481	27,599	29,788	33,879
Total All Other Governmental Funds	<u>\$ 183,980,250</u>	<u>\$ 189,801,756</u>	<u>\$ 194,602,895</u>	<u>\$ 186,352,634</u>	<u>\$ 190,418,224</u>	<u>\$ 188,841,817</u>	<u>\$ 183,490,571</u>	<u>\$ 162,905,303</u>	<u>\$ 137,151,853</u>	<u>\$ 161,949,608</u>

Note: 1998 through 2001 data does not include permanent funds which were reclassified in 2002 from nonexpendable trust funds to permanent funds.

unaudited

City of Saint Paul, Minnesota
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

Table 5

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Revenues										
Taxes	\$ 104,198,269	\$ 106,878,131	\$ 113,414,530	\$ 117,411,554	\$ 105,083,556	\$ 106,242,298	\$ 109,252,185	\$ 110,585,975	\$ 116,407,831	\$ 127,669,696
Licenses and Permits	8,216,430	8,864,748	8,749,454	8,499,506	9,338,920	9,946,553	11,837,738	9,754,084	9,826,495	9,788,334
Intergovernmental Revenue	130,735,178	131,590,772	135,025,265	128,312,680	135,870,545	136,172,418	124,516,106	118,926,464	111,171,847	111,488,320
Fees, Sales and Services	28,018,440	30,003,769	32,771,565	36,038,556	36,218,180	36,952,168	38,604,545	49,352,098	43,117,742	44,043,772
Assessments	17,075,476	17,102,665	17,289,214	16,448,973	17,547,027	21,242,537	23,155,819	25,810,255	26,077,643	27,552,914
Investment Income	21,595,882	13,620,099	30,545,608	18,417,647	14,839,915	6,687,036	7,915,522	10,918,511	16,397,951	22,251,695
Interest Earned - Other	460,298	437,597	347,603	305,706	319,904	341,037	731,305	849,744	822,865	1,088,037
Miscellaneous Revenue	9,179,223	12,344,112	62,556,987	22,432,277	19,625,739	14,439,188	13,475,703	12,615,017	16,111,608	17,779,110
Total Revenues	319,479,196	320,841,893	400,700,226	347,866,899	338,843,786	332,023,235	329,488,923	338,812,148	339,933,982	361,661,878
Expenditures										
General Government	31,648,726	33,011,789	35,034,554	38,971,274	35,288,827	33,427,028	28,210,068	26,996,262	26,841,779	27,579,527
Public Safety	95,769,267	94,410,919	98,246,208	103,227,952	111,207,963	112,628,159	117,249,240	123,704,393	129,577,904	141,968,273
Highways and Streets	22,580,421	23,604,098	24,343,375	25,038,865	24,059,026	22,477,765	31,848,667	27,768,336	27,237,822	28,972,157
Sanitation	-	-	7,475,891	-	-	2,486,019	8,482,290	12,444,218	11,583,533	9,983,275
Health	5,467,833	4,445,005	4,597,617	4,141,380	4,114,552	4,019,763	3,831,618	3,840,090	3,707,070	3,789,730
Culture and Recreation	38,855,554	37,227,096	36,255,598	38,531,070	42,035,136	39,780,189	43,238,513	51,276,198	49,343,421	49,818,226
Housing and Economic Development	32,838,943	38,563,111	38,847,917	43,788,974	42,175,500	41,997,411	31,061,250	42,224,229	41,021,924	30,027,891
Miscellaneous	4,970,649	5,028,773	5,408,793	6,134,183	5,523,784	5,339,604	6,025,438	5,734,053	5,144,659	4,148,543
Capital Outlay	110,882,037	174,571,918	145,486,793	73,367,100	68,743,229	82,829,109	53,549,908	40,853,473	49,142,396	39,640,194
Debt Service										
Principal	45,293,110	27,333,411	27,227,678	50,416,181	38,029,215	32,439,693	29,759,302	37,472,711	32,331,805	34,123,495
Interest	21,401,179	30,303,034	31,844,320	24,324,492	22,084,347	21,974,828	22,952,306	26,282,901	30,093,539	28,610,535
Bond Issuance Costs	1,305,198	1,689,882	508,076	727,739	972,605	315,173	545,135	434,356	207,549	572,452
Advance Refunding Escrow	2,028,144	-	-	-	-	-	-	-	-	-
Total Expenditures	413,041,061	470,189,036	455,276,820	408,669,210	394,234,184	399,714,741	376,753,735	399,031,220	406,233,401	399,234,298
Excess (Deficiency) of Revenues Over (Under) Expenditures	(93,561,865)	(149,347,143)	(54,576,594)	(60,802,311)	(55,390,398)	(67,691,506)	(47,264,812)	(60,219,072)	(66,299,419)	(37,572,420)
Other Financing Sources (Uses)										
Transfers In	71,408,781	121,928,577	131,980,366	116,204,848	86,457,723	95,464,836	92,989,648	97,525,767	100,077,442	120,746,515
Transfers Out	(63,639,288)	(110,989,441)	(122,004,517)	(109,585,296)	(75,178,120)	(87,690,918)	(97,941,380)	(95,073,290)	(81,705,358)	(100,172,984)
Bonds Issued	81,248,750	91,869,008	50,560,340	42,203,972	47,409,000	32,285,000	45,995,000	34,045,000	23,500,000	49,925,000
Refunded Bonds	-	-	-	-	-	(5,040,000)	(5,340,000)	(5,005,000)	(4,820,000)	(3,895,000)
Premium on Bonds Issued	-	-	-	-	43,882	301,350	937,112	474,104	215,092	503,955
Discount on Bonds Issued	-	-	-	-	(2,226)	-	-	(4,601)	-	(64,180)
Notes Issued	4,509,275	46,418,069	23,855	1,912,864	17,689	13,750,000	-	-	4,820,000	-
Payment to Escrow Agent	(23,765,925)	-	-	-	-	-	-	-	-	-
Notes Retired	-	-	(52,015,958)	-	-	-	-	-	-	-
Prepayment Penalty on Note Retirement	-	-	(1,505,625)	-	-	-	-	-	-	-
Capital Lease	-	-	-	-	6,872,000	13,845,000	1,224,350	1,000,000	-	-
Sale of Capital Assets	-	-	54,654,583	-	-	55,263	44,322	86,196	1,476,610	33,887
Total Other Financing Sources (Uses)	69,761,593	149,226,213	61,693,044	50,736,388	65,619,948	62,970,531	37,909,052	33,048,176	43,563,786	67,077,193
Residual Equity Transfers and Adjustments	206,282	(225,641)	57,446	(59,046)	-	-	-	-	-	-
Net Change in Fund Balance	\$ (23,593,990)	\$ (346,571)	\$ 7,173,896	\$ (10,124,969)	\$ 10,229,550	\$ (4,720,975)	\$ (9,355,760)	\$ (27,170,896)	\$ (22,735,633)	\$ 29,504,773
Debt Service as a percentage of noncapital expenditures:	23.2%	20.1%	19.2%	22.5%	18.8%	17.3%	16.5%	17.9%	17.5%	17.6%

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Notes: 1998 through 2001 data does not include permanent funds which were reclassified in 2002 from nonexpendable trust funds to permanent funds.
 Investment income includes interest on investments, increase (decrease) in fair value of investments and interest earned on securities lending.
 Housing and Economic Development expenditures were classified as Urban Redevelopment, Economic Development and Economic Opportunity in 1998 through 2001. unaudited

City of Saint Paul, Minnesota
GOVERNMENTAL FUNDS TAX REVENUES BY SOURCE
 Last Ten Fiscal Years

Table 6

<u>Fiscal Year</u>	<u>General Property Taxes (1)</u>	<u>Tax Increment Districts</u>	<u>Gross Earnings Franchise Fee</u>	<u>City Sales Tax</u>	<u>Hotel-Motel Tax</u>	<u>Other Taxes (2)</u>	<u>Total Taxes</u>
1998	\$ 63,123,987	\$ 10,577,803	\$ 17,266,438	\$ 10,542,813	\$ 2,549,326	\$ 1,405	\$ 104,061,772
1999	63,121,981	12,347,861	17,725,621	10,829,384	2,473,549	83,280	106,581,676
2000	62,794,192	15,548,260	18,854,325	13,007,632	2,740,548	108,087	113,053,044
2001	62,626,729	18,862,952	19,414,538	13,432,179	2,712,042	135,241	117,183,681
2002	58,209,650	10,057,334	20,461,718	13,344,192	2,717,163	90,390	104,880,447
2003	58,074,438	11,807,219	20,363,250	13,312,004	2,454,219	98,026	106,109,156
2004	58,537,588	13,175,489	20,734,091	13,753,085	2,885,847	111,535	109,197,635
2005	58,233,792	13,854,210	21,453,093	14,219,562	2,728,764	58,831	110,548,252
2006	61,408,708	15,513,763	21,719,072	14,788,775	2,926,601	50,912	116,407,831
2007	67,334,446	17,260,145	24,274,128	15,664,067	3,067,653	69,257	127,669,696

(1) General Property Taxes excludes Market Value Homestead Credit.
 General Property Taxes includes Current and Prior Year Collections.

(2) Other Taxes include penalties & interest on property taxes, Contamination Tax, and Drug Store & Mortuary Tax.

unaudited

City of Saint Paul, Minnesota
 ESTIMATED MARKET VALUE, TAXABLE MARKET VALUE, AND NET TAX CAPACITY OF TAXABLE PROPERTY
 Last Ten Fiscal Years

Table 7

Levy Year/Payable Year	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Estimated Market Value										
Residential	\$5,379,930,576	\$5,680,605,039	\$6,072,330,066	\$7,472,958,986	\$8,986,030,100	\$10,920,229,300	\$12,132,142,180	\$13,647,894,000	\$14,894,768,200	\$16,156,594,900
Multiple Dwelling	832,483,174	885,228,927	943,888,134	1,095,543,033	1,379,390,800	1,634,126,500	2,254,972,520	2,699,138,000	2,904,292,000	3,120,269,200
Commercial & Industrial	1,447,880,800	1,631,781,834	1,849,481,201	2,218,927,752	2,394,329,800	2,690,017,500	2,878,728,300	2,969,533,500	3,204,930,500	3,712,446,900
Agricultural	707,200	623,400	658,600	560,929	999,100	1,716,100	1,503,500	1,732,000	1,777,500	3,414,200
Personal Property	293,084,700	290,346,300	303,045,300	277,175,200	286,133,500	286,055,300	295,189,400	310,928,500	310,928,500	292,727,800
Total Estimated Market Value	\$7,954,086,450	\$8,488,585,500	\$9,169,403,301	\$11,065,165,900	\$13,046,883,300	\$15,532,144,700	\$17,562,535,900	\$19,629,226,000	\$21,316,696,700	\$23,285,453,000
Taxable Market Value										
Residential		Breakdown regarding class of real/personal property not available	Breakdown regarding class of real/personal property not available	Breakdown regarding class of real/personal property not available	Breakdown regarding class of real/personal property not available	\$7,189,775,000	\$8,033,480,700	\$9,101,481,400	\$10,660,325,500	\$12,374,904,400
Multiple Dwelling						1,360,873,200	1,633,896,300	1,938,483,100	2,468,144,900	2,676,404,300
Commercial & Industrial						2,388,888,800	2,690,017,500	2,878,728,300	2,963,339,300	3,187,251,500
Agricultural						728,300	766,000	826,700	964,900	1,106,400
Personal Property						286,133,500	286,055,300	295,189,400	310,928,500	292,727,800
Total Taxable Market Value	\$7,954,086,450	\$8,480,678,600	\$9,157,393,201	\$10,164,670,200	\$11,226,398,800	\$12,644,215,800	\$14,214,708,900	\$16,403,703,100	\$18,550,595,100	\$21,103,230,000
Net Tax Capacity										
Residential	\$64,983,332	\$66,680,692	\$71,407,676	\$79,120,976	\$71,877,316	\$79,853,978	\$91,129,291	\$106,889,252	\$124,407,717	\$143,116,934
Multiple Dwelling	21,919,412	18,621,642	18,904,684	21,375,459	21,210,353	22,135,132	24,229,733	30,817,187	32,370,855	35,105,250
Commercial & Industrial	53,711,335	53,518,980	59,200,840	71,303,051	45,974,891	52,889,557	55,538,460	57,166,280	61,752,920	71,485,269
Agricultural	10,791	7,797	7,907	6,226	6,983	7,012	7,860	9,154	10,496	13,344
Personal Property	11,454,861	9,961,695	10,134,824	9,306,200	5,669,437	5,640,507	5,855,423	6,177,516	5,838,295	5,798,667
	152,079,731	148,790,806	159,655,931	181,111,912	144,738,980	160,526,186	176,760,767	201,059,389	224,380,283	255,519,464
Less: Tax Increment District Captured Net Tax Capacity	(11,003,251)	(11,928,010)	(14,363,837)	(18,732,577)	(13,291,072)	(14,655,305)	(16,458,189)	(17,770,800)	(18,233,377)	(22,973,298)
Fiscal Disparity Contribution from Saint Paul	(12,062,762)	(12,043,718)	(13,246,125)	(15,745,914)	(13,175,636)	(11,774,572)	(15,711,939)	(16,383,446)	(17,074,983)	(19,319,145)
Distribution to Saint Paul	40,248,863	37,734,195	40,517,488	42,896,691	32,136,403	33,783,356	35,522,965	35,670,395	36,114,648	39,773,037
Total Net Tax Capacity	\$169,262,581	\$162,553,273	\$172,563,457	\$189,530,112	\$150,408,675	\$167,879,665	\$180,113,604	\$202,575,538	\$225,186,571	\$253,000,058
Direct Tax Rate										
General Revenue	24.106%	25.606%	24.000%	21.630%	26.486%	25.816%	23.173%	22.019%	20.767%	19.286%
Bonded Debt	11.897%	11.911%	11.395%	10.485%	11.406%	11.166%	5.605%	3.210%	2.924%	3.623%
Library Revenue							5.383%	4.978%	4.667%	4.681%
Total Direct Tax Rate	36.003%	37.517%	35.395%	32.115%	37.892%	36.982%	34.161%	30.207%	28.358%	27.590%
Total Net Tax Capacity as a Percentage of Total Estimated Market Value										
	2.13%	1.91%	1.88%	1.71%	1.15%	1.08%	1.03%	1.03%	1.06%	1.09%

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Source: Ramsey County Department of Property Records and Revenue

Notes: Net tax capacity is the amount to which the local tax rate is applied. Tax Capacity is calculated by applying a statutory formula to the taxable market value of the property.

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City of Saint Paul, Minnesota
 PROPERTY TAX RATES AND TAX LEVIES (Certified to County)
 DIRECT AND OVERLAPPING GOVERNMENTS
 Last Ten Fiscal Years

Fiscal Year	City of Saint Paul	School District 625	Housing & Redevelopment Authority	Port Authority	Ramsey County	Special Districts	Total
TAX CAPACITY RATES (PER \$100 OF ADJUSTED TAX CAPACITY VALUE)							
1998	36.003	60.203	0.501	1.359	42.008	5.579	145.653
1999	37.517	63.926	0.509	1.426	42.879	5.934	152.191
2000	35.395	63.717	0.476	1.337	40.712	6.188	147.825
2001	32.115	57.529	0.433	1.210	38.466	7.029	136.782
2002	37.892	34.772	0.510	1.700	50.517	4.532	129.923
2003	36.982	33.283 (2)	0.497	1.506	50.086	6.186	128.540
2004	34.161	31.866 (2)	0.458	1.328	49.255	5.002	122.070
2005	30.207	28.192 (2)	0.440	1.112	45.689	4.891	110.531
2006	28.358	29.368 (2)	0.434	1.016	43.414	6.140	108.730
2007	27.590	25.415 (2)	0.414	1.064	41.843	7.247	103.573

TAX LEVIES (1)							
1998	\$ 82,416,015	\$ 114,384,121	\$ 1,109,074	\$ 2,645,107	\$ 162,516,474	\$ 12,770,986	\$ 375,841,777
1999	82,405,836	108,599,144	1,109,074	2,650,000	162,516,474	14,886,917	372,167,445
2000	83,202,989	112,350,891	1,109,074	2,650,000	165,546,024	14,000,263	378,859,241
2001	83,208,092	112,158,774	1,109,074	2,645,000	172,225,465	16,606,957	387,953,362
2002	62,393,263	53,799,194	840,174	2,640,000	180,723,664	10,953,106	311,349,401
2003	62,393,263	56,718,144 (2)	840,174	2,595,000	186,698,750	15,551,656	324,796,987
2004	62,545,263	58,237,244 (2)	840,174	2,443,000	197,811,166	11,034,681	332,911,528
2005	62,615,088	58,759,418 (2)	898,986	2,317,175	206,554,708	12,155,935	343,301,310
2006	64,532,906	66,044,888 (2)	979,895	2,316,175	217,455,420	26,689,855	378,019,139
2007	70,062,561	66,206,297 (2)	1,057,307	2,716,050	230,921,903	35,621,246	406,585,364

- (1) 1998 - 2001 Tax Levies for City of Saint Paul and Housing & Redevelopment Authority included HACA Aid paid by the State of Minnesota. Beginning year 2002, HACA Aid was eliminated. Local Government Aid was increased to compensate for the elimination of HACA Aid.
- (2) Voters approved an excess operating levy for School District 625 adding a market value based levy in addition to the tax capacity levy beginning year 2003. The 2003 market based tax rate and levy were 0.08778% and \$11,103,874. The 2004 rate and levy were 0.08894% and \$15,570,869. The 2005 market based tax rate and levy were 0.06741% and \$14,168,313. The 2006 rate and levy were 0.09859% and \$20,618,213. The 2007 market based tax rate and levy were 0.13842% and \$32,947,644.

Note: In addition to the above, the following tax rates and tax levies were applied against portions of Saint Paul.

Fiscal Year	Metropolitan Watershed District		Tax Increment Districts		
	Tax Rate	Tax Levies	Tax Rates		
			Without METRO W/S Dist	Including METRO W/S Dist	Tax Levies
1998	2.511	\$ 655,805	145.653	148.165	\$ 15,316,318
1999	2.321	637,535	152.191	154.513	17,259,113
2000	1.898	554,909	147.825	149.721	20,346,267
2001	1.759	535,548	135.883	137.635	24,806,994
2002	2.265	632,713	128.937	132.028	16,867,927
2003	3.066	839,172	128.540	130.821	18,409,185
2004	1.833	662,103	122.070	123.203	19,763,562
2005	2.182	748,734	110.531	112.049	19,580,532
2006	2.455	933,981	108.730	110.554	19,733,859
2007	2.230	978,958	103.573	105.224	23,710,560

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City of Saint Paul, Minnesota
PRINCIPAL PROPERTY TAXPAYERS
 Current Year and Nine Years Ago

Table 9

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Taxpayer	2007			1998		
	2006 Net Tax Capacity for Taxes Payable in 2007	Rank	Percentage of 2006 Total Net Tax Capacity for Taxes Payable in 2007	1997 Net Tax Capacity for Taxes Payable in 1998	Rank	Percentage of 1997 Total Net Tax Capacity for Taxes Payable in 1998
Xcel Energy (Northern States Power Company)	\$5,181,673	1	2.05%	\$5,736,010	1	3.39%
Minnesota Mutual Life Insurance Company	2,082,664	2	0.82%	772,181	6	0.46%
U.S. Bank Corp. Property & U.S. Bancorp	1,512,023	3	0.60%			
Ford Motor Company	1,270,572	4	0.50%	838,425	5	0.50%
St. Paul Fire & Marine Insurance Company	1,176,094	5	0.46%			
St. Paul Tower LP (World Trade Center)	1,082,850	6	0.43%			
Behringer Harvard LC LLC (Lawson Software)	1,054,938	7	0.42%			
3M	882,940	8	0.35%	636,868	10	0.38%
CSM Corporation & Investors	803,236	9	0.32%			
BNSF Railway Company	730,360	10	0.29%	758,513	7	0.45%
St. Paul Companies				2,328,838	2	1.38%
Principal Mutual Life Insurance Company				1,387,474	3	0.82%
Minnesota Street Associates				1,041,527	4	0.62%
KB Fund II				746,901	8	0.43%
St. Paul Real Estate LLC				658,973	9	0.38%
	<u>\$15,777,350</u>		<u>6.24%</u>	<u>\$14,905,710</u>		<u>8.81%</u>

Data Source
 Ramsey County Department of Property Records and Revenue

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City of Saint Paul, Minnesota
PROPERTY TAX LEVIES AND COLLECTIONS
CITY AND LIBRARY AGENCY
 Last Ten Fiscal Years

Table 10

	1998	1999	2000	2001	2002 (2)	2003	2004	2005	2006	2007
Total Taxes Levied for Current Fiscal Year (1)	\$82,416,035	\$82,406,322	\$83,204,103	\$83,206,301	\$62,393,392	\$62,392,844	\$62,545,233	\$62,615,791	\$64,532,799	\$70,063,650
Collection of Current Year Tax Levy										
From Taxpayers	45,372,180	45,794,327	45,569,082	46,027,850	38,924,829	43,372,547	44,156,237	45,114,136	48,823,276	54,348,438
Fiscal Disparity Aid	15,920,842	15,548,499	15,640,215	15,178,470	17,426,218	12,663,429	12,616,556	11,972,624	10,796,022	11,089,710
State Credits and Aids	20,015,054	20,012,573	20,809,726	20,814,829	4,578,654	4,415,706	4,112,735	3,729,946	3,210,181	2,936,100
Total Collection of Current Levy	81,308,076	81,355,399	82,019,023	82,021,150	60,929,700	60,451,682	60,885,527	60,816,706	62,829,480	68,374,249
Percentage of Current Year Levy Collected in the Fiscal Year of Levy	98.66	98.72	98.58	98.58	97.65	96.89	97.35	97.13	97.36	97.59
Delinquent Taxes Collected in subsequent years										
1st Year Delinquent	568,582	505,319	487,776	813,807	1,051,603	949,514	304,568	861,772	911,486	-
2nd Year Delinquent	108,692	5,715	74,733	75,735	(52,814)	(74,806)	(31,064)	(90,467)	-	-
3rd Year Delinquent	27,992	79,990	76,355	49,319	11,386	(13,761)	(1,211)	-	-	-
4th Year Delinquent	33,786	30,620	25,297	43,110	17,353	52,144	-	-	-	-
5th Year Delinquent	9,744	19,696	10,719	9,691	5,638	-	-	-	-	-
6th Year & Prior Delinquent	44,352	27,075	25,213	20,888	-	-	-	-	-	-
Total Delinquent Collections	793,148	668,415	700,093	1,012,550	1,033,166	913,091	272,293	771,305	911,486	-
Total Tax Collections as of 12/31/07	\$82,101,224	\$82,023,814	\$82,719,116	\$83,033,700	\$61,962,866	\$61,364,773	\$61,157,820	\$61,588,011	\$63,740,966	\$68,374,249
Percentage of Levy Collected as of 12/31/07	99.62	99.54	99.42	99.79	99.31	98.35	97.78	98.36	98.77	97.59

(1) The total tax levied is different than the tax levy certified (as presented in Table 8) due to the property tax rate rounding factor.

(2) Beginning year 2002, the State of Minnesota eliminated HACA Aid which was considered part of the Property Tax Levy. The Market Value Homestead Credit was established which reduces the property tax paid by the qualified homeowners with the State of Minnesota paying the difference directly to the taxing district.

Notes: Collections do not include Tax Increment Districts.

Above data does not include Housing and Redevelopment (HRA), Table 11 presents separately the HRA (Component Unit) data.

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City of Saint Paul, Minnesota
PROPERTY TAX LEVIES AND COLLECTIONS
HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL
(Component Unit)
Last Ten Fiscal Years

Table 11

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Total Taxes Levied for Current Fiscal Year	\$ 1,109,074	\$ 1,109,074	\$ 1,109,074	\$ 1,109,074	\$ 840,174	\$ 840,174	\$ 840,174	\$ 898,986	\$ 979,895	\$ 1,057,307
Collection of Current Year Tax Levy										
From Taxpayers	621,269	625,070	614,420	622,097	526,934	584,041	594,122	661,061	750,062	819,668
Fiscal Disparity Aid	213,832	214,768	210,574	202,879	234,526	170,273	171,938	160,358	157,181	169,430
State Credits and Aids	258,112	258,237	268,900	268,900	61,625	46,766	38,346	54,331	49,130	44,056
Total Collection of Current Levy	1,093,213	1,098,075	1,093,894	1,093,876	823,085	801,080	804,406	875,750	956,373	1,033,154
Percentage of Current Year Levy Collected in the Fiscal Year of Levy	98.57	99.01	98.63	98.63	97.97	95.35	95.74	97.42	97.60	97.72
Delinquent Taxes Collected in subsequent years										
1st Year Delinquent (1)	\$ 10,231	\$ 9,923	\$ 8,184	\$ 13,691	\$ 5,816	\$ 11,901	\$ 3,559	\$ 12,963	\$ 8,723	\$ -
Total Tax Collections as of 12/31/07	\$ 1,103,444	\$ 1,107,998	\$ 1,102,078	\$ 1,107,567	\$ 828,901	\$ 812,981	\$ 807,965	\$ 888,713	\$ 965,096	\$ 1,033,154
Percentage of Levy Collected as of 12/31/07	99.49	99.90	99.37	99.86	98.66	96.76	96.17	98.86	98.49	97.72

(1) Entire amount of delinquent collections for each individual fiscal year is reported as 1st year delinquent for previous year's levy as breakdown by levy year is not available.

Note: Collections do not include Tax Increment Districts.

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City of Saint Paul, Minnesota
RATIOS OF OUTSTANDING DEBT BY TYPE PER CAPITA
 Last Ten Fiscal Years

Table 12

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Governmental Activities										
General Obligation Bonds	\$ 183,060,000	\$ 181,425,000	\$ 190,350,000	\$ 184,065,000	\$ 142,100,000	\$ 143,140,000	\$ 159,390,000	\$ 159,285,000	\$ 160,745,000	\$ 156,315,000
Revenue Bonds	112,225,000	180,680,000	196,643,000	198,673,000	186,834,000	182,999,000	180,960,942	181,684,780	170,365,923	190,793,740
Revenue Notes	61,036,482	111,227,410	58,850,071	59,307,544	53,117,329	64,399,753	61,422,179	53,424,359	55,770,626	52,859,580
Capital Leases	2,910,754	2,822,702	2,729,550	2,631,004	9,503,004	23,093,750	23,395,777	23,077,102	21,553,366	20,212,728
Total - Governmental Activities	<u>359,232,236</u>	<u>476,155,112</u>	<u>448,572,621</u>	<u>444,676,548</u>	<u>391,554,333</u>	<u>413,632,503</u>	<u>425,168,898</u>	<u>417,471,241</u>	<u>408,434,915</u>	<u>420,181,048</u>
Business-Type Activities										
General Obligation Bonds	4,545,000	4,385,000	4,220,000	4,045,000	43,190,000	42,060,000	40,815,000	39,485,000	37,980,000	36,320,000
Revenue Bonds	52,215,000	47,480,000	42,510,000	37,285,000	80,700,000	71,770,000	95,475,000	104,940,000	94,080,000	82,995,000
Revenue Notes	6,364,197	9,318,557	15,917,371	21,811,221	24,611,222	20,773,718	21,792,994	18,914,589	16,136,499	15,122,621
Capital Leases	2,236,668	2,127,185	2,011,575	1,889,494	1,889,495	1,760,582	1,624,457	621,697	350,434	71,116
Total - Business-Type Activities	<u>65,360,865</u>	<u>63,310,742</u>	<u>64,658,946</u>	<u>65,030,715</u>	<u>150,390,717</u>	<u>136,364,300</u>	<u>159,707,451</u>	<u>163,961,286</u>	<u>148,546,933</u>	<u>134,508,737</u>
Total Primary Government	<u>\$ 424,593,101</u>	<u>\$ 539,465,854</u>	<u>\$ 513,231,567</u>	<u>\$ 509,707,263</u>	<u>\$ 541,945,050</u>	<u>\$ 549,996,803</u>	<u>\$ 584,876,349</u>	<u>\$ 581,432,527</u>	<u>\$ 556,981,848</u>	<u>\$ 554,689,785</u>
Per Capita (1)	\$ 1,580.37	\$ 2,021.02	\$ 1,787.32	\$ 1,774.38	\$ 1,881.75	\$ 1,912.34	\$ 2,034.99	\$ 2,023.18	\$ 1,938.10	\$ 1,935.28

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements

(1) See Table 17 for population data. The 2007 ratio is calculated using population for the prior calendar year.

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City of Saint Paul, Minnesota
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
 Last Ten Fiscal Years

Table 13

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Population (1)	268,667	266,927	287,151	287,260	288,000	287,604	287,410	287,385	286,620	286,620
Taxable Assessed Value/ Net Tax Capacity (2)	\$ 169,262,581	\$ 162,553,273	\$ 172,563,457	\$ 189,530,112	\$ 150,408,675	\$ 167,879,665	\$ 180,113,604	\$ 202,575,538	\$ 225,186,571	\$ 253,000,058
General Obligation Bonds - Property Tax Supported	105,845,000	102,780,000	103,040,000	104,135,000	104,885,000	105,370,000	118,475,000	119,200,000	111,720,000	99,785,000
Less General Debt Service Fund	21,269,151	19,760,708	20,196,726	22,046,641	23,091,689	27,769,116	25,528,653	24,150,246	19,753,773	18,960,941
Net General Bonded Debt	\$ 84,575,849	\$ 83,019,292	\$ 82,843,274	\$ 82,088,359	\$ 81,793,311	\$ 77,600,884	\$ 92,946,347	\$ 95,049,754	\$ 91,966,227	\$ 80,824,059
Percentage of Net General Bonded Debt to Taxable Assessed Value/Net Tax Capacity	49.97%	51.07%	48.01%	43.31%	54.38%	46.23%	51.60%	46.92%	40.84%	31.95%
Net General Bonded Debt per Capita	\$ 314.80	\$ 311.02	\$ 288.50	\$ 285.76	\$ 284.00	\$ 269.82	\$ 323.39	\$ 330.74	\$ 320.86	\$ 281.99

(1) 1997-1999, 2001-04 data based on Metropolitan Council estimates. 2005 interpolated from Metropolitan Council data. 2000 data provided by U.S. Bureau of Census. 2007 estimate not yet available from Metropolitan Council. The 2007 ratio is calculated using population for the prior year.

(2) Taxable Assessed Value/Net Tax Capacity is net of tax increment reductions. The decline in taxable net tax capacity in 2002 is due to statutory changes in property classification rates. See Table 7 for Net Tax Capacity.

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City of Saint Paul, Minnesota
DIRECT, OVERLAPPING AND UNDERLYING GOVERNMENTAL ACTIVITIES DEBT
 December 31, 2007

Table 14

	<u>Gross General Bonded Debt</u>	<u>Net General Bonded Debt</u>	<u>Payable 2007 Net Tax Capacity</u>	<u>Percentage Applicable to City of Saint Paul</u>	<u>City of Saint Paul's Share of Debt</u>
Direct Debt					
City of Saint Paul	\$ 99,785,000	\$ 80,824,059 (1)	\$ 253,478,589	100.00%	\$ 80,824,059
Overlapping Debt					
County of Ramsey	127,105,000	109,324,234	528,423,534	47.97%	52,442,835
Metropolitan Council	<u>204,840,000</u>	<u>116,661,824</u>	3,342,207,897	7.58%	<u>8,842,966</u>
	<u>331,945,000</u>	<u>225,986,058</u>			<u>61,285,801</u>
Underlying Debt					
Port Authority of Saint Paul	12,925,000	790,149	253,478,589	100.00%	790,149
Independent School District #625	<u>359,978,979</u>	<u>359,276,193</u>	253,000,658	100.00%	<u>359,276,193</u>
	<u>372,903,979</u>	<u>360,066,342</u>			<u>360,066,342</u>
Total Direct, Overlapping and Underlying Debt	<u>\$ 804,633,979</u>	<u>\$ 666,876,459</u>			<u>\$ 502,176,202</u>

(1) Net General Bonded Debt	
Total General Obligation Bonds - Property Tax Supported	\$ 99,785,000
Less: Amount Available in General Debt Service Fund	<u>(18,960,941)</u>
Net General Bonded Debt	<u>\$ 80,824,059</u>

City of Saint Paul, Minnesota
LEGAL DEBT MARGIN INFORMATION
 Last Ten Fiscal Years

Table 15

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Estimated Market Values										
Real Property Value	\$ 8,198,239,200	\$ 8,866,358,001	\$ 10,787,990,700	\$ 12,760,749,800	\$ 15,246,089,400	\$ 17,267,346,500	\$ 19,318,297,500	\$ 21,005,768,200	\$ -	\$ -
Personal Property Value	290,346,300	303,045,300	277,175,200	286,133,500	286,055,300	295,189,400	310,928,500	310,928,500	-	-
Estimated Market Values for Debt Limit Computation	8,488,585,500	9,169,403,301	11,065,165,900	13,046,883,300	15,532,144,700	17,562,535,900	19,629,226,000	21,316,696,700	-	-
Debt limit (3 1/3% of assessed value)	282,952,567	305,646,471	368,838,494	434,895,675	517,737,639	585,417,278	654,306,879	710,555,846	-	-
Taxable Market Values										
Real Property Value	-	-	-	-	-	-	-	-	18,239,666,600	20,810,502,200
Personal Property Value	-	-	-	-	-	-	-	-	310,928,500	292,727,800
Taxable Market Values for Debt Limit Computation	-	-	-	-	-	-	-	-	18,550,595,100	21,103,230,000
Debt limit (3 1/3% of assessed value)	-	-	-	-	-	-	-	-	618,353,170	703,441,000
Debt applicable to limit										
General Obligation Bonds	187,760,000	185,970,000	194,735,000	188,285,000	185,290,000	185,200,000	200,205,000	198,770,000	198,725,000	192,635,000
Revenue Bonds	168,970,000	232,895,000	244,123,000	241,183,000	267,534,000	254,769,000	276,435,942	286,624,780	264,445,923	273,788,740
Revenue Notes	-	-	-	-	-	-	-	-	-	16,299,464
Capital Leases	-	-	-	-	-	-	-	-	-	14,478,157
Less: Amount allowable under MSA 475.53 Subd. 3 and City Charter Section 10.14	(283,430,000)	(343,785,000)	(359,878,000)	(346,741,500)	(367,489,000)	(352,509,000)	(387,254,435)	(392,024,780)	(368,678,423)	(408,218,204)
Total net debt applicable to limit	73,300,000	75,080,000	78,980,000	82,726,500	85,335,000	87,460,000	89,386,507	93,370,000	94,492,500	88,983,157
Legal debt margin	\$ 209,652,567	\$ 230,566,471	\$ 289,858,494	\$ 352,169,175	\$ 432,402,639	\$ 497,957,278	\$ 564,920,372	\$ 617,185,846	\$ 523,860,670	\$ 614,457,843
Total net debt applicable to the limit as a percentage of debt limit	25.91%	24.56%	21.41%	19.02%	16.48%	14.94%	13.66%	13.14%	15.28%	12.65%

Note: The total net debt of the city shall not exceed three and one-third percent (3 1/3) of the market value of the taxable real and personal property comprising the taxable value of the city as determined by the county auditor, in accordance with law. The legal debt margin was calculated based on the estimated market values for years 1998 thru 2005 and based on the taxable market values for year 2006 and thereafter.

unaudited

City of Saint Paul, Minnesota
PLEDGED-REVENUE BOND COVERAGE
 Last Ten Fiscal Years

Table 16

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Totals
SALES TAX REVENUE BONDS, SERIES 1999A, 2007A AND 2007B											
Fund Servicing Debt - City Revenue Bonds & Other Long-Term Debt Service Fund											
Revenues Available for Debt Service											
Sales Tax Proceeds	\$ -	\$ 10,829,384	\$ 13,007,632	\$ 13,432,179	\$ 13,344,192	\$ 13,312,004	\$ 13,753,085	\$ 14,219,562	\$ 14,788,775	\$ 15,664,067	\$ 122,350,880
Investment Earnings	-	388,274	3,589,739	412,698	44,642	37,028	33,895	106,928	202,128	195,923	5,011,255
Rents	-	-	1,750,000	5,127,125	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	27,877,125
Payments in Lieu of Taxes	-	-	1,250,000	875,000	2,514,356	2,535,074	2,556,828	2,929,669	3,303,652	3,328,836	19,293,415
Bond Proceeds	-	-	-	-	-	-	-	-	-	27,280,000	27,280,000
Total Revenues Available for Debt Service	\$ -	\$ 11,217,658	\$ 19,597,371	\$ 19,847,002	\$ 19,403,190	\$ 19,384,106	\$ 19,843,808	\$ 20,756,159	\$ 21,794,555	\$ 49,968,826	\$ 201,812,675
Debt Service Requirements											
Principal	\$ -	\$ -	\$ -	\$ 965,000	\$ 1,020,000	\$ 745,000	\$ 940,000	\$ 1,150,000	\$ 1,470,000	\$ 1,560,000	\$ 7,850,000
Interest	-	3,312,565	4,989,637	4,989,637	4,934,729	4,874,753	4,830,202	4,772,768	4,701,812	4,609,791	42,015,894
State Loan Repayment	-	-	-	-	-	1,250,000	1,250,000	1,250,000	1,500,000	1,500,000	6,750,000
Total Debt Service Requirements	\$ -	\$ 3,312,565	\$ 4,989,637	\$ 5,954,637	\$ 5,954,729	\$ 6,869,753	\$ 7,020,202	\$ 7,172,768	\$ 7,671,812	\$ 7,669,791	\$ 56,615,894
Coverage (Revenues/Debt Service)	NA	3.39	3.93	3.33	3.26	2.82	2.83	2.89	2.84	6.52	3.56
SEWER REVENUE BONDS, SERIES 1993, 2003D, 2004E AND 2006C											
Fund Servicing Debt - Sewer Utility Enterprise Fund											
Revenues Available for Debt Service											
Operating Revenues											
Sanitary Sewer System Charge	\$ 30,055,477	\$ 30,126,078	\$ 29,710,058	\$ 29,930,370	\$ 28,202,848	\$ 27,930,278	\$ 28,333,196	\$ 29,433,398	\$ 28,906,224	\$ 29,952,998	\$ 292,580,925
Storm Sewer System Charge	8,689,399	8,740,314	8,678,209	8,589,993	8,702,727	9,188,072	9,402,138	9,559,027	9,593,830	10,106,582	91,250,291
Other Operating Revenues	1,010,157	896,536	692,813	1,332,017	1,089,234	3,403,990	3,847,216	2,099,127	5,964,819	2,123,822	22,459,731
Total Operating Revenues	39,755,033	39,762,928	39,081,080	39,852,380	37,994,809	40,522,340	41,582,550	41,091,552	44,464,873	42,183,402	406,290,947
Operating Expenses (a)	(18,021,052)	(19,301,643)	(19,435,331)	(19,347,327)	(20,599,249)	(20,579,249)	(19,797,621)	(17,887,444)	(18,936,475)	(23,259,113)	(197,164,980)
Non-Operating Revenues (Expenses)	(3,449,276)	(3,344,136)	233,146	(1,066,314)	(1,482,143)	(2,166,243)	(1,167,969)	(1,277,473)	(1,205,103)	(1,004,707)	(15,930,218)
Transfers (b)	(175,057)	(216,588)	(405,450)	(215,487)	(410,604)	(654,598)	(589,943)	(555,695)	(612,150)	(549,996)	(4,385,568)
Total Revenues Available for Debt Service	\$ 18,109,648	\$ 16,900,561	\$ 19,473,445	\$ 19,223,252	\$ 15,502,337	\$ 17,122,250	\$ 20,027,017	\$ 21,370,940	\$ 23,711,145	\$ 17,369,586	\$ 188,810,181
(a) operating expenses do not include depreciation or bond interest expenses											
(b) transfers do not include capital expenditures and debt service on the outstanding general obligations bond:											
Debt Service Requirements											
Sewer Revenue Refunding Bonds, Series 1993											
Principal	\$ -	\$ 4,415,000	\$ 4,615,000	\$ 4,845,000	\$ 5,090,000	\$ 33,755,000	\$ -	\$ -	\$ -	\$ -	\$ 52,720,000
Interest	2,805,990	2,805,990	2,594,070	2,363,320	2,116,225	1,066,753	-	-	-	-	13,752,348
Total	2,805,990	7,220,990	7,209,070	7,208,320	7,206,225	34,821,753	-	-	-	-	66,472,348
Sewer Revenue Refunding Bonds, Series 2003D											
Principal	-	-	-	-	-	-	5,750,000	5,900,000	6,000,000	5,130,000	22,780,000
Interest	-	-	-	-	-	437,007	655,510	540,510	422,510	278,510	2,334,047
Total	-	-	-	-	-	437,007	6,405,510	6,440,510	6,422,510	5,408,510	25,114,047
Sewer Revenue Bonds, Series 2004E											
Principal	-	-	-	-	-	-	310,000	240,000	245,000	245,000	1,040,000
Interest	-	-	-	-	-	-	144,213	209,344	203,944	198,431	755,932
Total	-	-	-	-	-	-	454,213	449,344	448,944	443,431	1,795,932
Sewer Revenue Bonds, Series 2006C											
Principal	-	-	-	-	-	-	-	-	445,000	370,000	815,000
Interest	-	-	-	-	-	-	-	-	191,650	269,675	461,325
Total	-	-	-	-	-	-	-	-	636,650	639,675	1,276,325
Total Debt Service Requirements	\$ 2,805,990	\$ 7,220,990	\$ 7,209,070	\$ 7,208,320	\$ 7,206,225	\$ 35,258,760	\$ 6,859,723	\$ 6,889,854	\$ 7,508,104	\$ 6,491,616	\$ 94,658,652
Coverage (Revenues/Debt Service)	6.45	2.34	2.70	2.67	2.15	0.49	2.92	3.10	3.16	2.68	1.99

continued
 unaudited

City of Saint Paul, Minnesota
PLEDGED-REVENUE BOND COVERAGE
 Last Ten Fiscal Years

Table 16

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Totals
RECREATIONAL FACILITIES REVENUE BONDS, SERIES 1996D AND 2005											
Funds Servicing Debt - Rice and Arlington Sports Dome Enterprise Fund and Special Services Enterprise Fund											
Revenues Available for Debt Service											
Operating Revenues											
Fees, Sales and Services	\$ 6,347,665	\$ 6,652,195	\$ 6,903,914	\$ 6,597,068	\$ 6,035,267	\$ 5,717,043	\$ 6,228,222	\$ 7,629,080	\$ 6,358,588	\$ 6,119,785	\$ 64,588,827
Rents and Leases	994,456	1,090,257	950,062	828,626	787,069	679,210	514,913	687,252	548,084	631,190	7,711,119
Miscellaneous	169,954	285,809	408,245	297,451	37,339	18,329	84,829	94,649	1,599,800	1,809,734	4,806,139
Total Operating Revenues	7,512,075	8,028,261	8,262,221	7,723,145	6,859,675	6,414,582	6,827,964	8,410,981	8,506,472	8,560,709	77,106,085
Intergovernmental Revenue	624,233	945,075	1,285,770	1,598,695	1,430,512	1,297,791	1,250,298	1,331,235	-	-	9,763,609
Interest Earned on Investments	-	25,982	1,430	13,610	41,557	107,450	(2,430)	21,872	5,932	45,559	260,962
Miscellaneous Other Revenue	16,060	14,597	9,460	2,123	7,864	153,296	2,135	2,684	-	-	208,219
Bond Proceeds	-	-	-	-	-	-	-	3,240,000	-	-	3,240,000
Total Revenues Available for Debt Service	\$ 8,152,368	\$ 9,013,915	\$ 9,558,881	\$ 9,337,573	\$ 8,339,608	\$ 7,973,119	\$ 8,077,967	\$ 13,006,772	\$ 8,512,404	\$ 8,606,268	\$ 90,578,875
Debt Service Requirements											
Recreational Facilities Revenue Bonds, Series 1996D											
Principal	\$ 110,000	\$ 115,000	\$ 120,000	\$ 125,000	\$ 135,000	\$ 140,000	\$ 150,000	\$ 3,240,000	\$ -	\$ -	\$ 4,135,000
Interest	226,380	221,428	216,020	210,200	203,893	197,085	189,760	181,905	-	-	1,646,671
Total	336,380	336,428	336,020	335,200	338,893	337,085	339,760	3,421,905	-	-	5,781,671
Recreational Facilities Revenue Bonds, Series 2005											
Principal	-	-	-	-	-	-	-	-	210,000	205,000	415,000
Interest	-	-	-	-	-	-	-	-	310,956	327,813	638,769
Total	-	-	-	-	-	-	-	-	520,956	532,813	1,053,769
Total Debt Service Requirements	\$ 336,380	\$ 336,428	\$ 336,020	\$ 335,200	\$ 338,893	\$ 337,085	\$ 339,760	\$ 3,421,905	\$ 520,956	\$ 532,813	\$ 6,835,440
Coverage (Revenues/Debt Service)	24.24	26.79	28.45	27.86	24.61	23.65	23.78	3.80	16.34	16.15	13.25
SPRUCE TREE CENTRE TAX INCREMENT BONDS, SERIES 1988A AND 2003											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Tax Increments	\$ 446,577	\$ 470,037	\$ 506,661	\$ 530,406	\$ 332,493	\$ 335,790	\$ 325,416	\$ 296,044	\$ 283,041	\$ 290,730	\$ 3,817,195
Developer Shortfall Payments	-	-	-	-	-	124,908	115,300	115,300	112,400	92,229	560,137
Investment Earnings	36,697	24,875	47,896	22,246	7,912	18,383	28,038	24,322	52,669	90,639	353,677
Total Revenues Available for Debt Service	\$ 483,274	\$ 494,912	\$ 554,557	\$ 552,652	\$ 340,405	\$ 479,081	\$ 468,754	\$ 435,666	\$ 448,110	\$ 473,598	\$ 4,731,009
Debt Service Requirements											
Principal	\$ 100,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 150,000	\$ 175,000	\$ 140,058	\$ 149,162	\$ 158,857	\$ 169,183	\$ 1,417,260
Interest	325,781	315,234	303,516	291,797	278,906	135,938	122,850	113,746	104,051	93,725	2,085,544
Total Debt Service Requirements	\$ 425,781	\$ 440,234	\$ 428,516	\$ 416,797	\$ 428,906	\$ 310,938	\$ 262,908	\$ 262,908	\$ 262,908	\$ 262,908	\$ 3,502,804
Coverage (Revenues / Debt Service)	1.14	1.12	1.29	1.33	0.79	1.54	1.78	1.66	1.70	1.80	1.35

continued

unaudited

City of Saint Paul, Minnesota
PLEDGED-REVENUE BOND COVERAGE
 Last Ten Fiscal Years

Table 16

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Totals
MIDWAY MARKETPLACE TAX INCREMENT BONDS, SERIES 1995A / SNELLING-UNIVERSITY TAX INCREMENT BONDS, SERIES 2005C											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Tax Increments	\$ 1,494,263	\$ 1,595,996	\$ 1,775,208	\$ 2,078,179	\$ 1,039,320	\$ 1,317,977	\$ 1,226,056	\$ 1,096,155	\$ 1,835,383	\$ 1,416,074	\$ 14,874,611
Investment Earnings	39,766	6,070	204,936	194,935	341,690	200,156	207,669	178,567	87,266	110,707	1,571,762
Total Revenues Available for Debt Service	\$ 1,534,029	\$ 1,602,066	\$ 1,980,144	\$ 2,273,114	\$ 1,381,010	\$ 1,518,133	\$ 1,433,725	\$ 1,274,722	\$ 1,922,649	\$ 1,526,781	\$ 16,446,373
Debt Service Requirements											
Principal	\$ 470,000	\$ 150,000	\$ 160,000	\$ 175,000	\$ 190,000	\$ 200,000	\$ 220,000	\$ 235,000	\$ 350,000	\$ 355,000	\$ 2,505,000
Interest	540,800	517,593	505,733	492,791	478,553	463,095	446,240	392,424	232,142	218,742	4,288,113
Total Debt Service Requirements	\$ 1,010,800	\$ 667,593	\$ 665,733	\$ 667,791	\$ 668,553	\$ 663,095	\$ 666,240	\$ 627,424	\$ 582,142	\$ 573,742	\$ 6,793,113
Coverage (Revenues / Debt Service)	1.52	2.40	2.97	3.40	2.07	2.29	2.15	2.03	3.30	2.66	2.42
SALES TAX REVENUE BONDS, SERIES 1993 AND 1996											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
City Sales Tax Revenues	\$ 10,542,813	\$ 10,829,384	\$ 13,007,632	\$ 13,432,179	\$ 13,344,192	\$ 13,312,004	\$ 13,753,085	\$ 14,154,920	\$ 14,798,156	\$ 15,201,412	\$ 132,375,777
Investment Earnings	118,764	104,493	158,621	85,348	33,685	18,495	22,509	61,737	109,608	122,831	836,091
Total Revenues Available for Debt Service	\$ 10,661,577	\$ 10,933,877	\$ 13,166,253	\$ 13,517,527	\$ 13,377,877	\$ 13,330,499	\$ 13,775,594	\$ 14,216,657	\$ 14,907,764	\$ 15,324,243	\$ 133,211,868
Debt Service Requirements											
Principal	\$ 755,000	\$ 810,000	\$ 865,000	\$ 925,000	\$ 995,000	\$ 1,065,000	\$ 1,140,000	\$ 1,220,000	\$ 1,310,000	\$ 1,400,000	\$ 10,485,000
Interest	3,739,570	3,685,965	3,628,455	3,567,040	3,501,365	3,430,720	3,355,105	3,274,165	3,187,545	3,094,535	34,464,465
Total Debt Service Requirements	\$ 4,494,570	\$ 4,495,965	\$ 4,493,455	\$ 4,492,040	\$ 4,496,365	\$ 4,495,720	\$ 4,495,105	\$ 4,494,165	\$ 4,497,545	\$ 4,494,535	\$ 44,949,465
Coverage (Revenues / Debt Service)	2.37	2.43	2.93	3.01	2.98	2.97	3.06	3.16	3.31	3.41	2.96
DOWNTOWN TAX INCREMENT BONDS, SERIES 1993 AND 1998											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Tax Increments	\$ 6,182,554	\$ 8,043,156	\$ 9,025,598	\$ 10,139,895	\$ 5,048,227	\$ 5,323,503	\$ 5,539,108	\$ 3,807,158	\$ 4,276,947	\$ 5,309,827	\$ 62,695,973
Hotel-Motel Taxes	220,000	220,000	220,000	225,898	220,000	220,000	220,000	220,000	220,000	220,000	2,205,898
RiverCentre Revenues	660,000	660,000	660,000	-	125,000	100,000	100,000	100,000	100,000	100,000	2,605,000
N.O.C. Sales	-	-	-	-	-	-	-	-	-	12,871	12,871
Loan Repayments	-	-	-	-	-	-	-	273,047	2,026,344	-	2,299,391
Investment Earnings	245,130	100,592	151,020	181,171	291,471	74,065	82,602	60,326	105,094	292,631	1,584,102
Total Revenues Available for Debt Service	\$ 7,307,684	\$ 9,023,748	\$ 10,056,618	\$ 10,546,964	\$ 5,684,698	\$ 5,717,568	\$ 5,941,710	\$ 4,460,531	\$ 6,728,385	\$ 5,935,329	\$ 71,403,235
Debt Service Requirements											
Principal	\$ 880,000	\$ 1,850,000	\$ 1,945,000	\$ 2,060,000	\$ 2,180,000	\$ 2,235,000	\$ 2,275,000	\$ 2,285,000	\$ 2,355,000	\$ 2,400,000	\$ 20,465,000
Interest	747,377	1,394,470	1,294,498	1,184,996	1,064,791	933,871	797,635	657,314	512,803	363,052	8,950,807
Total Debt Service Requirements	\$ 1,627,377	\$ 3,244,470	\$ 3,239,498	\$ 3,244,996	\$ 3,244,791	\$ 3,168,871	\$ 3,072,635	\$ 2,942,314	\$ 2,867,803	\$ 2,763,052	\$ 29,415,807
Coverage (Revenues / Debt Service)	4.49	2.78	3.10	3.25	1.75	1.80	1.93	1.52	2.35	2.15	2.43

continued

unaudited

City of Saint Paul, Minnesota
PLEDGED-REVENUE BOND COVERAGE
 Last Ten Fiscal Years

Table 16

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Totals
RIVERCENTRE PARKING FACILITY LEASE REVENUE BONDS, SERIES 2000											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Lease Payments from the City	\$ -	\$ -	\$ 200,000	\$ 400,000	\$ 400,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ 657,928	\$ 758,559	\$ 3,661,487
Investment Earnings	-	-	92,538	128,124	36,339	43,200	43,229	40,630	36,129	11,728	431,917
Total Revenues Available for Debt Service	\$ -	\$ -	\$ 292,538	\$ 528,124	\$ 436,339	\$ 458,200	\$ 458,229	\$ 455,630	\$ 694,057	\$ 770,287	\$ 4,093,404
Debt Service Requirements											
Principal	\$ -	\$ -	\$ -	\$ 170,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 300,000	\$ 425,000	\$ 1,095,000
Interest	-	-	211,925	419,706	414,250	411,600	408,900	406,150	396,363	375,956	3,044,850
Total Debt Service Requirements	\$ -	\$ -	\$ 211,925	\$ 589,706	\$ 464,250	\$ 461,600	\$ 458,900	\$ 456,150	\$ 696,363	\$ 800,956	\$ 4,139,850
Coverage (Revenues / Debt Service)	NA	NA	1.38	0.90	0.94	0.99	1.00	1.00	1.00	0.96	0.99
RIVERFRONT TAX INCREMENT BONDS, SERIES 1993C, 1993D, 2000D, AND 2002C											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Tax Increments	\$ 641,099	\$ 641,698	\$ 848,048	\$ 1,079,136	\$ 516,215	\$ 823,386	\$ 718,705	\$ 768,344	\$ 775,838	\$ 794,927	\$ 7,607,396
Tax Increment Pooling from Other Districts	-	-	201,843	304,808	396,916	364,000	610,335	571,150	576,714	520,420	3,546,186
Loan Repayments and Sales Proceeds	-	201,976	-	-	-	-	-	-	-	-	201,976
Transfer from Capital Projects Fund	-	-	-	-	-	-	309,845	2,798	1,399	-	314,042
Investment Earnings	25,221	(455)	114,825	(23,104)	(21,324)	(22,326)	(4,281)	161	7,096	11,242	87,055
Total Revenues Available for Debt Service	\$ 666,320	\$ 843,219	\$ 1,164,716	\$ 1,360,840	\$ 891,807	\$ 1,165,060	\$ 1,634,604	\$ 1,342,453	\$ 1,361,047	\$ 1,326,589	\$ 11,756,655
Debt Service Requirements											
Principal	\$ 550,000	\$ 575,000	\$ 625,000	\$ 650,000	\$ 635,000	\$ 790,000	\$ 845,000	\$ 865,000	\$ 925,000	\$ 970,000	\$ 7,430,000
Interest	763,187	735,888	705,300	732,392	544,930	467,266	432,982	395,347	354,335	309,934	5,441,561
Total Debt Service Requirements	\$ 1,313,187	\$ 1,310,888	\$ 1,330,300	\$ 1,382,392	\$ 1,179,930	\$ 1,257,266	\$ 1,277,982	\$ 1,260,347	\$ 1,279,335	\$ 1,279,934	\$ 12,871,561
Coverage (Revenues / Debt Service)	0.51	0.64	0.88	0.98	0.76	0.93	1.28	1.07	1.06	1.04	0.91
US BANK TAX INCREMENT BONDS, SERIES 2001											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Tax Increments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 347,905	\$ 879,169	\$ 1,034,905	\$ 993,054	\$ 3,255,033
Investment Earnings	-	-	-	47,154	133,570	145,265	67,457	16,281	44,179	42,039	495,945
Bond Proceeds - Capitalized Interest	-	-	-	2,641,606	-	-	-	-	-	-	2,641,606
Total Revenues Available for Debt Service	\$ -	\$ -	\$ -	\$ 2,688,760	\$ 133,570	\$ 145,265	\$ 415,362	\$ 895,450	\$ 1,079,084	\$ 1,035,093	\$ 6,392,584
Debt Service Requirements											
Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 125,000	\$ 335,000	\$ 275,000	\$ 735,000
Interest	-	-	-	-	726,935	754,169	754,169	754,169	742,877	726,606	4,458,925
Total Debt Service Requirements	\$ -	\$ -	\$ -	\$ -	\$ 726,935	\$ 754,169	\$ 754,169	\$ 879,169	\$ 1,077,877	\$ 1,001,606	\$ 5,193,925
Coverage (Revenues / Debt Service)	NA	NA	NA	NA	0.18	0.19	0.55	1.02	1.00	1.03	1.23

continued

unaudited

City of Saint Paul, Minnesota
PLEDGED-REVENUE BOND COVERAGE
 Last Ten Fiscal Years

Table 16

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Totals
NORTH QUADRANT TAX INCREMENT BONDS, SERIES 2000 AND 2002, AND 9TH STREET LOFTS TAX INCREMENT BONDS, SERIES 2004											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Tax Increments	\$ -	\$ -	\$ -	\$ -	\$ 10,929	\$ 217,049	\$ 92,007	\$ 213,655	\$ 430,148	\$ 345,683	\$ 1,309,471
Bond Proceeds - Capitalized Interest	-	-	-	-	-	125,000	156,300	-	-	-	281,300
Investment Earnings	-	-	-	60,219	68,320	5,889	13	742	1,047	2,679	138,909
Total Revenues Available for Debt Service	\$ -	\$ -	\$ -	\$ 60,219	\$ 79,249	\$ 347,938	\$ 248,320	\$ 214,397	\$ 431,195	\$ 348,362	\$ 1,729,680
Debt Service Requirements											
Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 8,000	\$ 17,000	\$ 42,000	\$ 84,000	\$ 156,000
Interest	-	-	-	60,219	79,249	172,337	149,505	234,478	294,779	240,806	1,231,373
Total Debt Service Requirements	\$ -	\$ -	\$ -	\$ 60,219	\$ 79,249	\$ 177,337	\$ 157,505	\$ 251,478	\$ 336,779	\$ 324,806	\$ 1,387,373
Coverage (Revenues / Debt Service)	NA	NA	NA	1.00	1.00	1.96	1.58	0.85	1.28	1.07	1.25
UPPER LANDING TAX INCREMENT BONDS, SERIES 2002A, 2002B, AND 2002C											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Tax Increments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 201,311	\$ 600,473	\$ 1,049,372	\$ 1,851,156
Bond Proceeds - Capitalized Interest	-	-	-	-	4,537,870	-	-	-	-	-	4,537,870
Developer Shortfall Payments	-	-	-	-	-	-	-	-	498,044	696,192	1,194,236
Investment Earnings	-	-	-	-	322	298,905	341,621	126,908	200,503	112,409	1,080,668
Total Revenues Available for Debt Service	\$ -	\$ -	\$ -	\$ -	\$ 4,538,192	\$ 298,905	\$ 341,621	\$ 328,219	\$ 1,299,020	\$ 1,857,973	\$ 8,663,930
Debt Service Requirements											
Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-	-	1,130,274	1,321,100	1,321,100	1,321,100	1,321,100	6,414,674
Total Debt Service Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,130,274	\$ 1,321,100	\$ 1,321,100	\$ 1,321,100	\$ 1,321,100	\$ 6,414,674
Coverage (Revenues / Debt Service)	NA	NA	NA	NA	NA	0.26	0.26	0.25	0.98	1.41	1.35
DRAKE MARBLE TAX INCREMENT BONDS, SERIES 2002											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Tax Increments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,750	\$ 137,494	\$ 152,908	\$ 171,187	\$ 180,593	\$ 708,932
Investment Earnings	-	-	-	-	36,461	65,712	172	721	937	1,684	105,687
Total Revenues Available for Debt Service	\$ -	\$ -	\$ -	\$ -	\$ 36,461	\$ 132,462	\$ 137,666	\$ 153,629	\$ 172,124	\$ 182,277	\$ 814,619
Debt Service Requirements											
Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,000	\$ 33,000	\$ 36,000	\$ 124,000
Interest	-	-	-	-	-	95,175	121,500	121,500	117,788	114,953	570,916
Total Debt Service Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 95,175	\$ 121,500	\$ 176,500	\$ 150,788	\$ 150,953	\$ 694,916
Coverage (Revenues / Debt Service)	NA	NA	NA	NA	NA	1.39	1.13	0.87	1.14	1.21	1.17

continued

unaudited

City of Saint Paul, Minnesota
PLEDGED-REVENUE BOND COVERAGE
 Last Ten Fiscal Years

Table 16

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Totals
KOCH/MOBIL TAX INCREMENT BONDS, SERIES 2004C AND 2007B											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Tax Increments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,822	\$ 160,828	\$ 180,650
Bond Proceeds - Capitalized Interest	-	-	-	-	-	-	266,625	-	-	-	266,625
Investment Earnings	-	-	-	-	-	-	-	1,601	4,485	2,845	8,931
Total Revenues Available for Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 266,625	\$ 1,601	\$ 24,307	\$ 163,673	\$ 456,206
Debt Service Requirements											
Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,950,000	\$ 3,950,000
Interest	-	-	-	-	-	-	44,437	88,875	88,875	127,207	349,394
Total Debt Service Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,437	\$ 88,875	\$ 88,875	\$ 4,077,207	\$ 4,299,394
Coverage (Revenues / Debt Service)	NA	NA	NA	NA	NA	NA	6.00	0.02	0.27	0.04	0.11
JJ HILL TAX INCREMENT BONDS, SERIES 2004											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Tax Increments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 259,004	\$ 261,006	\$ 200,351	\$ 720,361
Bond Proceeds - Capitalized Interest	-	-	-	-	-	-	403,765	-	-	-	403,765
Investment Earnings	-	-	-	-	-	-	444	1,278	5,375	18,680	25,777
Total Revenues Available for Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 404,209	\$ 260,282	\$ 266,381	\$ 219,031	\$ 1,149,903
Debt Service Requirements											
Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,000	\$ 18,000
Interest	-	-	-	-	-	-	-	172,198	228,750	228,750	629,698
Total Debt Service Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 172,198	\$ 228,750	\$ 246,750	\$ 647,698
Coverage (Revenues / Debt Service)	NA	NA	NA	NA	NA	NA	NA	1.51	1.16	0.89	1.78
NEIGHBORHOOD SCATTERED SITE TAX INCREMENT BONDS, SERIES 2005											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Tax Increments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,061,105	\$ 1,554,684	\$ 1,869,289	\$ 4,485,078
Bond Proceeds - Capitalized Interest	-	-	-	-	-	-	-	751,500	-	-	751,500
Investment Earnings	-	-	-	-	-	-	-	19,750	33,180	123,020	175,950
Total Revenues Available for Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,832,355	\$ 1,587,864	\$ 1,992,309	\$ 5,412,528
Debt Service Requirements											
Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 295,000	\$ 495,000	\$ 485,000	\$ 1,275,000
Interest	-	-	-	-	-	-	-	128,259	357,478	336,702	822,439
Total Debt Service Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 423,259	\$ 852,478	\$ 821,702	\$ 2,097,439
Coverage (Revenues / Debt Service)	NA	NA	NA	NA	NA	NA	NA	4.33	1.86	2.42	2.58

continued

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City of Saint Paul, Minnesota
PLEDGED-REVENUE BOND COVERAGE
 Last Ten Fiscal Years

Table 16

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Totals
HOUSING 5000 LAND ASSEMBLY BONDS, SERIES 2004											
Fund Servicing Debt - HRA Loan Enterprise Fund											
Revenues Available for Debt Service											
Land Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,779,663	\$ 2,308,000	\$ -	\$ 6,087,663
Bond Proceeds - Capitalized Interest	-	-	-	-	-	-	2,387,200	-	-	-	2,387,200
Investment Earnings	-	-	-	-	-	-	120,529	641,722	874,360	741,206	2,377,817
Use of Bond Reserve Account	-	-	-	-	-	-	-	-	3,555,284	-	3,555,284
Total Revenues Available for Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,507,729	\$ 4,421,385	\$ 6,737,644	\$ 741,206	\$ 14,407,964
Debt Service Requirements											
Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,170,000	\$ 9,375,000	\$ 3,320,000	\$ 15,865,000
Interest	-	-	-	-	-	-	357,759	764,656	777,522	569,468	2,469,405
Total Debt Service Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 357,759	\$ 3,934,656	\$ 10,152,522	\$ 3,889,468	\$ 18,334,405
Coverage (Revenues / Debt Service)	NA	NA	NA	NA	NA	NA	7.01	1.12	0.66	0.19	0.79
PARKING REVENUE BONDS, SERIES 1992A, 1995A, 1995B, 2001A, 2002A, 2002B, AND 2005A											
Fund Servicing Debt - HRA Parking Enterprise Fund											
Revenues Available for Debt Service											
Parking Facility Net Revenues	\$ 3,061,028	\$ 3,448,732	\$ 3,473,247	\$ 3,462,193	\$ 3,168,812	\$ 2,293,082	\$ 2,807,196	\$ 2,931,998	\$ 3,022,153	\$ 3,246,417	\$ 30,914,858
Parking Meter & Parking Fine Revenues	1,816,000	1,816,000	1,989,400	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	19,621,400
Bond Proceeds - Capitalized Interest	-	-	-	-	210,579	1,010,780	124,361	67,517	-	-	1,413,237
Total Revenues Available for Debt Service	\$ 4,877,028	\$ 5,264,732	\$ 5,462,647	\$ 5,462,193	\$ 5,379,391	\$ 5,303,862	\$ 4,931,557	\$ 4,999,515	\$ 5,022,153	\$ 5,246,417	\$ 51,949,495
Debt Service Requirements											
Principal	\$ 635,000	\$ 670,000	\$ 710,000	\$ 925,000	\$ 875,000	\$ 910,000	\$ 955,000	\$ 1,015,000	\$ 1,135,000	\$ 1,290,000	\$ 9,120,000
Interest	885,184	832,494	866,879	766,316	1,014,904	1,774,840	1,732,700	1,496,125	1,467,282	1,429,882	12,266,606
Total Debt Service Requirements	\$ 1,520,184	\$ 1,502,494	\$ 1,576,879	\$ 1,691,316	\$ 1,889,904	\$ 2,684,840	\$ 2,687,700	\$ 2,511,125	\$ 2,602,282	\$ 2,719,882	\$ 21,386,606
Coverage (Revenues / Debt Service)	3.21	3.50	3.46	3.23	2.85	1.98	1.83	1.99	1.93	1.93	2.43
PARKING REVENUE BONDS, SERIES 1997A											
Fund Servicing Debt - HRA Parking Enterprise Fund											
Revenues Available for Debt Service											
Ramp Lease Revenues	\$ 465,020	\$ 1,056,653	\$ 930,501	\$ 1,062,688	\$ 1,074,736	\$ 1,196,900	\$ 1,075,336	\$ 1,080,048	\$ 1,058,040	\$ 1,078,813	\$ 10,078,735
Investment Earnings	12,371	11,405	18,348	7,718	592	8,768	(3,235)	6,474	16,412	13,655	92,508
Bond Proceeds - Capitalized Interest	407,905	-	128,993	-	-	-	-	-	-	-	536,898
Total Revenues Available for Debt Service	\$ 885,296	\$ 1,068,058	\$ 1,077,842	\$ 1,070,406	\$ 1,075,328	\$ 1,205,668	\$ 1,072,101	\$ 1,086,522	\$ 1,074,452	\$ 1,092,468	\$ 10,708,141
Debt Service Requirements											
Principal	\$ -	\$ 310,000	\$ 330,000	\$ 355,000	\$ 380,000	\$ 405,000	\$ 430,000	\$ 460,000	\$ 490,000	\$ 525,000	\$ 3,685,000
Interest	801,237	763,093	742,163	719,887	695,925	670,275	642,938	606,629	582,863	549,788	6,774,798
Total Debt Service Requirements	\$ 801,237	\$ 1,073,093	\$ 1,072,163	\$ 1,074,887	\$ 1,075,925	\$ 1,075,275	\$ 1,072,938	\$ 1,066,629	\$ 1,072,863	\$ 1,074,788	\$ 10,459,798
Coverage (Revenues / Debt Service)	1.10	1.00	1.01	1.00	1.00	1.12	1.00	1.02	1.00	1.02	1.02

continued

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City of Saint Paul, Minnesota
PLEDGED-REVENUE BOND COVERAGE
 Last Ten Fiscal Years

Table 16

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Totals
BLOCK 39 TAX INCREMENT BONDS, SERIES 1998A AND 1998B											
Fund Servicing Debt - HRA Parking Enterprise Fund											
Revenues Available for Debt Service											
Tax Increments	\$ -	\$ -	\$ -	\$ 1,753,832	\$ 1,195,454	\$ 1,203,263	\$ 982,602	\$ 687,327	\$ 689,844	\$ 889,488	\$ 7,401,810
Developer Shortfall Payments	-	-	1,368,859	-	-	100,640	237,104	681,886	707,372	386,514	3,482,375
Net Parking Revenues	-	156,796	1,373,474	1,907,913	1,910,988	1,865,629	1,940,275	1,957,191	2,387,011	1,958,727	15,458,004
Investment Earnings	96,642	34,453	134,468	106,898	207,513	74,901	199,881	112,108	97,039	261,767	1,325,670
Bond Proceeds - Capitalized Interest	4,771,453	-	-	-	-	-	-	-	-	-	4,771,453
Total Revenues Available for Debt Service	\$ 4,868,095	\$ 191,249	\$ 2,876,801	\$ 3,768,643	\$ 3,313,955	\$ 3,244,433	\$ 3,359,862	\$ 3,438,512	\$ 3,881,266	\$ 3,496,496	\$ 32,439,312
Debt Service Requirements											
Principal	\$ -	\$ -	\$ -	\$ -	\$ 855,000	\$ 950,000	\$ 1,055,000	\$ 1,135,000	\$ 1,300,000	\$ 1,445,000	\$ 6,740,000
Interest	1,258,653	2,157,692	2,157,692	2,157,692	2,133,410	2,081,815	2,023,908	1,931,407	1,886,780	1,804,069	19,593,118
Total Debt Service Requirements	\$ 1,258,653	\$ 2,157,692	\$ 2,157,692	\$ 2,157,692	\$ 2,988,410	\$ 3,031,815	\$ 3,078,908	\$ 3,066,407	\$ 3,186,780	\$ 3,249,069	\$ 26,333,118
Coverage (Revenues / Debt Service)	3.87	0.09	1.33	1.75	1.11	1.07	1.09	1.12	1.22	1.08	1.23
PARKING REVENUE BONDS (SMITH AVENUE TRANSIT CENTER), SERIES 2005											
Fund Servicing Debt - HRA Parking Enterprise Fund											
Revenues Available for Debt Service											
Parking & Transit Center Net Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 155,434	\$ 155,434
Investment Earnings	-	-	-	-	-	-	-	230,589	85,455	265,494	581,538
Bond Proceeds - Capitalized Interest	-	-	-	-	-	-	-	2,425,100	-	-	2,425,100
Total Revenues Available for Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,655,689	\$ 85,455	\$ 420,928	\$ 3,162,072
Debt Service Requirements											
Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-	-	-	-	349,160	619,200	619,200	1,587,560
Total Debt Service Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 349,160	\$ 619,200	\$ 619,200	\$ 1,587,560
Coverage (Revenues / Debt Service)	NA	NA	NA	NA	NA	NA	NA	7.61	0.14	0.68	1.99

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City of Saint Paul, Minnesota
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 Last Ten Fiscal Years

Table 17

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Per Capita Income (2)</u>	<u>Aggregate Income (2)</u>	<u>Labor Force (3)</u>	<u>Unemployment Rate (3)</u>
1998	268,667	N/A	N/A	139,486	2.5%
1999	266,927	N/A	N/A	138,498	2.9%
2000	287,151	\$20,216	\$5,805,016,300	140,788	3.5%
2001	287,260	22,949	6,232,998,475	144,764	4.1%
2002	288,000	21,488	5,974,694,440	150,079	5.1%
2003	287,604	21,893	5,878,881,200	163,039	5.5%
2004	287,410	22,533	5,822,971,800	152,123	5.4%
2005	287,385	23,541	6,157,265,700	149,832	4.4%
2006	286,620	23,675	6,444,728,300	146,616	4.1%
2007	N/A	N/A	N/A	144,446	4.6%

- (1) 1998-1999 and 2001-2006 data based on Metropolitan Council estimates.
 2000 data provided by U.S. Census Bureau.
 2007 estimate not yet available from Metropolitan Council
- (2) Data is not available for 1998 and 1999.
 2000-2006 data provided by U.S. Census Bureau's Annual American Community Survey.
 2007 data is not yet available.
- (3) Annual average - not seasonally adjusted.
 Data provided by Minnesota Department of Employment and Economic Development (DEED).

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City of Saint Paul, Minnesota
PRINCIPAL EMPLOYERS
 Current Year and Nine Years Ago

Table 18

<u>Employers</u>	2007		
	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
State of Minnesota	12,800	1	7.09%
St Paul Public Schools	5,245	2	2.90%
US Bancorp	4,500	3	2.49%
Health Partners, Inc. / Regions Hospital	4,376	4	2.42%
United States Federal Government	4,184	5	2.32%
Allina Health System / United Hospital	3,111	6	1.72%
Health East Care System / St Joseph's Hospital	2,969	7	1.64%
City of Saint Paul	2,877	8	1.59%
The Travelers Companies, Inc.	2,700	9	1.50%
Ramsey County	2,653	10	1.47%
Total	45,415		25.14%

Data from nine years ago is not available.

Source: Capital City Partnership

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City of Saint Paul, Minnesota
 FULL-TIME-EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
 Last Six Fiscal Years

Table 19

	2002	2003	2004	2005	2006	2007
GENERAL GOVERNMENT						
Citizen Services (1)	41.0	38.8	7.6	7.0	2.0	2.0
City Attorney	63.9	64.4	63.3	66.4	64.8	66.1
City Council	29.5	25.4	25.0	26.7	25.4	24.7
Financial Services	27.0	26.0	44.3	44.7	44.3	46.4
Human Resources	34.6	25.7	31.8	33.1	32.2	28.5
Human Rights	11.9	7.5	6.9	7.5	6.9	8.9
Mayor's Administration	15.5	17.8	15.2	18.6	19.8	19.0
Office of Technology	114.1	105.2	72.2	73.7	75.6	79.6
PUBLIC SAFETY						
Fire						
Firefighters and Officers	397.0	398.0	390.0	412.0	396.0	383.0
Civilians	60.3	55.4	54.7	57.4	56.4	56.3
Police						
Officers	569.0	542.2	538.6	557.7	552.5	555.0
Civilians	192.6	174.2	172.1	187.9	172.7	225.6
Safety & Inspections (2)	-	-	-	-	-	160.9
License, Inspection and Environmental Protection (2)	112.5	104.3	103.8	105.7	105.8	-
Neighborhood Housing and Property Improvement (2)	-	-	32.1	32.7	32.3	-
Health	66.0	56.2	59.2	55.0	53.6	48.4
HIGHWAYS AND STREETS						
Public Works	342.2	327.5	379.9	357.8	343.5	352.7
CULTURE AND RECREATION						
Libraries	165.8	171.3	168.2	174.5	174.0	176.6
Parks	422.7	412.4	470.1	502.8	432.0	461.2
HOUSING AND ECONOMIC DEVELOPMENT	103.0	92.0	82.4	81.6	79.8	75.1
RIVERCENTRE (3)	2.0	2.0	2.0	-	-	-
TOTAL	<u>2,770.6</u>	<u>2,646.4</u>	<u>2,719.2</u>	<u>2,802.9</u>	<u>2,669.7</u>	<u>2,769.9</u>

- (1) Citizen Services included Property Code Enforcement employees in 2002 and 2003. Property Code Enforcement employees were moved to the new office of Neighborhood Housing & Property Improvement in 2004. Citizen Services' Information & Complaint employees were moved to Neighborhood Housing & Property Improvement in 2006.
- (2) License, Inspection and Environmental Protection; Neighborhood Housing and Property Improvement; and Fire Prevention Inspectors were merged in a new Department of Safety & Inspections in 2007.
- (3) RiverCentre was merged with the Convention and Visitor's Bureau and became a discretely presented component unit in 2005.

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City of Saint Paul, Minnesota
OPERATING INDICATORS BY FUNCTION/PROGRAM
 Last Six Fiscal Years

Table 20

<u>Function/Program</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<u>Police</u>						
Number of Calls for Service	222,253	212,372	210,950	216,247	212,161	213,593
<u>Fire</u>						
Number of Structure Fires	634	695	782	708	716	681
Number of EMS Incidents	25,574	25,475	26,332	28,159	24,457	26,831
<u>Department of Safety & Inspections (1)</u>						
Number of Building Permits Issued	11,557	10,577	9,835	8,905	8,818	8,802
Valuation of Building Permits Issued	\$498,371,219	\$432,220,911	\$673,664,737	\$479,840,220	\$555,104,063	\$530,995,699
<u>Public Works</u>						
Miles of Streets Reconstructed	10.6	13.0	10.2	8.1	15.2	7.7
Number of Snow Emergencies	2	3	4	4	2	6
<u>Parks and Recreation</u>						
Picnic Permits Issued	1,632	1,450	1,700	1,612	1,656	1,800
Number of Golf Rounds Played	134,305	109,000	107,100	142,381	132,400	124,661
<u>Libraries</u>						
Circulation	2,689,400	3,045,344	3,218,381	3,319,113	3,394,664	3,365,469
Number of Titles in Collection	442,355	398,929	496,177	435,395	450,137	458,389
<u>Economic Development</u>						
New and Substantially Rehabilitated Housing Units	1,632	1,278	1,331	1,130	428	355

(1) License, Inspection and Environmental Protection; and Neighborhood Housing and Property Improvement were merged to form the new Department of Safety & Inspections in 2007.

Source: Various city departments.

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City of Saint Paul, Minnesota
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
 Last Ten Fiscal Years

Table 21

<u>Function/Program</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Police										
Number of Stations	12	12	12	12	12	13	13	14	14	14
Number of Vehicles	362	360	458	480	374	362	360	365	481	482
Fire										
Number of Stations	16	16	16	16	16	16	16	16	16	16
Number of Vehicles	110	117	116	119	121	110	109	105	110	108
Public Works										
Miles of Sanitary Sewers	804	804	804	804	804	804	804	806	806	806
Miles of Sidewalks	1,005	1,005	1,006	1,007	1,007	1,007	1,007	1,007	1,007	1,007
Miles of Storm Sewers	450	450	450	450	450	450	450	450	450	450
Miles of Streets	847	850	848	827	827	847	847	847	863	863
Number of Alleys	2,323	2,341	2,319	2,315	2,315	2,311	2,311	2,311	2,311	2,311
Number of Bridges	48	48	49	51	52	55	60	60	60	61
Number of Street Lights	31,971	27,804	28,398	28,502	32,575	32,575	32,619	32,619	31,444	31,716
Parks and Recreation										
Acreage of Parks	4,181	4,194	4,203	4,269	4,271	4,271	4,274	4,274	4,285	4,287
Number of Golf Courses	4	4	4	4	4	4	4	4	4	4
Number of Municipal Stadiums	1	1	1	1	1	1	1	1	1	1
Number of Parks	161	162	163	165	167	167	168	168	169	171
Number of Recreation Centers	41	41	41	41	41	41	41	41	41	33
Number of Tennis Courts	102	101	101	101	101	101	92	92	92	92
Number of Zoos & Conservatories	1	1	1	1	1	1	1	1	1	1
Libraries										
Number of Libraries	13	13	13	13	12	12	13	13	13	13
Economic Development										
Number of Parking Facilities	19	19	19	19	19	19	20	20	20	20
Number of Skyways	36	36	36	37	37	37	37	37	37	37

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Source: Various city departments.

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

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