



# Comprehensive Annual Financial Report

for fiscal year ending December 31, 2012



The Most Livable  
City in America

City of Saint Paul, Minnesota  
Mayor Christopher B. Coleman

## COVER PHOTO AND DESIGN CREDITS

The cover image highlights one of Saint Paul's most recognizable public spaces: the Marjorie McNeely Conservatory in Como Park. Originally built in 1915, the conservatory houses six indoor and three outdoor gardens. The Sunken Garden, pictured here, updates plantings seasonally.

PHOTO CREDIT: Marjorie McNeely Conservatory. Photo by Dan Anderson, courtesy of Visit Saint Paul.

Cover design and layout by Joan Chinn, Graphic Designer, City of Saint Paul

# City of Saint Paul Minnesota

Comprehensive Annual Financial Report  
For the Fiscal Year Ended  
December 31, 2012



Office of Financial Services  
Todd P. Hurley, Director

**City of Saint Paul**

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**City of Saint Paul**

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August 26 , 2013

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

The City of Saint Paul's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2012 is hereby submitted. The purpose of this report is to provide the Mayor, City Council, City Staff, residents, 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, 2012 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 unmodified opinion that the City of Saint Paul's financial statements for the fiscal year ended December 31, 2012 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 Report 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 Report 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 Report.

## **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 population, per the 2010 US Census, was 285,068. Data estimates by the Metropolitan Council indicate that the City had a population of 286,367 people and 111,620 households as of April 2011.

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 151-153 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 159.

## FINANCIAL POLICIES

In 2005, the City enacted a fund balance policy mandating minimum thresholds for the General Fund and the General Debt Service Fund. The policy for the General Fund requires a minimum unassigned fund balance of 15% of combined General Fund and Library Agency operating spending. For additional information regarding the 2012 fund balance for the General Fund, see the Management's Discussion and Analysis (MD&A) on page 16.

The State of Minnesota made reductions in Local Government Aid (LGA) in 2008, 2009, 2010, and 2011. In 2010 and 2011, the State of Minnesota also made reductions in Saint Paul's anticipated Market Value Homestead Credit (MVHC). In 2011, the combined loss of LGA and MVHC revenue from the State totaled over \$15.6 million. During the special session in 2011, the legislature not only reduced LGA midyear, but also lowered the 2012 LGA allotment to a similar amount. The City was able to manage these reductions in the short term due to strong planning and proactive financial management. The City also made mid-year spending and financing adjustments each of these years to offset lost revenues and balance the City budget.

## ECONOMIC OUTLOOK

Saint Paul is an important part of the overall strong Twin Cities metro area economy. The area gained 18,466 jobs from 2000 to 2012.<sup>1</sup> The Minneapolis-Saint Paul area is expected to gain 519,737 jobs by 2030, a 32.4% increase from 2000.<sup>2</sup>

Saint Paul compares favorably when ranked among the 20 largest northeast and midwest cities on certain economic and social factors.<sup>3</sup> Among these peer cities:

- Saint Paul had the 4<sup>th</sup> lowest annual unemployment rate in 2012 (6.2%).<sup>4</sup>
- Saint Paul ranks 6<sup>th</sup> highest in median household income (\$45,939), 4<sup>th</sup> highest in median family income (\$58,052) and 8<sup>th</sup> highest in per capita income (\$25,576).<sup>5</sup>
- The median value of owner-occupied houses in Saint Paul is 6<sup>th</sup> highest compared to peer cities (\$198,100).<sup>6</sup>
- Saint Paul ranked 3<sup>rd</sup> highest in percent of population over 25 years with a bachelor's degree (37.2%).<sup>7</sup>

<sup>1</sup> Minnesota Department of Employment and Economic Development, available at: <http://www.positivelyminnesota.com/aps/lmi/ces/>

<sup>2</sup> Metropolitan Council, *2030 Regional Development Framework*, updated January, 2013, available at: <http://www.metrocouncil.org/planning/framework/Framework.pdf>

<sup>3</sup> 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.

<sup>4</sup> Bureau of Labor Statistics, Local Area Unemployment Statistics. Available at: <http://data.bls.gov/cgi-bin/dsrv?la>

<sup>5</sup> 2011 American Community Survey, through the American Fact Finder, available at: <http://www.census.gov>

<sup>6</sup> 2011 American Community Survey, through the American Fact Finder, available at: <http://www.census.gov>

<sup>7</sup> 2011 American Community Survey, through the American Fact Finder, available at: <http://www.census.gov>

Over the years, Saint Paul has consistently registered an unemployment rate equal to or lower than that of the U.S. as a whole. The City's unemployment rate for 2012 was just above the Minnesota rate and below the U.S. rate of 8.1%.<sup>8</sup> Employment in Saint Paul is not overly reliant on slowing and cyclical sectors, like manufacturing, but rather is based on stable and growing industries such as education, health services and public administration. Saint Paul's largest employment sector is Education and Health Services (55,923 jobs in 2012; 32.9% of total). Other large super sectors include Public Administration (21,323 jobs; 12.5% of total), and Trade, Transportation and Utilities (18,573 jobs; 10.9% of total).<sup>9</sup>

Similarly, tax base growth has been strong and sustained: From Pay 2003 to estimates for Pay 2012, Saint Paul's taxable market values have increased over 44% (from \$12,644 billion to \$18,163 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.

Saint Paul began collecting a half-cent 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 \$16.9 million in 2012. In 2013, revenues were estimated to be the same as 2012.

## 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.

### 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 4 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 eliminate the achievement gap by ensuring that learning opportunities are accessible for all and are quality-driven. We will achieve this goal by expanding early childhood learning opportunities and setting children on a course for success in school: extending learning opportunities outside of the classroom and connecting formal and informal opportunities throughout the community; and open doorways to higher education by better informing and preparing students for post-secondary educational opportunities.

**Safe Streets and Safe Homes:** Families will feel secure on our sidewalks and in our homes as a result of our strong sense of community and confidence in our world-class public safety system. We will do this by engaging youth with quality recreational, educational, and youth organizing activities; address areas of disinvestment with revitalization; create strong community partnerships; build a world-class Police Department; invest in a 21st Century Fire Department; and elevate emergency management to leverage resources and knowledge that will prepare the City to respond to multi-faceted crises.

**Expanding Economic Opportunity:** We will build our economic future on the foundation of the City's strengths – a well-educated and creative workforce, sound infrastructure, and local businesses rich with growth potential. Strategies include creating the East Metro's first light rail line and leverage \$1 billion in development; restoring the Union Depot to be a vital regional transportation hub supporting high-speed rail to Chicago; through Invest Saint Paul, stimulating growth by making strategic investments in neighborhoods of greatest disinvestment while coordinating and enhancing other services to these communities; aggressively pursuing the

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<sup>8</sup> Minnesota Department of Employment and Economic Development, available at: <http://www.positivelyminnesota.com/apps/lmi/laus/Default.aspx>

<sup>9</sup> Minnesota Department of Employment and Economic Development's Quarterly Census Employment and Wages (QCEW) tool, available at <http://www.positivelyminnesota.com/apps/lmi/qcew/AreaSel.aspx>

first major developments in downtown in a decade; and leveraging resources and markets for sustainable, environmentally friendly products to build a new manufacturing economy with living-wage jobs.

**Quality Way of Life:** Saint Paul will set high standards for healthy urban living through civic leadership, quality assets, sound environmental stewardship, and a welcoming, diverse population. We will improve, expand, and maintain our parks, libraries, and facilities that benefit the neighborhoods they serve; implement a public art policy to integrate into our public and private infrastructure; focus development on a more natural, urban, and connected city through an expanded system of parks, green spaces, bikeways, and trails; and make downtown a music, culture, and creative arts capital that amplifies the City's creative and ethnic voices that bring identity to Saint Paul.

## MAJOR DEVELOPMENTS

### I. Downtown Saint Paul

**The Penfield:** The City's Housing and Redevelopment Authority broke ground on this \$62 million, 254 apartment unit/Lunds store project in June 2012. The project has a HUD-insured mortgage and is scheduled to be complete by December 2013.

**Lofts at Farmers Market:** Construction of the Lofts at Farmers Market was completed in early 2012. The 58 units are 100% leased. In addition to high-end finishes, building amenities include a fitness room, a business center, and a second story green roof with patio for resident use. A commercial broker is working on leasing the approximately 2,000-square-foot commercial space. It is the HRA's intent to lease this space to a restaurant or other "active" commercial tenant.

**Pioneer Endicott:** PAK Properties, Inc., purchased the historic Pioneer Endicott buildings located at 4<sup>th</sup> and Robert Streets. The developer converted these unique landmark buildings into 234 units of market rate rental housing and 20,000 square feet of commercial space that will include a wine store, an upscale deli, hair salon and skyway studios for artists. The Minnesota Museum of American Art has signed a two year lease for the first floor of the building. The project utilized state and federal historic tax credits and TIF financing from the City of Saint Paul.

**HealthEast:** The Saint Paul HRA issued two series of conduit refunding bonds totaling \$51 million for HealthEast hospitals in Saint Paul and Woodbury.

**Regions Hospital:** The hospital will be making a \$4.2 million investment to remodel and expand its cancer center. Construction is expected to begin in May 2013 and be done by the end of the year.

**Ordway Center:** The multi-hall, Broadway-style performance center that bills itself as Saint Paul's most "elegant and inviting performance space" soon will become even grander. The Ordway Center for the Performing Arts' four entities - the Ordway, Minnesota Opera, Saint Paul Chamber Orchestra and Schubert Club - have partnered to replace the 315-seat McKnight Theatre with a 1,100-seat music venue. The project's total price tag is \$40 million; funding will be provided by the State of Minnesota (bonding), \$10 million in Performing Arts Facility Revenue Bonds from the City of Saint Paul HRA, a \$3 million Cultural STAR grant from the City, and private fundraising. Construction started in spring 2013 and is expected to be completed by fall 2015.

**Lowertown Ballpark:** The City of Saint Paul secured \$25 million in state bonding, \$1 million in a DEED Clean-Up Grant, and \$1 million in a DEED Clean-Up Loan through the EPA for a Lowertown Ballpark that will be constructed on the site of the old Diamond Products building. It will be home for the Saint Paul Saints and host to several events for the amateur sports community. Development of the ballpark is expected to create 225 construction jobs, provide \$10 million annually in economic activity, and attract 400,000 visitors annually to Lowertown. Construction is expected to begin in summer 2013 and the ballpark will be open for the start of the spring 2015 baseball season.

**West Side Flats:** Developer George Sherman started construction on West Side Flats, a \$35.4 million apartment project that will have 178 apartment units and 11,500 square feet of commercial space. Twenty percent of the units will be affordable. Funding was awarded from Minnesota Housing; DEED; and the Metropolitan Council. The Saint Paul HRA provided TIF and HOME funds to the project. Construction is expected to be completed by late 2013.

**Cossetta's:** The new three-level expansion to the existing Cossetta's Italian Market and Pizzeria on West Seventh Street was completed in late 2012. Cossetta's now offers a bakery, meat market, take-out meals, rooftop restaurant, and wine shop.

**Rayette Lofts:** In spring 2013, developer George Sherman will begin converting the building located at 261 5<sup>th</sup> Street into 88 units of apartments, 20% of which will be affordable. The \$23 million project is expected to be completed in 2014.

**Post Office Building:** Developer Jim Stolpestad executed a purchase agreement in early 2013 for the 17-story, 750,000 square foot central post office building on Kellogg Boulevard. Preliminary plans call for 250 units of market rate apartments.

**Sears:** Sears is developing plans to redevelop their store and the adjacent, Sears-owned land on Rice Street. Preliminary plans include additional retail space, a four-story office building, and apartments and townhomes.

## **II. Central Corridor**

**Central Corridor:** Heavy construction is complete on the newest Light Rail Line in the region, which is the largest infrastructure project ever built in Minnesota. Testing of the light rail vehicles will continue throughout 2013 and the Green Line will begin operations in 2014.

As a result of the Green Line development, many community and economic development initiatives are taking root along the corridor. New projects (detailed below) taking advantage of proximity to transit have either just been completed, are under construction, or in the planning stages. Local, regional, and federal resources are being aligned to support projects that provide affordable housing, employment, or entrepreneurial opportunities to lower income households as policy-makers throughout the region frame emerging transitways as "corridors of opportunity."

The City of Saint Paul has sought to lessen the impact of construction on local businesses through promotion programs and forgivable loans.

**Union Depot:** The \$243 million renovation to Union Depot was completed in December 2012. The building is the region's best example of a multi-modal transportation hub. Amtrak, Jefferson Bus Lines, and Metro Transit will have operations at Union Depot as will the Green Line.

**2700 The Avenue:** Wellington Management is working with Flaherty & Collins, an Indiana based developer, to develop a 230-unit apartment project, with 20% of the units being affordable. This project is in the early planning stages, and the developer is meeting with city staff and community members on project design.

**Chittenden & Eastman Building:** Renovations were completed in 2012 on this historic building that was converted into 104 apartments. Leasing is advancing rapidly, and ahead of schedule.

**Old Home Dairy Site:** Old Home LLC, with general partners of Aurora St. Anthony CDC and Sands Companies, is purchasing the former Old Home Dairy site located at 300-378 University Avenue, from the Twin Cities Community Land Bank. Fifty-seven units of affordable rental housing and 12,000 square feet of commercial space is planned by the LLC. Another property along Aurora Street will be sold by the LLC to a partnership of the Aurora St. Anthony CDC and Model Cities to develop seven single family homes that will be sold under the MCASA program.

**Hamline Station:** Project for Pride in Living, in partnership with Excelsior Bay Partners, plans to develop a \$23 million block-long, two-building, four-story development comprised of 108 units of affordable rental housing with underground parking. The project, located at 1333 University Avenue, is adjacent to the Hamline LRT station, and also includes 13,000 square feet of commercial space. Construction is scheduled to begin in 2014.

**Episcopal Homes (Old Porky's Site):** Episcopal Homes has purchased the former Porky's site located at 1890 University Avenue to add additional senior housing options to their existing campus. The \$45 million project will begin construction in May 2013 and will add 174 units of supportive senior housing. This new development will include 60 assisted living units (memory care and skilled nursing units), 64 market rate units, and 50 HUD 202 affordable rental units. The project also includes a therapy pool, fitness center, and a public coffee shop at the Fairview LRT station.

**Central Exchange:** Model Cities is proposing to construct a mid-block, three-story mixed-use development on the north side of University Avenue between Avon and Grotto Streets. Current plans include underground parking, 6,705 square feet of commercial space, and 27 affordable workforce housing units. The project site has been purchased and cleared. Financing is currently being sought.

**Habitat for Humanity Headquarters:** Twin Cities Habitat for Humanity is in the process of developing a new Minnesota headquarters home for its organization along University Avenue near the future Fairview Avenue station of the LRT Green line. The planned 25,000-square-foot, three-story building will include office space and client service areas. The project will begin construction in 2013.

**Central Corridor Ready for Rail Loan Program:** A first for any major infrastructure project in the metro region, this unique \$4 million fund was launched in May 2011 as a modest safety net for small businesses whose sales would be affected by the LRT Green Line construction. Financed by the Metropolitan Council, City of Saint Paul, and the Central Corridor Funders Collaborative, the no-interest loans of up to \$20,000 per business, will be forgiven in equal installments over five years as long as the business remains on the corridor. So far, 239 loans to 199 businesses have been awarded.

**Central Corridor Parking Program:** Work continues on implementing the Neighborhood Commercial Parking Program, which was established in 2010 to provide funding for improvements to off-street parking lots in order to mitigate the loss of 85% of the on-street parking on University Avenue due to Green line LRT development. To date, the program has assisted 24 projects, totaling \$1.7 million.

### **III. Neighborhoods**

**Schmidt Brewery:** Dominion Development broke ground in January 2013 on the redevelopment and adaptive reuse of both the historic Bottle House and Brew House buildings located on the Schmidt Brewery site. The buildings will be redeveloped into 260 units of affordable rental housing for artists. In addition to the building conversions, Dominion will be constructing 13 new affordable rental townhomes for families on a vacant parcel on the east end of the site. The total development cost is \$122 million. Some of the apartments will be completed and ready for occupancy by the end of 2013. Dominion received a Best in Real Estate Award for Adaptive Reuse-Multifamily from the Minneapolis-Saint Paul Business Journal in April 2013.

Also, after purchasing the Rathskeller Building, Keg House, and several adjoining lots with \$1.89 million in city loans, the West 7<sup>th</sup> Street/Fort Road Federation completed stabilization work on the Rathskeller roof and is now working on the historic re-design of the building for future office and restaurant uses. Blue Ox mini golf is one proposed user of some of the property adjacent to the Keg House.

**Ford Assembly Plant Site:** After 86 years in operation, the Ford Assembly Plant closed in December 2011. Ford is participating in the Minnesota Pollution Control Agency Voluntary Investigation and Cleanup (VIC) Program. A demolition site plan was recently approved by the city. The 550,000 square foot paint shop building is scheduled to be demolished in the near future, following months of interior environmental remediation. Main plant demolition will follow. Removal of the building slabs and foundations will proceed in 2014. The city is evaluating zoning and other tools to ensure a quality redevelopment. Ford anticipates putting the site on the market in 2015.

**Payne-Maryland Project:** The community center at Payne and Maryland Avenues on Saint Paul's East Side is taking the last step toward becoming a reality. Phase I of the new facility includes a library and recreation center, with Phase II housing the Payne-Maryland Partnership, which features social services, educational space, and even a church gathering area. The city, which is contributing \$14 million in public funds for Phase I of the project, finalized the Phase I design earlier this year with Hamel, Green and Abrahamson. Construction begins in May 2013. The Payne-Maryland Partnership is actively soliciting funds from private donors for the second phase.

**Suite Living:** White Bear Lake-based Suite Living Specialty Senior Services is proposing a two-phase assisted living facility located at 1880 Old Hudson Road that will break ground in summer 2013.

**Carondelet Village:** Adjacent to St. Catherine University, this \$55 million project by the Sisters of St. Joseph of Carondelet and Presbyterian Homes created 259 senior rental housing units. The final phase of the project was completed in 2012. The Saint Paul HRA provided conduit bond financing for this project.

**Project for Pride in Living West 7<sup>th</sup> Street Project:** This supportive housing project located on at West Seventh and Springfield Streets was completed in 2012.

**Victoria Park:** The former ExxonMobil “tank farm” and adjoining Koch/Flint Hills land off of Otto Avenue and West Seventh Street is gradually being converted into new uses. The 40-acre former Exxon property will be redeveloped into a new city park. Brighton Development Corporation sold some of its parcels adjacent to Otto Avenue to Chase Real Estate, which is building 215 apartments in two buildings, each of them composed of three stories of market-rate multi-family rental housing. Chase may buy seven additional acres from the city in 2014 for future housing development, and another five adjoining acres could house a new city park or playing field. Nova Classical Academy, a K-12 college preparatory charter school, has merged its two campuses into one on the site. A Mississippi Market opened in 2009, and the Shalom campus offers independent and assisted living.

**J&J Distributing Urban Farm:** A 40,000-square-foot, \$2 million greenhouse will be constructed in 2013 to produce mostly a tomato crop. This is the final stage of a multi-phase projects that invested \$17 million into the company and added 133 jobs.

**Hmong College Prep Academy (HCPA):** The HRA issued \$17.6 million in conduit revenue bonds to finance an expansion, and renovations, to the K-12 school located at 1515 Brewster Street. Construction is underway and is expected to be completed by fall 2013.

**Hamm’s Brewery:** Several buildings at the Hamms’ Brewery will see new life. Urban Organics will open a fish/leafy green farm in Building 17 of the Hamm’s Brewery. The company will produce tilapia fish and organic leafy greens via aquaponics. The company expects to employ 8 to 10 employees when it begins operations in summer 2013. Additional lease agreements have been signed with Flat Earth Brewery and Mill City Distillery to be house in other buildings. Both projects have applied for STAR funding from the City of Saint Paul; award will be made summer of 2013. Both projects plan to open in late 2013/early 2014.

**Beacon Bluff:** This is the former home of 3M (Minnesota Mining and Manufacturing). On the west portion of the site, construction is complete on the HealthEast Medical Transportation’s new \$5 million, 46,000-square-foot hub. West Side Community Health Services, Inc. purchased four acres to build a new medical clinic which will be opening in 2013.

**Phalen Corridor:** Construction on a \$30 million, 144,000-square-foot baking plant for Baldinger Bakery on the 9.5-acre former Griffin Wheelworks site was completed in 2012. Next door, a Hmong Market opened in a space formerly leased by the Saint Paul School District. Future plans include senior housing and commercial development in Phalen Village. A market study was recently completed for this area as well.

**Rolling Hills:** Financing on this project is scheduled to close in May 2013, and includes substantial rehab of 108 units of housing. This project serves many immigrant families and women fleeing abusive situations. Lutheran Social Services will provide support services. The Saint Paul HRA awarded low income housing tax credits to the project.

## **CASH AND INVESTMENT MANAGEMENT**

Cash balances during the year were invested in U.S. Treasuries, Agencies of the Federal Government, certificates of deposit, municipal securities, money market funds, savings deposit accounts and guaranteed investment contracts, in accordance with Minnesota State Statute 118A and the City’s Investment Policy. An 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. A portion of City’s investment portfolio is managed by four external managers. As of December 31, 2012, the estimated effective yield on the portfolio was 2.36% and reported interest on investments was \$7.8 million. All securities purchased by the City are held by a third party safekeeping agent in the City’s name, or in the City’s safe.

## **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 usually published every two years.

The most recent report was published in September of 2012. All goals and objectives of the Joint Debt Advisory Committee were met.

The City maintained its AAA bond rating from Standard & Poor's and received Aa1 bond rating from Moody's.

## **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 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, 2011. This was the 36th 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 2012 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,

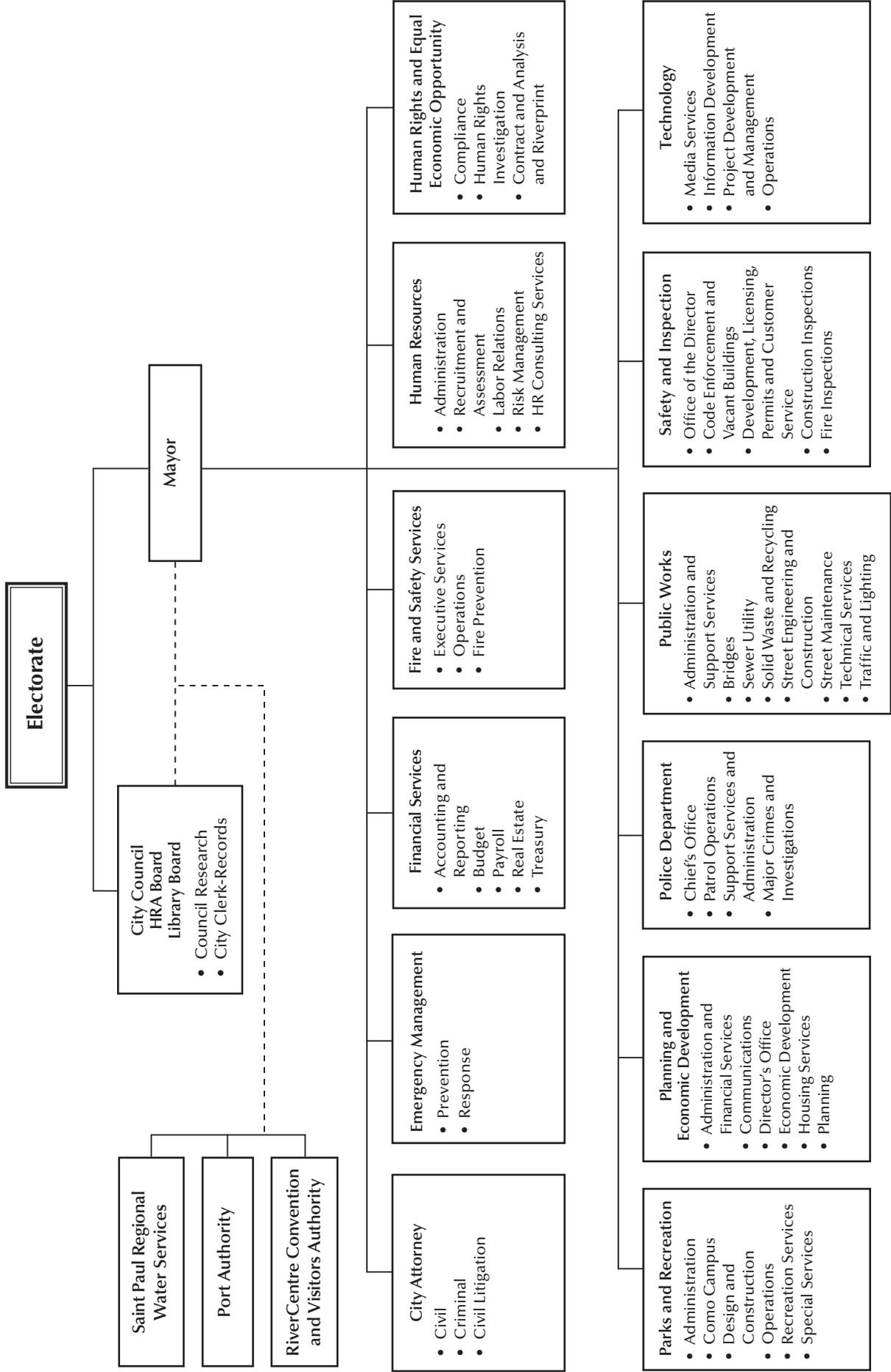


Todd Hurley, Director  
Office of Financial Services

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# City of Saint Paul, Minnesota

(Form of Government: "Strong" Mayor, with Seven Councilmembers Elected by Ward)



**City of Saint Paul, Minnesota  
Elected and Appointed Officials  
As of December 31, 2012**

**Elected Officials**

<b>Office</b>	<b>Name</b>	<b>Term Expires</b>
Mayor	Christopher B. Coleman	January 1, 2014
Councilmember—Ward 1	Melvin Carter	January 1, 2016
Councilmember—Ward 2	Dave Thune	January 1, 2016
Councilmember—Ward 3	Christopher Tolbert	January 1, 2016
Councilmember—Ward 4	Russ Stark	January 1, 2016
Councilmember—Ward 5	Amy Brendmoen	January 1, 2016
Councilmember—Ward 6	Dan Bostrom	January 1, 2016
Councilmember—Ward 7	Kathy Lantry	January 1, 2016

**Appointed Officials**

<b>Department/Division/Office</b>	<b>Director's Name</b>	<b>Term Expires</b>
Citizen Services	Shari Moore	**
City Attorney	Sara Grewing	*
Deputy Mayor	Paul Williams	*
Emergency Management	Rick Larkin	*
Financial Services	Todd Hurley	*
Fire	Tim Butler	November 24, 2013
Human Resources	Angela Nalezny	*
Human Rights and Equal Economic Opportunity	Jessica Kingston	October 2, 2015
Library Agency	Kit Hadley	*
Parks and Recreation	Mike Hahm	*
Planning and Economic Development	Cecile Bedor	*
Police	Tom Smith	June 15, 2016
Public Works	Rich Lallier	*
Safety and Inspection	Ricardo Cervantes	*
Saint Paul Regional Water Services	Stephen Schneider	December 17, 2013
Technology and Communications	Andrea Casselton	*

\* Serves at the pleasure of the Mayor.

\*\* Serves at the pleasure of the City Council.

# 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, 2011

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.



*Christopher P. Moynell*

President

*Jeffrey R. Emer*

Executive Director

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REBECCA OTTO  
STATE AUDITOR

# STATE OF MINNESOTA OFFICE OF THE STATE AUDITOR

SUITE 500  
525 PARK STREET  
SAINT PAUL, MN 55103-2139

(651) 296-2551 (Voice)  
(651) 296-4755 (Fax)  
state.auditor@state.mn.us (E-mail)  
1-800-627-3529 (Relay Service)

## INDEPENDENT AUDITOR'S REPORT

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

### **Report on the Financial Statements**

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, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Saint Paul RiverCentre Convention and Visitors Authority, which represent 1 percent, 1 percent, and 14 percent, respectively, and the Port Authority of the City of Saint Paul, which represent 33 percent, 11 percent, and 20 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports 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 solely 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 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 were not audited in accordance with *Government Auditing Standards*.

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

We believe that the audit evidence we have obtained and the reports of other auditors are sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, based on our audit and the reports of the 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, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter - Changes in Accounting Principles***

As discussed in Note III.C. to the financial statements, the City of Saint Paul adopted new accounting guidance by implementing the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for the year ended December 31, 2012, which represents changes in accounting principles. Also in 2012, the City has elected to change the useful lives of sanitary lift stations and flood pumping stations in the Sewer Utility Enterprise Fund. Our opinion is not modified with respect to these matters.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Required Supplementary Information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an

appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Supplementary and Other Information*

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

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

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the City of Saint Paul as of and for the year ended December 31, 2011 (not presented herein), and have issued our report thereon dated July 27, 2012, which contained unmodified opinions on the respective 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. In our opinion, Schedule 27 in the Other Supplementary Information contains comparative information as of December 31, 2011, which is consistent in all material respects with the audited financial statements from which it has been derived.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated August 26, 2013, 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* in considering the City of Saint Paul's internal control over financial reporting and compliance. 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

August 26, 2013

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2012

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### OVERVIEW OF THE FINANCIAL STATEMENTS

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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, 2012. 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-xiii of this report.

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### FINANCIAL HIGHLIGHTS

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- The assets of the City of Saint Paul exceeded its liabilities at the close of the most recent fiscal year by \$1,257.1 million (*net position*). Of this amount, (\$5.1) million (*unrestricted net position*) may be used to meet the government's obligations to citizens and creditors; \$119.2 million is restricted for specific purposes and \$1,143.0 million is invested in capital assets net of related debt. The total net assets include all major infrastructure networks.
- The City's total net position increased by \$1.1 million. Governmental activities increased by \$1.5 million and business-type activities decreased by \$.4 million.
- The City of Saint Paul's governmental funds reported combined ending fund balances of \$208.5 million, a decrease of \$10.8 million in comparison with the prior year. Approximately 21.1% of this amount or, \$43.9 million, is unassigned and available for use in accordance with the City's spending 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 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 \$50.3 million, an increase of \$6.8 million or a 15.7% increase of the 2011 fund balance. The General Fund fund balance is 22.6% of the budgeted 2013 General Fund expenditures of \$222 million plus the Library Agency expenditures of \$15.8 million. This is in compliance with the fund balance policy of 15%.
- At the end of the fiscal year, fund balance for the General Debt Service Fund was \$17.2 million or 58.9% of the 2013 budgeted annual debt service payments, which includes principal and interest of \$30.5 million.
- The City's total long-term bonds and notes decreased by \$15.9 million, a 2.6% decrease from 2011 for a total outstanding on December 31, 2012 of \$578.3 million.

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2012

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### OVERVIEW OF THE FINANCIAL STATEMENTS

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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 Position* presents information on all of the City's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. 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 position changed during the fiscal year. All changes in net position 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, 2012

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### OVERVIEW OF THE FINANCIAL STATEMENTS

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#### 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 42 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 and Capital Improvement Projects, 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 28-35 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, 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, Real Estate Management, 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, 2012

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### OVERVIEW OF THE FINANCIAL STATEMENTS

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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 36-42 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 49-147 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 154-155 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 159-215 of this report.

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2012

### 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 Position* and the *Statement of Changes in Net Position*. These two statements report the City's net position 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 position may serve over time as a useful indicator of a government's financial position. In the case of the City of Saint Paul, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1,257.1 million as of December 31, 2012.

### CONDENSED STATEMENT OF NET POSITION

(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total		Total Percent Change
	2012	Restated 2011	2012	Restated 2011	2012	Restated 2011	
Current and Other Assets	\$ 355,621	\$ 381,590	\$ 101,417	\$ 108,140	\$ 457,038	\$ 489,730	(6.68)%
Capital Assets	1,175,464	1,168,595	370,803	360,474	1,546,267	1,529,069	1.12%
<b>Total Assets</b>	<b>\$ 1,531,085</b>	<b>\$ 1,550,185</b>	<b>\$ 472,220</b>	<b>\$ 468,614</b>	<b>\$ 2,003,305</b>	<b>\$ 2,018,799</b>	<b>(0.77)%</b>
Deferred Outflows of Resources	15,543	15,762	-	-	15,543	15,762	(1.39)%
Long-Term Liabilities	\$ 527,956	\$ 541,001	\$ 151,821	\$ 150,744	\$ 679,777	\$ 691,745	(1.73)%
Other Liabilities	54,907	62,455	11,480	8,567	66,387	71,022	(6.53)%
<b>Total Liabilities</b>	<b>\$ 582,863</b>	<b>\$ 603,456</b>	<b>\$ 163,301</b>	<b>\$ 159,311</b>	<b>\$ 746,164</b>	<b>\$ 762,767</b>	<b>(2.18)%</b>
Deferred Inflows of Resources	15,543	15,762	-	-	15,543	15,762	(1.39)%
Net Position:							
Invested in Capital Assets, Net of Related Debt	\$ 914,832	\$ 890,441	\$ 228,207	\$ 221,998	\$ 1,143,039	\$ 1,112,439	2.75%
Restricted	104,248	126,717	14,928	13,809	119,176	140,526	(15.19)%
Unrestricted	(70,858)	(70,429)	65,784	73,496	(5,074)	3,067	(265.44)%
<b>Total Net Position</b>	<b>\$ 948,222</b>	<b>\$ 946,729</b>	<b>\$ 308,919</b>	<b>\$ 309,303</b>	<b>\$ 1,257,141</b>	<b>\$ 1,256,032</b>	<b>0.09%</b>

The largest portion of the City's net position, \$1,143 million (approximately 90.8%), 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.

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2012

### FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

Restricted net assets of \$119.2 million (approximately 9.7%), represents resources that are subject to external restriction on how they may be used. The remaining balance, unrestricted net position of (\$5.1) million (approximately - 0.5%), may be used to meet the government's ongoing obligation to citizens and creditors.

**Analysis of the City's Operations** – The following table provides a summary of the City's operations for the year ended December 31, 2012. Overall, both the governmental and business-type activities revenue and expenses remained stable. Governmental activities increased the City of Saint Paul's net position by \$1.5 million. Business-type activities decreased the City's net position by \$.4 million. Compared to last year's change in net position, the governmental activities experienced a decrease of \$5.3 million and the business-type activities incurred an increase of \$4.7 million after restatement.

### CONDENSED STATEMENT OF CHANGES IN NET POSITION

(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total		Total Percent Change
	2012	Restated 2011	2012	Restated 2011	2012	Restated 2011	
Revenues:							
Program Revenues							
Charges for Services	\$ 121,256	\$ 115,974	\$ 72,139	\$ 68,246	\$ 193,395	\$ 184,220	4.98%
Operating Grants and Contributions	51,949	52,036	143	519	52,092	52,555	(0.88)%
Capital Grants and Contributions	31,948	20,347	1,076	1,592	33,024	21,939	50.53%
General Revenues							
Property Taxes	117,833	110,793	1,439	1,243	119,272	112,036	6.46%
City Sales Tax	15,941	15,620	-	-	15,941	15,620	2.06%
Franchise Fees and Other Taxes	28,035	28,178	-	-	28,035	28,178	(0.51)%
Local Government Aid	53,744	54,475	-	-	53,744	54,475	(1.34)%
Grants and Contributions							
Not Restricted	511	3,091	681	73	1,192	3,164	(62.33)%
Investment Income	6,919	11,740	482	2,008	7,401	13,748	(46.17)%
Gain on Sale of Capital Assets	91	121	4	-	95	121	(21.49)%
Noncapital Contributions	168	-	302	-	470	-	100.00%
Miscellaneous	9,165	7,359	-	129	9,165	7,488	22.40%
Total Revenues	\$ 437,560	\$ 419,734	\$ 76,266	\$ 73,810	\$ 513,826	\$ 493,544	4.11%

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2012

### FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

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

	Governmental Activities		Business-type Activities		Total		Total Percent Change
	2012	Restated 2011	2012	Restated 2011	2012	Restated 2011	
Expenses:							
General Government	\$ 36,960	\$ 45,905	\$ -	\$ -	\$ 36,960	\$ 45,905	(19.49)%
Public Safety	168,819	167,319	-	-	168,819	167,319	0.90%
Highway and Streets	72,375	58,369	-	-	72,375	58,369	24.00%
Sanitation	4,137	3,832	-	-	4,137	3,832	7.96%
Health	3,652	3,847	-	-	3,652	3,847	(5.07)%
Culture and Recreation	76,469	74,480	-	-	76,469	74,480	2.67%
Housing and Economic Development	55,918	50,411	-	-	55,918	50,411	10.92%
Interest and Fiscal Charges	21,654	23,613	-	-	21,654	23,613	(8.30)%
Sewer	-	-	50,049	38,205	50,049	38,205	31.00%
Development Loan Programs	-	-	2,729	4,071	2,729	4,071	(32.96)%
Parking	-	-	11,056	11,567	11,056	11,567	(4.42)%
Parks, Recreation and Athletics	-	-	4,985	4,732	4,985	4,732	5.35%
Impound Lot	-	-	2,519	2,717	2,519	2,717	(7.29)%
Printing	-	-	1,394	1,436	1,394	1,436	(2.92)%
<b>Total Expenses</b>	<b>\$ 439,984</b>	<b>\$ 427,776</b>	<b>\$ 72,732</b>	<b>\$ 62,728</b>	<b>\$ 512,716</b>	<b>\$ 490,504</b>	<b>4.53%</b>
Change in Net Assets before Transfers and Special Item	\$ (2,425)	\$ (8,042)	\$ 3,534	\$ 11,082	\$ 1,109	\$ 3,040	(63.52)%
Transfers	3,918	15,588	(3,918)	(15,588)	-	-	
Special Item	-	(782)	-	-	-	(782.00)	(100.00)%
<b>Change in Net Position</b>	<b>\$ 1,493</b>	<b>\$ 6,764</b>	<b>\$ (384)</b>	<b>\$ (4,506)</b>	<b>\$ 1,109</b>	<b>\$ 2,258</b>	<b>(50.89)%</b>
Net Position, January 1, as restated	\$ 946,729	\$ 939,965	\$ 309,303	\$ 313,809	\$ 1,256,032	\$ 1,253,774	0.18%
<b>Net Position, December 31</b>	<b>\$ 948,222</b>	<b>\$ 946,729</b>	<b>\$ 308,919</b>	<b>\$ 309,303</b>	<b>\$ 1,257,141</b>	<b>\$ 1,256,032</b>	<b>0.09%</b>

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2012

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### FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

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#### **Governmental Activities**

Governmental activities increased the City's net position by \$1.5 million, a reduction of \$5.3 million in net change in net position compared to 2011 increase of \$6.8 million. Overall the governmental activities in 2012 were very stable, with increased revenues, comparable to increased expenses. Revenues increased by \$17.8 million while the expenses increased by \$11.9 million and the net transfers decreased by \$12.2 million. Highway and Streets expenses increased by \$14 million as a result of an increase in depreciation expense for some infrastructure assets and increased operating expenses for Traffic, Signal and Lighting Maintenance compared to 2011. On the other hand, General Government expenses decreased in 2012 by \$8.9 million mainly due to a decrease in compensated absences and claims and judgments compared to 2011.

#### **Business-type Activities**

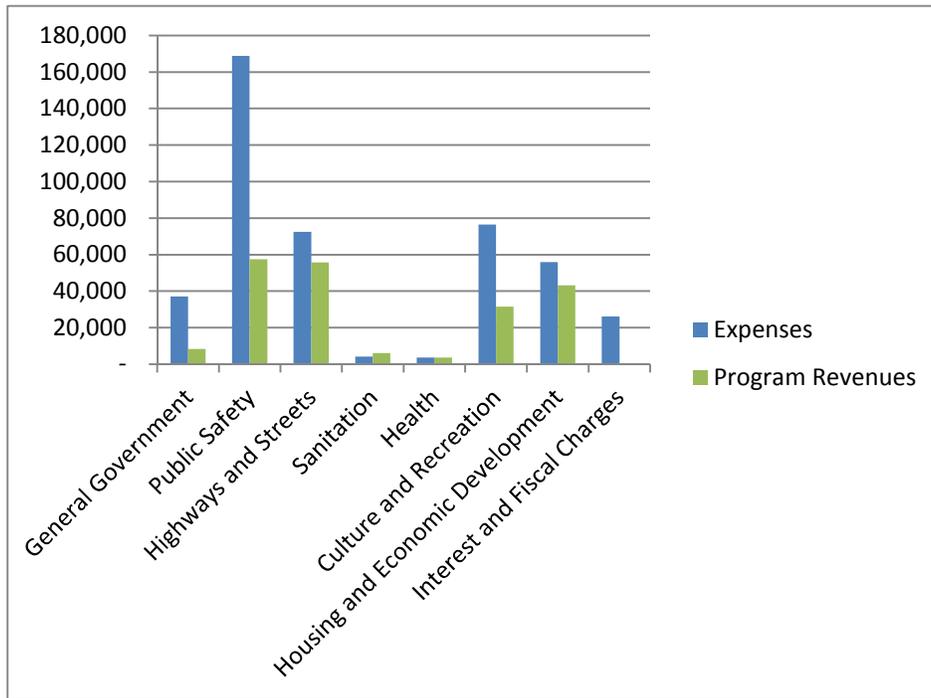
Business-type activities experienced a \$.8 million decrease in net position. This is a result of the revenues increasing by \$2.5 million while the expenses increased by \$10.4 million and transfers decreased by (\$11.7 million) compared to 2011. Most of the increase in expenses occurred in Sewer. Sewer service charges increased significantly due to various services for a variety of repair and maintenance projects that occurred in 2012.

# CITY OF SAINT PAUL, MINNESOTA

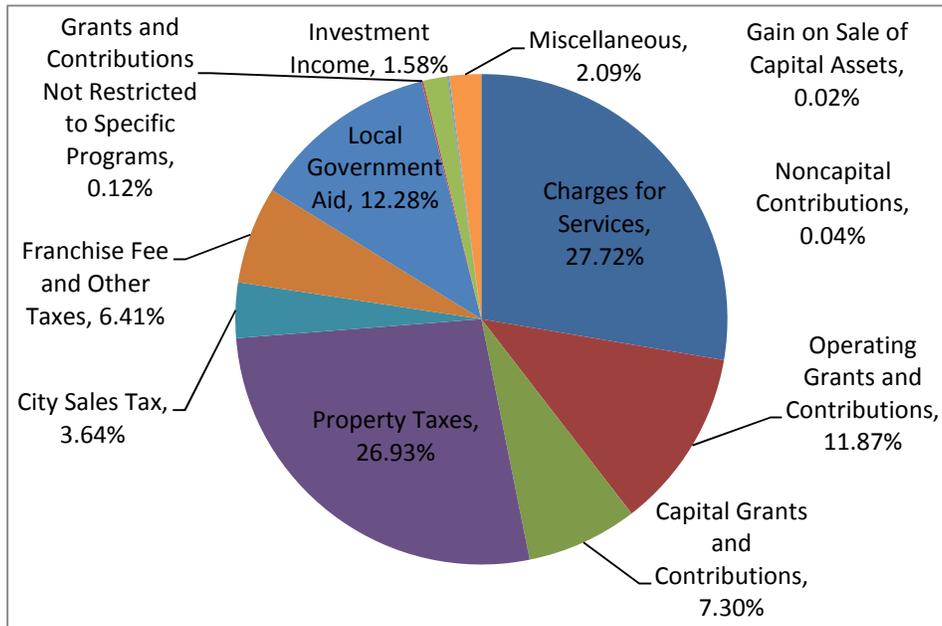
## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2012

### FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

#### Expenses and Program Revenues – Governmental Activities (in thousands)



#### Revenue by Source – Governmental Activities

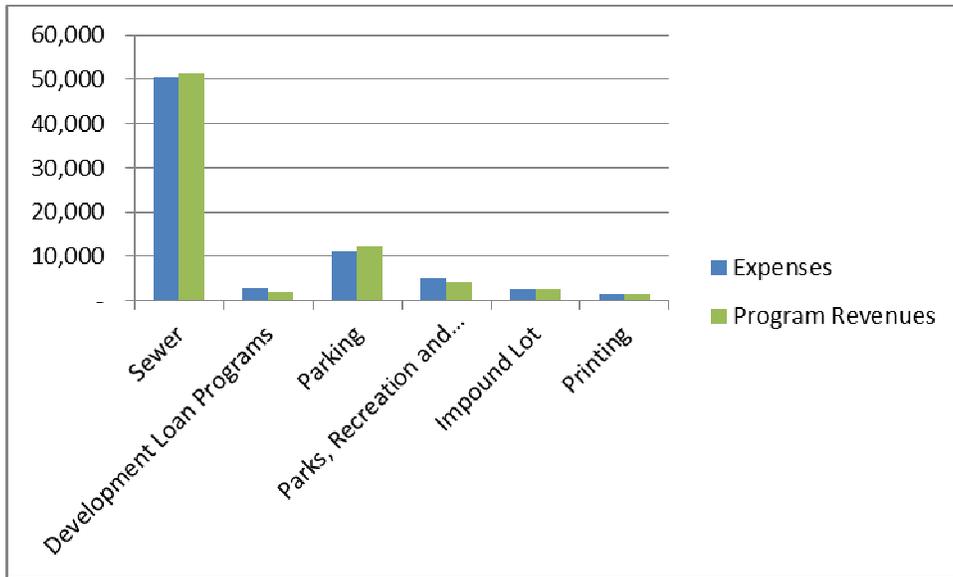


# CITY OF SAINT PAUL, MINNESOTA

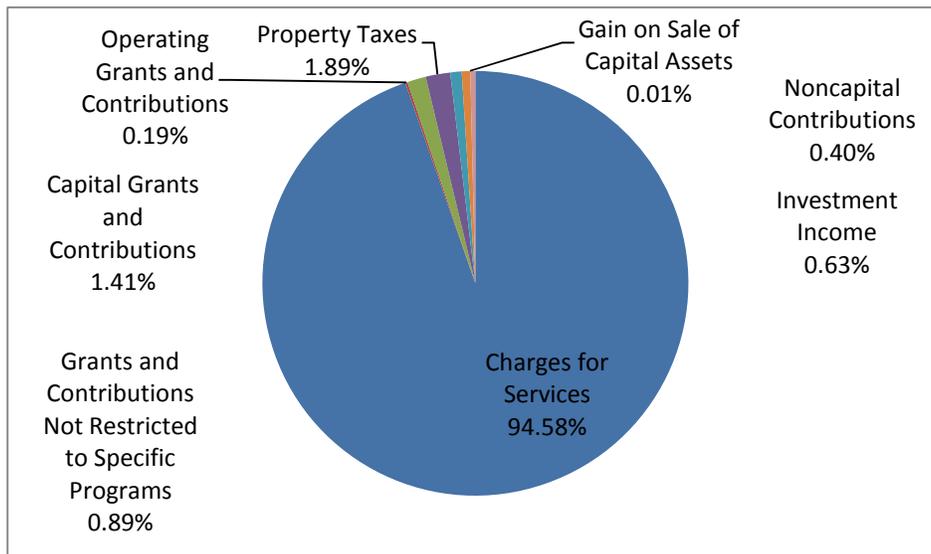
## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2012

### FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

#### Expenses and Program Revenues – Business-type Activities (in thousands)



#### Revenues by Source – Business-type Activities



# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2012

### 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, unrestricted fund balances (committed, assigned and unassigned) 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 the current fiscal year, the City of Saint Paul's governmental funds reported combined ending fund balances of \$208.5 million. The majority of the fund balance is either nonspendable or restricted which comprise 51.1% of the total. The rest at 48.9% is unrestricted.

Nonspendable fund balance (0.3% of total) includes amounts that are not in spendable form, or legally or contractually required to be maintained intact. Restricted fund balance comprises 50.8% of the total fund balance. Fund balance are reported as restricted when constraints place on the use of the resources are either externally imposed by the creditors (such as through debt covenants), grantors, other governments or is imposed by law through constitutional provisions or enabling legislation.

Of the total \$101.9 million of unrestricted fund balance, \$25.8 million is committed, \$32.2 million is assigned and the largest, \$43.9 million is unassigned. The total unassigned balance is net of the reported balance in the General Fund of \$47.5 million and the rest that are reported in various special revenue funds for (\$3.6) million.

Purposes	Nonspendable	Restricted	Unrestricted			Subtotal	Total
			Committed	Assigned	Unassigned		
Advance to Component Units	\$ 568,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 568,200
Corpus of Permanent Funds	35,000	-	-	-	-	-	35,000
General Government	-	34,339,066	270,378	5,009,650	-	5,280,028	39,619,094
Public Safety	-	4,412,053	714,927	2,071,684	-	2,786,611	7,198,664
Highways and Streets	-	1,208,138	-	11,050,549	-	11,050,549	12,258,687
Sanitation	-	-	-	1,181,216	-	1,181,216	1,181,216
Health	-	-	-	53,497	-	53,497	53,497
Culture and Recreation	-	1,928,566	1,018,596	3,161,662	-	4,180,258	6,108,824
Housing and Economic Development	-	21,223,796	23,856,813	9,654,493	-	33,511,306	54,735,102
Debt Service	-	42,895,927	-	-	-	-	42,895,927
Unassigned	-	-	-	-	43,893,526	43,893,526	43,893,526
<b>Total</b>	<b>\$ 603,200</b>	<b>\$ 106,007,546</b>	<b>\$ 25,860,714</b>	<b>\$ 32,182,751</b>	<b>\$ 43,893,526</b>	<b>\$101,936,991</b>	<b>\$ 208,547,737</b>
Percent of Total	0.3%	50.8%	12.4%	15.4%	21.1%	48.9%	100.0%

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2012

### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

**General Fund** is the primary operating fund of the City. Total fund balance as of December 31, 2012, was \$50.3 million, of which \$47.5 million was unassigned fund balance. It may be useful to compare unassigned fund balance to total fund balance and total fund expenditures as a measure of the fund's liquidity. Unassigned fund balance represents 94.4% of total fund balance and 22.7% of total 2012 fund expenditures including transfers out. The fund balance increased by \$6.8 million during the current fiscal year.

The following table provides an overview of General Fund revenues by source.

Revenues by Source	2012	2011	Net Change	Total Percent Change
Property Tax	\$ 71,997,184	\$ 62,064,242	\$ 9,932,942	16.00%
Franchise Fees and Other Taxes	26,542,872	26,541,357	1,515	0.01%
Intergovernmental	60,035,959	62,285,460	(2,249,501)	(3.61)%
Fees, Sales and Services	47,004,518	41,533,031	5,471,487	13.17%
Interest	3,019,042	4,376,123	(1,357,081)	(31.01)%
Miscellaneous	1,118,637	1,192,245	(73,608)	(6.17)%
Transfers In	6,647,124	8,765,590	(2,118,466)	(24.17)%
Sale of Capital Assets	128,766	2,160,000	(2,031,234)	(94.04)%
Total	<u>\$ 216,494,102</u>	<u>\$ 208,918,048</u>	<u>\$ 7,576,054</u>	3.63%

Overall, General Fund revenues increased by \$7.6 million (3.63%) in 2012 as compared to 2011. This is mainly due to the increase in the current year tax levy and the increase in the percentage of collection of the current year tax levy. Property Tax, Franchise Fees and Other Taxes and Fees, Sales and Services increased while Intergovernmental, Interest, Miscellaneous, Transfers In and Sale of Capital Assets decreased.

In 2012, property tax revenue increased by \$9.9 million or 16%. Total property tax levy in 2012 was \$97.8 a 5.7% increase over 2011. The General Fund portion of \$71.1 million (72.7% of total) increased by \$6 million. Current property tax revenue increased by \$10.7 million, while delinquent property tax revenue decreased by \$0.8 million. The remaining portion of the property tax levy supports the Saint Paul Library Agency for \$17.1 million (17.5%) and three debt service funds for \$9.6 million (9.8%).

Intergovernmental revenue decreased by \$2.2 million primarily due to a decrease in Affordable Care Act's Early Retirement Reinsurance Program by \$1.2 million and a decrease in City Share of County Court Fines of \$0.9 million.

Fees, sales and services increased by \$5.5 million. The increase was primarily due to a new fee in the General Fund for Right-of-Way. In 2012, the Water and Sewer utilities started being charged a quarterly fee to help offset the additional cost of doing road work in areas where utility lines are present, the additional fees increased Fees, Sales and Services by \$5 million in 2012.

Interest earnings decreased by \$1.4 million in 2012 due economic conditions which resulted in lower interest rates on investments compared to 2011.

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2012

### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

The major reason for the reduction in Transfers In was because of the reclassification of some transfers into internal service charges, which are reported as Fees, Sales and Services.

The General Fund reported the sale of the public safety building in 2011 when the City received the final payment from the Housing and Redevelopment Authority for \$2.16 million. In 2012, the City only reported the sale of some miscellaneous equipment which is the primary reason for the decrease in Sale of Capital Assets.

The following table provides an overview of General Fund expenditures by function.

<b>Expenditures by Function</b>	<u>2012</u>	<u>2011</u>	<u>Net Change</u>	<u>Total Percent Change</u>
General Government	\$ 27,269,041	\$ 26,427,744	\$ 841,297	3.18%
Public Safety	145,482,911	142,927,964	2,554,947	1.79%
Highways and Streets	1,980,656	1,857,888	122,768	6.61%
Culture and Recreation	26,662,735	25,671,541	991,194	3.86%
Miscellaneous	7,059,195	6,873,589	185,606	2.70%
Debt	8,065	54,010	(45,945)	(85.07)%
Transfers Out	1,222,172	1,358,458	(136,286)	(10.03)%
Total	<u>\$ 209,684,775</u>	<u>\$ 205,171,194</u>	<u>\$ 4,513,581</u>	2.20%

Total General Fund expenditures increased by \$4.5 million or 2.2% as compared to 2011.

Public Safety expenditures increased by \$2.6 million. The increase was mainly due to increased staffing levels in various public safety departments and the increase in fringe benefits costs associated with those staffing increases.

Culture and Recreation expenditures increased by \$.9 million. The increase was mainly due to the following: staffing and supplies to support the Seasonal Swimming/Beaches/ Pools for \$0.7 million and \$.5 million of expenditures related to various energy conservations projects for lighting upgrades and energy control projects.

**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, and outside grants. Revenues reported from these sources totaled \$15.8 million with expenditures including transfers out of \$15.6 million. The fund balance increased \$0.1 million. The fund is reporting a fund balance on December 31, 2012, of \$0.9 million.

**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, investment earnings, and excess tax increments receipts. 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 2012 by \$0.8 million to a total of \$11.6 million at December 31, 2012, due to decreased spending of staff administration for HRA programs and projects, and an increase in fees from conduit revenue bond issues.

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2012

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### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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**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. In 2012, \$5.5 million was received in taxes, \$2.1 million less than in 2011. The transfers in of \$13.9 million have increased by \$1.0 million. The total fund revenues and transfers in were \$20.4 million and the expenditures for debt payments in 2012 totaled \$20.0 million. The remaining fund balance of \$17.2 million at the end of the fiscal year is to be used for future debt service payments.

**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, 2012, the fund balance is \$12.2 million, which is entirely reserved for future debt service. Total debt spending during 2012 was \$31.6 million.

**Capital Improvement Projects Fund** accounts for the major capital improvement projects relating to City-owned capital assets. The fund has a total fund balance of 3.8 million. The net increase in fund balance during the current year was \$4.7 million. This is mainly due to unspent bond proceeds for capital projects still in the process of completion.

#### 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** performance in 2012 ended with an unrestricted net position balance of \$35.6 million at December 31, 2012. The net position balance decreased in 2012 by \$11.6 million. Operating cash is being maintained in the \$50-\$60 million range; cash balance at December 31, 2012 was \$50.9 million. Charges for services were \$50.9 million, \$5.1 million more than 2011. The increase was due to the increase in sanitary and storm rates, which was recommended by the Mayor and adopted by the City Council in late 2011 and was implemented on January 1, 2012.

The Sewer Utility Enterprise Fund anticipates a decrease in unrestricted net position as a result of continuation of an Inflow / Infiltration program, major reconstruction of storm sewer tunnels, and other construction repair work. At this time, the restrictions placed on resources in the Sewer Utility Enterprise Fund are those related to outstanding debt (\$5.7 million), and the restriction for operation and maintenance (\$4.7 million). In March 2012, 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 upgraded their rating to Aa1 with a stable outlook.

**HRA Loan Enterprise Fund** accounts for: (1) loans issued and related servicing for various housing and economic development programs and projects, and (2) the Lofts at Farmers Market and the Penfield Apartments, market-rate rental projects. The Fund has unrestricted net position totaling \$22.4 million at December 31, 2012. The assets of the Fund include loans receivable and accrued interest on these loans which are reported at \$3.0 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 \$15.0 million at December 31, 2012. The Fund had an overall increase in net position of \$11.7 million for 2012.

**HRA Parking Enterprise Fund** accounts for the operation of HRA owned parking facilities in Saint Paul. The Fund has unrestricted net position of \$10.8 million at December 31, 2012. Assets in the Fund include capital assets for parking facilities reported at the depreciated amount of \$93.5 million. Long-term debt used for financing the construction of the parking facilities is \$65.6 million in principal outstanding at December 31, 2012. The Fund had operating income of \$3.9 million during 2012.

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2012

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### GENERAL FUND BUDGETARY HIGHLIGHTS

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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 budget including transfers was \$213.6 million, which included the 2011 appropriation of \$2.1 million that was carried forward to 2012. The final appropriations of \$216.9 million are \$3.3 million more than the original budget and are \$5.0 million more than 2011 final appropriations of \$211.9 million.

The majority of the difference between the 2012 adopted and the 2011 final budget was in Public Safety for \$2.1 million. This is mainly due to expected increases in various departments staffing levels.

The 2012 actual spending including transfers out was \$209.7 million, as compared to the final budget of \$216.9 million, resulted in a \$7.2 million positive variance. Actual expenditures were 96.7% of the final budgeted amount. Over the past ten years, the City's actual expenditures compared to budget have averaged 96.8%

The 2012 actual financing including transfers in was \$216.3 million compared to the final budget of \$217.4 million, and resulted in a negative variance of \$1.1 million. Actual revenues were 99.5% of the final budgeted amount. Over the past ten years, the City's actual revenues compared to budget have averaged 99.7%.

Overall, General Fund budget to actual results reflected a positive variance of \$6.3 million, with an actual net change in fund balance of \$6.8 million.

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2012

### CAPITAL ASSETS

At the end of 2012, the City had invested a total of \$1,546.3 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 \$11.8 million.

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

The Public Works Department completed its 17<sup>th</sup> year of the Residential Street Vitality Program (RSVP) by awarding the Prior/Goodrich, Battle Creek/Upper Afton, and Hewitt/Tatum projects for a total amount of \$9.8 million. Public Works awarded the Ruth Street Reconstruction, Saint Paul Arterial Roadway Traffic Flow Improvements (SPART), Phalen Village Left Turn Lanes, 4<sup>th</sup> Street Reconstruction, Ohio Street Reconstruction and Edgcombe Bridge projects for a total of \$9.7 million. Public Works started design on Wheelock Bridge and Hamline Bridge projects and continued work on the Central Corridor and Pierce Butler projects

The Sewer System Rehabilitation program is now in its 15<sup>th</sup> year. The City awarded contracts for the Summit/Marshall relining project in the amount of \$1.8 million, the Fuller/Farrington relining project in the amount of \$1.8 million, the Taylor/York relining project in the amount of \$1.8 million and the Thomas/Selby relining project in the amount of 1.8 million. All projects have an estimated completion date of November 30, 2013. A contract for the rehabilitation of the St. Anthony Storm Tunnel Phase III was awarded in the fall 2012 so that work could take place during the winter months.

The Saint Paul Parks and Recreation Department is now in its 2<sup>nd</sup> year of a major construction project at Como Zoo and Conservatory. The \$11.0 million reconstruction of the Gorilla exhibit will include upgrades to the holding spaces, new exhibit area and a new visitor viewing pavilion. The exhibit is expected to open in the summer of 2013.

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

	Governmental Activities		Business-type Activities		Total		Total Percent Change
	2012	2011	2012	Restated 2011	2012	Restated 2011	
Land	\$ 152,059	\$ 149,089	\$ 35,349	\$ 31,789	\$ 187,408	\$ 180,878	3.61%
Buildings and Structures	361,132	367,965	77,067	70,729	438,199	438,694	(0.11)%
Improvements other than Buildings	98,424	96,874	-	-	98,424	96,874	1.60%
Public Improvements	-	-	244,749	245,060	244,749	245,060	(0.13)%
Equipment	27,120	27,822	2,627	2,713	29,747	30,535	(2.58)%
Infrastructure	454,422	438,922	-	-	454,422	438,922	3.53%
Construction in Progress	82,307	87,923	11,011	10,183	93,318	98,106	(4.88)%
<b>Total</b>	<b>\$ 1,175,464</b>	<b>\$ 1,168,595</b>	<b>\$ 370,803</b>	<b>\$ 360,474</b>	<b>\$ 1,546,267</b>	<b>\$ 1,529,069</b>	<b>1.12%</b>

Additional information on the City of Saint Paul's capital assets can be found in Note VI.E on pages 86-87 of this report.

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2012

### LONG-TERM OBLIGATIONS

During 2012, the City issued \$39.6 million in bonds and retired/defeased \$57.8 million in bonds, resulting in \$496.9 million in bonds payable and \$81.9 million in notes payable at the end of 2012. Of the bonded debt, \$159.5 million is considered to be gross direct general property tax supported debt; considering the \$17.2 million available in the General Debt Service Fund and \$6.6 million available in the G.O. Special Assessment - Streets Debt Service Fund, the net general property tax supported debt at year end was \$135.7 million or \$474 per capita.

The City's General Obligation bonds issued in 2012 received a Aa1 rating from Moody's Investors Service, Inc. and continued their AAA rating from Standard & Poor's Corporation. The Sewer Revenue bonds issued in 2012 received an AAA rating from Standard & Poor's Corporation and a Aa1 rating from Moody's Investors Service, Inc.

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

	Governmental Activities		Business-type Activities		Total		Total Percent Change
	2012	2011	2012	2011	2012	2011	
General Obligation Bonds	\$ 194,755	\$ 206,065	\$ 24,875	\$ 26,480	\$ 219,630	\$ 232,545	(5.55)%
Limited Tax Bonds	-	-	7,855	7,855	7,855	7,855	0.00%
Revenue Bonds	-	-	68,550	63,075	68,550	63,075	8.68%
Sales Tax Revenue Bonds	81,570	84,800	-	-	81,570	84,800	(3.81)%
HRA Tax Increment Revenue Bonds	33,694	36,912	-	-	33,694	36,912	(8.72)%
HRA Parking Facilities Revenue Bonds	-	-	39,565	41,235	39,565	41,235	(4.05)%
HRA Sales Tax Revenue Bonds	33,545	35,520	-	-	33,545	35,520	(5.56)%
HRA Lease Revenue Bonds	12,490	13,080	-	-	12,490	13,080	(4.51)%
General Obligation Notes	19,450	13,458	-	-	19,450	13,458	44.52%
Revenue Notes	32,750	34,750	8,722	9,845	41,472	44,595	(7.00)%
HRA Revenue Notes	18,931	19,533	1,580	1,580	20,511	21,113	(2.85)%
<b>Total</b>	<b>\$ 427,185</b>	<b>\$ 444,118</b>	<b>\$ 151,147</b>	<b>\$ 150,070</b>	<b>\$ 578,332</b>	<b>\$ 594,188</b>	<b>(2.67)%</b>

Additional information on the City of Saint Paul's long-term obligations can be found in Note VI.G on pages 90-112 of this report.

# CITY OF SAINT PAUL, MINNESOTA

## MANAGEMENT'S DISCUSSION AND ANALYSIS For Year Ended December 31, 2012

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### CURRENTLY KNOWN FACTS/ECONOMIC CONDITIONS

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#### 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 to reduce state aid payments, called Local Government Aid (LGA).

State aid payments are a significant source of financing for the City's General Fund budget. In the 2013 adopted budget, state aids, including LGA, support 23% of total spending (by comparison, property taxes provide 34% of financing in 2012).

In 2008, 2009, 2010, 2011, and 2012, the State had a significant budget deficit and resolved it in part by sharply reducing aid payments to local governments. These reductions occurred each year after the City had adopted its annual budgets. The City made mid-year budget amendments using hiring and spending freezes, as well as a limited use of available fund balance in excess of its fund balance policy requirements. These actions brought the budget back in line with forecasted revenues.

The City's budget will continue to be challenged by uncertainty in state aid payments due to the State's forecasted budget deficit. The Mayor is committed to working closely with the City Council to address this uncertainty by continued evaluation of management measures to restructure and resize service delivery systems, and the need for balanced growth in local revenues, while addressing the 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, 2012

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### CURRENTLY KNOWN FACTS/ECONOMIC CONDITIONS

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#### Employment Outlook

The 2012 annual average unemployment rate for the City of Saint Paul was reported by the Bureau of Labor Statistics at 6.2%, compared to the state unemployment rate of 5.6% and a U.S. average rate of 8.1%. Saint Paul has a balanced, diversified employment base with no single industry sector dominating and is well-positioned to weather the current economic downturn. Employment is not overly reliant on slowing and cyclical sectors, like manufacturing, but is centered with stable and growing employment sectors. Saint Paul's largest employment sector is education and health services (55,923 jobs in 2012, 32.9% of total). Other large sectors include public administration (21,323 jobs, 12.5%); and trade, transportation, and utilities (18,573 jobs, 10.9%) according to Minnesota Department of Employment and Economic Development.

Through the second quarter of 2012 Saint Paul employers paid an average of \$51,584 annually compared to 2011 average of \$51,835 which represents a decrease of .5%. An average wage in the Metro decreased by 2.3% (\$53,092 vs. \$ 54,340) and by 1.5% statewide (\$47,112 vs. \$47,840) during the same period. The wages paid by Saint Paul employers through the second quarter of 2012 are higher compared to 2010 (\$50,804) which indicates a stable economy.

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### REQUESTS FOR INFORMATION

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The financial report is designed to provide our citizens, customers, investors and creditors with a 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: Tami Jansen, Accounting Manager, at 15 W. Kellogg Blvd., Room 700; Saint Paul, Minnesota 55102, call 651-266-8835, or e-mail [tami.jansen@ci.stpaul.mn.us](mailto:tami.jansen@ci.stpaul.mn.us).

General information relating to the City of Saint Paul, Minnesota, can be found at the City's internet website, [www.stpaul.gov](http://www.stpaul.gov).

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	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Totals	
<b>ASSETS</b>				
Cash and Investments	206,705,763	59,593,059	266,298,822	17,891,706
Investments	-	5,874,411	5,874,411	17,551,586
Receivables (Net of Allowance for Uncollectibles)	79,064,150	7,404,807	86,468,957	85,743,421
Due from Component Units	558,544	2,703,428	3,261,972	-
Due from Primary Government	-	-	-	147,375
Due from Other Governmental Units	37,486,174	790,806	38,276,980	1,113,048
Advance to Component Units	568,200	-	568,200	-
Internal Balances	8,370,758	(8,370,758)	-	-
Inventories	14,962,306	7,535,441	22,497,747	1,914,810
Other Assets	5,065,186	30,674	5,095,860	366,182
Restricted Cash and Investments	35,000	22,647,555	22,682,555	50,069,316
Long Term Receivables	2,804,776	3,207,916	6,012,692	1,906,538
Capital Assets Not Being Depreciated				
Land	152,058,915	35,348,825	187,407,740	9,335,052
Construction in Progress	82,307,459	11,010,587	93,318,046	43,995,453
Capital Assets Net of Accumulated Depreciation				
Buildings and Structures	361,131,324	77,067,458	438,198,782	53,946,692
Improvements Other than Buildings	98,424,490	-	98,424,490	-
Public Improvements	-	244,749,313	244,749,313	173,359,022
Equipment	27,120,214	2,626,571	29,746,785	24,962,536
Infrastructure	454,421,898	-	454,421,898	-
<b>Total Assets</b>	<b>1,531,085,157</b>	<b>472,220,093</b>	<b>2,003,305,250</b>	<b>482,302,737</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Unrealized Loss on Derivatives	15,543,376	-	15,543,376	-
<b>LIABILITIES</b>				
Accounts Payable and Other Current Liabilities	16,384,785	6,660,255	23,045,040	16,634,675
Accrued Salaries	8,139,921	240,724	8,380,645	605,072
Due to Component Units	78,930	68,049	146,979	-
Due to Primary Government	-	-	-	3,261,970
Due to Other Governmental Units	5,636,947	66,331	5,703,278	2,740,064
Liabilities Payable from Restricted Assets	-	4,444,876	4,444,876	47,130,860
Pollution Remediation Obligation	2,506,097	-	2,506,097	-
Unearned Revenue	22,160,231	-	22,160,231	4,794,900
Noncurrent Liabilities:				
Due Within One Year	41,039,142	5,375,559	46,414,701	1,102,925
Due in More than One Year	486,916,897	146,445,613	633,362,510	125,913,932
<b>Total Liabilities</b>	<b>582,862,950</b>	<b>163,301,407</b>	<b>746,164,357</b>	<b>202,184,398</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Interest Swap Derivative	15,543,376	-	15,543,376	-
<b>NET POSITION</b>				
Net Investment in Capital Assets	914,831,518	228,206,967	1,143,038,485	224,730,973
Restricted for:				
General Government	34,339,066	-	34,339,066	-
Public Safety	4,412,053	-	4,412,053	-
Highways and Streets	1,208,138	-	1,208,138	-
Culture and Recreation	2,448,550	-	2,448,550	-
Economic Development	21,223,796	-	21,223,796	44,106,726
Debt Service	40,533,399	9,825,430	50,358,829	-
Permanent Activities				
Expendable	48,216	-	48,216	-
Nonexpendable	35,000	-	35,000	-
Operations and Maintenance	-	5,102,337	5,102,337	-
Unrestricted	(70,857,529)	65,783,952	(5,073,577)	11,280,640
<b>Total Net Position</b>	<b>948,222,207</b>	<b>308,918,686</b>	<b>1,257,140,893</b>	<b>280,118,339</b>

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

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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	
<b>Primary Government</b>								
<b>Governmental Activities</b>								
General Government	36,960,488	7,900,534	437,451	-	(28,622,503)	-	(28,622,503)	-
Public Safety	168,819,155	42,997,003	13,948,447	546,218	(111,327,487)	-	(111,327,487)	-
Highways and Streets	72,375,018	40,924,292	502,378	14,274,991	(16,673,357)	-	(16,673,357)	-
Sanitation	4,136,543	5,381,382	600,383	-	1,845,222	-	1,845,222	-
Health	3,651,735	3,351,494	-	205,143	(95,098)	-	(95,098)	-
Culture and Recreation	76,468,821	10,956,097	6,785,088	13,751,950	(44,975,686)	-	(44,975,686)	-
Housing and Economic Development	55,918,173	9,745,681	29,674,795	3,169,246	(13,328,451)	-	(13,328,451)	-
Interest and Fiscal Charges	21,654,279	-	-	-	(21,654,279)	-	(21,654,279)	-
<b>Total Governmental Activities</b>	<b>439,984,212</b>	<b>121,256,483</b>	<b>51,948,542</b>	<b>31,947,548</b>	<b>(234,831,639)</b>	<b>-</b>	<b>(234,831,639)</b>	<b>-</b>
<b>Business-Type Activities</b>								
Sewer	50,048,365	51,185,513	142,559	-	-	1,279,707	1,279,707	-
Development Loan Programs	2,728,591	919,137	-	1,076,050	-	(733,404)	(733,404)	-
Parking	11,055,407	12,186,953	-	-	-	1,131,546	1,131,546	-
Parks, Recreation and Athletics	4,985,210	4,179,835	-	-	-	(805,375)	(805,375)	-
Impound Lot	2,519,161	2,456,393	-	-	-	(62,768)	(62,768)	-
Printing	1,394,357	1,210,644	-	-	-	(183,713)	(183,713)	-
<b>Total Business-Type Activities</b>	<b>72,731,091</b>	<b>72,138,475</b>	<b>142,559</b>	<b>1,076,050</b>	<b>-</b>	<b>625,993</b>	<b>625,993</b>	<b>-</b>
<b>Total Primary Government</b>	<b>512,715,303</b>	<b>193,394,958</b>	<b>52,091,101</b>	<b>33,023,598</b>	<b>(234,831,639)</b>	<b>625,993</b>	<b>(234,205,646)</b>	<b>-</b>
<b>Component Units</b>								
RiverCentre Convention & Visitors Authority	13,106,742	8,251,909	1,092,630	2,704,738	-	-	-	(1,057,465)
Regional Water Services	45,579,365	51,520,196	87,796	12,231,015	-	-	-	18,259,642
Port Authority	23,573,088	7,697,195	5,428,828	-	-	-	-	(10,447,065)
<b>Total Component Units</b>	<b>82,259,195</b>	<b>67,469,300</b>	<b>6,609,254</b>	<b>14,935,753</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,755,112</b>
<b>General Revenues</b>								
<b>Taxes</b>								
Property Taxes, Levied for General Purposes					103,894,752	1,438,609	105,333,361	-
Property Taxes, Levied for Debt Service					13,938,044	-	13,938,044	5,602,927
City Sales Tax					15,940,712	-	15,940,712	-
Gross Earnings Franchise Fee					24,645,673	-	24,645,673	-
Other Taxes					3,389,255	-	3,389,255	1,633,023
<b>Revenues Not Restricted to Specific Programs</b>								
Local Government Aid					53,744,220	-	53,744,220	-
Grants and Contributions					511,381	681,284	1,192,665	-
<b>Investment Income</b>								
Interest Earned on Investments					6,815,021	790,729	7,605,750	1,536,910
Increase (Decrease) in Fair Value of Investments					(380,210)	(308,744)	(688,954)	(18,474)
Other Investment Income					483,885	-	483,885	-
Gain on Sale of Capital Assets					90,794	4,229	95,023	17,670
Noncapital Contribution					168,272	301,800	470,072	-
Miscellaneous					9,165,237	-	9,165,237	303,917
<b>Transfers</b>					<b>3,917,773</b>	<b>(3,917,773)</b>	<b>-</b>	<b>-</b>
<b>Total General Revenues and Transfers</b>					<b>236,324,809</b>	<b>(1,009,866)</b>	<b>235,314,943</b>	<b>9,075,973</b>
<b>Change in Net Position</b>					<b>1,493,170</b>	<b>(383,873)</b>	<b>1,109,297</b>	<b>15,831,085</b>
<b>Net Position, January 1, as restated</b>					<b>946,729,037</b>	<b>309,302,559</b>	<b>1,256,031,596</b>	<b>264,287,254</b>
<b>Net Position, December 31</b>					<b>948,222,207</b>	<b>308,918,686</b>	<b>1,257,140,893</b>	<b>280,118,339</b>

City of Saint Paul, Minnesota  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
December 31, 2012

Exhibit 3

	General	Library Agency	HRA General Fund	General Debt Service	HRA General Debt Service	Capital Improvement Projects	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>								
Cash and Investments with Treasurer	38,888,572	959,510	13,024,651	17,016,935	3,176,460	6,203,791	100,072,117	179,342,036
Cash and Investments with Trustees	-	-	-	-	8,965,126	-	8,709,351	17,674,477
Imprest Funds	42,125	-	-	-	-	-	64,020	106,145
<b>Receivables</b>								
Property Taxes - Due from Ramsey County	1,352,768	275,694	48,416	156,702	69,943	-	200,450	2,103,973
Property Taxes - Delinquent	1,892,301	443,679	79,145	229,439	148,950	-	88,619	2,882,133
Accounts (net of allowance for estimated uncollectible)	4,576,664	192,501	60,698	1,379	-	1,002,250	860,152	6,693,644
Assessments	-	-	-	-	-	17,790,457	33,401,171	51,191,628
Notes and Loans	9,664,122	-	-	-	-	-	11,904,841	21,568,963
Accrued Interest	526,376	-	63,358	89,399	46,792	-	660,958	1,386,883
Due from Xcel Energy	1,039,018	-	-	-	-	-	-	1,039,018
Due from Other Funds	17,280,945	-	-	2,027	-	2,518,616	1,324,664	21,126,252
Due from Component Units	193,177	-	-	-	-	-	53,819	246,996
Due from Other Governmental Units	1,037,240	-	-	-	-	15,673,031	15,021,834	31,732,105
Advance to Other Funds	-	-	717,599	-	-	-	5,322,018	6,039,617
Advance to Component Units	568,200	-	-	-	-	-	-	568,200
Land Held for Resale	-	-	493,622	-	-	-	11,613,328	12,106,950
<b>TOTAL ASSETS</b>	<b>77,061,508</b>	<b>1,871,384</b>	<b>14,487,489</b>	<b>17,495,881</b>	<b>12,407,271</b>	<b>43,188,145</b>	<b>189,297,342</b>	<b>355,809,020</b>

continued

City of Saint Paul, Minnesota  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
December 31, 2012

Exhibit 3

	<u>General</u>	<u>Library Agency</u>	<u>HRA General Fund</u>	<u>General Debt Service</u>	<u>HRA General Debt Service</u>	<u>Capital Improvement Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>								
<b>Liabilities</b>								
Accrued Salaries Payable	5,928,908	334,462	-	7,300	-	6,513	973,951	7,251,134
Accounts Payable	1,965,022	93,712	1,160	9,524	-	1,066,486	1,976,148	5,112,052
Contracts/Retention Payable	237,998	-	622,145	-	-	5,444,657	-	6,304,800
Due to Other Funds	691,956	14,233	1,635,953	25,149	-	1,419,902	14,101,963	17,889,156
Due to Component Unit	30,975	-	-	-	-	45,807	2,148	78,930
Due to Other Governmental Units	2,072,623	-	4,951	-	-	180,310	3,245,150	5,503,034
Advance from Other Funds	1,100,543	-	-	-	-	-	5,144,713	6,245,256
Unearned Revenue	90,000	-	-	-	-	259,992	20,585,304	20,935,296
<b>Total Liabilities</b>	<b>12,118,025</b>	<b>442,407</b>	<b>2,264,209</b>	<b>41,973</b>	<b>-</b>	<b>8,423,667</b>	<b>46,029,377</b>	<b>69,319,658</b>
<b>Deferred Inflows of Resources</b>								
Unavailable Revenue	14,650,009	455,213	594,467	260,684	176,528	31,008,038	30,796,686	77,941,625
<b>Fund Balance</b>								
<b>Nonspendable</b>								
General Fund	568,200	-	-	-	-	-	-	568,200
Permanent Funds	-	-	-	-	-	-	35,000	35,000
<b>Restricted</b>								
Special Revenue Funds	-	-	-	-	-	-	8,520,531	8,520,531
Debt Service Funds	-	-	-	17,193,224	12,230,743	-	13,471,960	42,895,927
Capital Projects Funds	-	-	-	-	-	-	54,542,872	54,542,872
Permanent Funds	-	-	-	-	-	-	48,216	48,216
<b>Committed</b>								
Special Revenue Funds	-	535,554	6,885,845	-	-	-	1,468,347	8,889,746
Capital Projects Funds	-	-	-	-	-	-	16,970,968	16,970,968
<b>Assigned</b>								
General Fund	2,259,144	-	-	-	-	-	-	2,259,144
Special Revenue Funds	-	438,210	4,742,968	-	-	-	15,878,270	21,059,448
Capital Projects Funds	-	-	-	-	-	3,756,440	5,107,719	8,864,159
<b>Unassigned</b>								
General Fund	47,466,130	-	-	-	-	-	-	47,466,130
Special Revenue Funds	-	-	-	-	-	-	(3,572,604)	(3,572,604)
<b>Total Fund Balances</b>	<b>50,293,474</b>	<b>973,764</b>	<b>11,628,813</b>	<b>17,193,224</b>	<b>12,230,743</b>	<b>3,756,440</b>	<b>112,471,279</b>	<b>208,547,737</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>77,061,508</b>	<b>1,871,384</b>	<b>14,487,489</b>	<b>17,495,881</b>	<b>12,407,271</b>	<b>43,188,145</b>	<b>189,297,342</b>	<b>355,809,020</b>

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 POSITION  
December 31, 2012

Exhibit 4

<b>Total Fund Balances - Governmental Funds</b>	<b>\$ 208,547,737</b>
<b>Amounts reported for governmental activities in the Statement of Net Assets are different because:</b>	
<b>Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.</b>	<b>1,163,650,040</b>
<b>Some receivables that are not currently available are reported as deferred inflows of resources in the fund financial statements, but are recognized as revenue when earned in the government-wide statements, excluding the provision for an allowance for uncollectible taxes.</b>	<b>74,281,918</b>
<b>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 Position.</b>	<b>22,012,382</b>
<b>Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds.</b>	<b><u>(520,269,870)</u></b>
<b>Net Position of Governmental Activities</b>	<b><u><u>\$ 948,222,207</u></u></b>

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

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City of Saint Paul, Minnesota  
**STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
 For the Fiscal Year Ended December 31, 2012

Exhibit 5

	General	Library Agency	HRA General Fund	General Debt Service	HRA General Debt Service	Capital Improvement Projects	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>								
<b>Taxes</b>								
<b>Property Taxes</b>								
Current Taxpayer	69,534,424	15,693,895	2,852,912	5,585,514	-	-	4,953,891	98,620,636
Current Tax Increment	2,217,748	-	-	-	10,711,066	-	10,295,025	23,223,839
Delinquent Taxpayer	245,012	68,845	13,260	(43,974)	-	-	-	283,143
Delinquent Tax Increment	-	-	-	-	45,869	-	484,599	530,468
<b>Total Property Taxes</b>	<b>71,997,184</b>	<b>15,762,740</b>	<b>2,866,172</b>	<b>5,541,540</b>	<b>10,756,935</b>	<b>-</b>	<b>15,733,515</b>	<b>122,658,086</b>
City Sales Tax	-	-	-	-	-	-	15,940,712	15,940,712
Gross Earnings Franchise Fees	24,988,045	-	-	-	-	-	-	24,988,045
Hotel-Motel Tax	1,440,985	-	-	-	-	-	1,538,047	2,979,032
Other Taxes	113,842	-	-	-	-	-	-	113,842
<b>Total Taxes</b>	<b>98,540,056</b>	<b>15,762,740</b>	<b>2,866,172</b>	<b>5,541,540</b>	<b>10,756,935</b>	<b>-</b>	<b>33,212,274</b>	<b>166,679,717</b>
Licenses and Permits	10,315,908	-	-	-	-	-	629,695	10,945,603
Intergovernmental Revenue (Schedule 37)	60,035,959	11,889	-	508,419	-	24,084,109	43,551,644	128,192,020
Fees, Sales and Services	36,688,610	-	2,344,124	131,201	-	2,713,822	23,590,924	65,468,681
Assessments	-	-	-	-	-	5,439,120	29,400,367	34,839,487
<b>Investment Income</b>								
Interest Earned on Investments	2,552,191	-	332,440	479,997	137,103	-	3,531,238	7,032,969
Increase (Decrease) in Fair Value of Investments	299,571	-	10,831	(192,014)	(402,537)	-	(96,061)	(380,210)
Interest Earned - Other	167,280	-	-	-	-	-	250,071	417,351
<b>Miscellaneous Revenue</b>								
Program Income	-	-	-	-	-	9,371	466,908	476,279
Other	1,118,637	20,078	300	7	1,174,546	4,114,815	12,456,731	18,885,114
<b>Total Revenues</b>	<b>209,718,212</b>	<b>15,794,707</b>	<b>5,553,867</b>	<b>6,469,150</b>	<b>11,666,047</b>	<b>36,361,237</b>	<b>146,993,791</b>	<b>432,557,011</b>

continued

City of Saint Paul, Minnesota  
**STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
 For the Fiscal Year Ended December 31, 2012

Exhibit 5

	General	Library Agency	HRA General Fund	General Debt Service	HRA General Debt Service	Capital Improvement Projects	Other Governmental Funds	Total Governmental Funds
<b>EXPENDITURES</b>								
<b>Current</b>								
General Government	27,269,041	-	-	703,007	-	1,599,719	4,257,346	33,829,113
Public Safety	145,482,911	-	-	-	-	387,338	15,330,885	161,201,134
Highways and Streets	1,980,656	-	-	-	-	19,454,800	21,463,635	42,899,091
Sanitation	-	-	-	-	-	-	4,139,070	4,139,070
Health	-	-	-	-	-	-	3,351,494	3,351,494
Culture and Recreation	26,662,735	14,583,695	-	-	-	1,216,384	16,260,170	58,722,984
Housing and Economic Development	-	-	3,770,962	-	2,549,785	180,697	48,219,734	54,721,178
Miscellaneous	7,059,195	-	-	-	-	-	-	7,059,195
Capital Outlay	-	74,064	-	-	-	43,970,244	3,728,057	47,772,365
<b>Debt Service</b>								
Bond Principal	-	-	-	14,500,000	24,127,795	-	12,510,000	51,137,795
Other Debt Principal	-	-	-	1,500,000	444,746	-	4,239,620	6,184,366
Interest - Bonds	-	-	-	3,714,477	6,373,644	-	8,170,341	18,258,462
Interest - Other Debt	8,065	-	-	300,507	372,666	28,674	3,504,585	4,214,497
Bond Issuance Costs	-	-	-	-	297,017	199,109	88,859	584,985
<b>Total Expenditures</b>	<b>208,462,603</b>	<b>14,657,759</b>	<b>3,770,962</b>	<b>20,717,991</b>	<b>34,165,653</b>	<b>67,036,965</b>	<b>145,263,796</b>	<b>494,075,729</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>1,255,609</b>	<b>1,136,948</b>	<b>1,782,905</b>	<b>(14,248,841)</b>	<b>(22,499,606)</b>	<b>(30,675,728)</b>	<b>1,729,995</b>	<b>(61,518,718)</b>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	6,647,124	-	257,046	13,928,900	21,605,233	18,085,343	30,895,761	91,419,407
Transfers Out	(1,222,172)	(982,836)	(1,234,839)	(507,199)	(18,006,329)	(2,744,851)	(61,992,384)	(86,690,610)
Notes Issued	-	-	-	-	-	7,575,000	-	7,575,000
Bonds Issued	-	-	-	-	15,790,000	9,290,000	5,735,000	30,815,000
Premium on Notes Issued	-	-	-	-	-	428,119	-	428,119
Premium on Bonds Issued	-	-	-	100,000	995,330	708,682	449,329	2,253,341
Capital Lease	-	-	-	-	-	-	2,700,000	2,700,000
Sale of Capital Assets	128,766	-	-	-	-	2,039,369	3,123	2,171,258
<b>Total Other Financing Sources (Uses)</b>	<b>5,553,718</b>	<b>(982,836)</b>	<b>(977,793)</b>	<b>13,521,701</b>	<b>20,384,234</b>	<b>35,381,662</b>	<b>(22,209,171)</b>	<b>50,671,515</b>
<b>Net Change in Fund Balances</b>	<b>6,809,327</b>	<b>154,112</b>	<b>805,112</b>	<b>(727,140)</b>	<b>(2,115,372)</b>	<b>4,705,934</b>	<b>(20,479,176)</b>	<b>(10,847,203)</b>
<b>FUND BALANCES, January 1, as restated</b>	<b>43,484,147</b>	<b>819,652</b>	<b>10,823,701</b>	<b>17,920,364</b>	<b>14,346,115</b>	<b>(949,494)</b>	<b>132,950,455</b>	<b>219,394,940</b>
<b>FUND BALANCES, December 31</b>	<b>50,293,474</b>	<b>973,764</b>	<b>11,628,813</b>	<b>17,193,224</b>	<b>12,230,743</b>	<b>3,756,440</b>	<b>112,471,279</b>	<b>208,547,737</b>

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, 2012

Exhibit 6

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ (10,847,203)</b>
<b>Amounts reported for governmental activities in the Statement of Activities are different because:</b>	
Governmental funds report capital outlay as expenditures. However, in the Statement of Net Position, the cost of these assets is capitalized and depreciated over their estimated useful lives with depreciation expense reported in the Statement of Activities.	(956,180)
Net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, retirements and contributions ) to increase or decrease net assets	6,161,430
Receivables not currently available are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.	(8,489,338)
Debt and lease proceeds provide current financial resources to governmental funds, but issuing these obligations increases long-term liabilities in the Statement of Net Position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	16,232,390
Governmental funds report the effect of premiums and discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.	(2,681,460)
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.	1,257,565
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>815,966</u>
<b>Change in Net Position of Governmental Activities</b>	<b><u>\$ 1,493,170</u></b>

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

City of Saint Paul, Minnesota  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
December 31, 2012

Exhibit 7

	Business-Type Activities - Enterprise Funds				Totals	Governmental Activities - Internal Service Funds
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds		
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and Investments with Treasurer	34,097,476	4,848,783	10,169,906	3,382	49,119,547	8,406,880
Cash and Investments with Trustees	-	9,690,287	781,475	-	10,471,762	1,210,000
Imprest Funds	150	-	-	1,600	1,750	1,225
<b>Restricted Cash and Cash Equivalents</b>						
Cash for General Obligation Bond Debt Service	-	-	2,481,248	-	2,481,248	-
Cash for Limited Tax Bond Debt Service	-	268,403	-	-	268,403	-
Cash for Limited Tax Bond Construction	-	13,185	-	-	13,185	-
Cash for Limited Tax Bond Operations and Maintenance	-	202,559	-	-	202,559	-
Cash for Revenue Bond Debt Service	1,142,070	-	2,652,317	-	3,794,387	-
Cash for Revenue Bond Operations and Maintenance	4,650,734	-	249,044	-	4,899,778	-
Cash for Revenue Bond Construction	6,099,481	-	-	-	6,099,481	-
Cash for Budget and Rate Stabilization	4,888,513	-	-	-	4,888,513	-
<b>Receivables</b>						
Delinquent Taxes Receivable	-	-	96,859	-	96,859	-
Accounts (net of allowance for estimated uncollectibles)	727,807	29,678	377,425	48,592	1,183,502	719,716
Assessments	6,025,110	933	-	-	6,026,043	-
Accrued Interest	60,630	33,067	27,903	9,558	131,158	10,037
Due from Other Funds	19,599	-	-	148,621	168,220	7,232,854
Due from Component Units	2,703,178	-	-	250	2,703,428	311,548
Due from Other Governmental Units	221,756	525	-	471,666	693,947	767,964
<b>Inventories</b>						
Materials and Supplies	91,575	-	-	106,293	197,868	2,855,356
Impounded Cars	-	-	-	161,952	161,952	-
Prepaid Items	-	-	30,675	-	30,675	5,065,186
Land Held for Resale	-	7,175,621	-	-	7,175,621	-
<b>Total Current Assets</b>	<b>60,728,079</b>	<b>22,263,041</b>	<b>16,866,852</b>	<b>951,914</b>	<b>100,809,886</b>	<b>26,580,766</b>
<b>Noncurrent Assets</b>						
<b>Restricted Assets</b>						
Investment for Revenue Bond Future Debt Service	5,207,661	-	-	-	5,207,661	-
Investment for Revenue Bond Construction	-	-	-	666,750	666,750	-
<b>Total Restricted Assets</b>	<b>5,207,661</b>	<b>-</b>	<b>-</b>	<b>666,750</b>	<b>5,874,411</b>	<b>-</b>
<b>Other Assets</b>						
Advance to Other Funds	-	3,197,527	-	-	3,197,527	1,145,887
Other Long-Term Loans Receivable	-	2,488,936	236,250	-	2,725,186	2,804,776
Accrued Interest Receivable on Loans	-	482,730	64,105	-	546,835	-
<b>Total Other Assets</b>	<b>-</b>	<b>6,169,193</b>	<b>300,355</b>	<b>-</b>	<b>6,469,548</b>	<b>3,950,663</b>

continued

City of Saint Paul, Minnesota  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
December 31, 2012

Exhibit 7

	Business-Type Activities - Enterprise Funds				Totals	Governmental Activities - Internal Service Funds
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds		
<b>Capital Assets</b>						
Land	82,186	4,507,344	27,247,487	3,511,808	35,348,825	80,907
Buildings and Structures	3,347,053	9,239,408	107,460,875	2,742,672	122,790,008	14,232,821
Less: Accumulated Depreciation	(807,512)	(211,736)	(43,120,143)	(1,583,159)	(45,722,550)	(8,410,597)
Public Improvements	374,578,099	-	392,131	-	374,970,230	-
Less: Accumulated Depreciation	(130,177,806)	-	(43,111)	-	(130,220,917)	-
Equipment	2,536,189	23,245	2,056,391	2,697,671	7,313,496	28,005,979
Less: Accumulated Depreciation	(1,735,334)	(2,131)	(536,138)	(2,413,322)	(4,686,925)	(22,094,850)
Construction in Progress	-	11,010,587	-	-	11,010,587	-
<b>Total Capital Assets</b>	<b>247,822,875</b>	<b>24,566,717</b>	<b>93,457,492</b>	<b>4,955,670</b>	<b>370,802,754</b>	<b>11,814,260</b>
<b>Total Noncurrent Assets</b>	<b>253,030,536</b>	<b>30,735,910</b>	<b>93,757,847</b>	<b>5,622,420</b>	<b>383,146,713</b>	<b>15,764,923</b>
<b>TOTAL ASSETS</b>	<b>313,758,615</b>	<b>52,998,951</b>	<b>110,624,699</b>	<b>6,574,334</b>	<b>483,956,599</b>	<b>42,345,689</b>
<b>LIABILITIES</b>						
<b>Current Liabilities (Payable from Current Assets)</b>						
Accrued Salaries Payable	137,151	-	-	103,573	240,724	888,789
Accounts Payable	1,841,275	3,624,657	752,918	221,375	6,440,225	1,669,876
Contracts Payable	-	43,915	2,500	-	46,415	-
Due to Other Funds	2,193,657	51,768	188,650	6,486,794	8,920,869	1,724,867
Due to Component Units	68,049	-	-	-	68,049	-
Due to Other Governmental Units	-	1,564	49	12,951	14,564	133,914
Unearned Revenue	-	-	-	-	-	3,731,032
Compensated Absences Payable	21,933	-	-	15,407	37,340	103,260
Revenue Bonds Payable	3,208,333	-	675,498	295,000	4,178,831	-
Revenue Notes Payable	1,159,388	-	-	-	1,159,388	-
Capital Lease Payable	-	-	-	-	-	575,593
Accrued Interest Payable	-	-	-	-	-	-
Revenue Bonds	-	-	-	68,238	68,238	-
Revenue Notes	101,995	-	-	-	101,995	-
Capital Lease	-	-	-	-	-	34,829
<b>Total Current Liabilities (Payable from Current Assets)</b>	<b>8,731,781</b>	<b>3,721,904</b>	<b>1,619,615</b>	<b>7,203,338</b>	<b>21,276,638</b>	<b>8,862,160</b>

continued

City of Saint Paul, Minnesota  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
December 31, 2012

Exhibit 7

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds	
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds		Totals
<b>Current Liabilities (Payable from Restricted Assets)</b>						
General Obligation Bonds Payable	-	-	1,640,000	-	1,640,000	-
Revenue Bonds Payable	291,667	-	1,074,502	-	1,366,169	-
Accrued Interest Payable						
General Obligation Bonds	-	-	358,735	-	358,735	-
Limited Tax Bonds	-	214,206	-	-	214,206	-
Mortgage Payable	-	66	-	-	66	-
Revenue Bonds	195,960	-	669,740	-	865,700	-
<b>Total Current Liabilities (Payable from Restricted Assets)</b>	<b>487,627</b>	<b>214,272</b>	<b>3,742,977</b>	<b>-</b>	<b>4,444,876</b>	<b>-</b>
<b>Total Current Liabilities</b>	<b>9,219,408</b>	<b>3,936,176</b>	<b>5,362,592</b>	<b>7,203,338</b>	<b>25,721,514</b>	<b>8,862,160</b>
<b>Noncurrent Liabilities</b>						
General Obligation Bonds Payable (net of Unamortized Premium)	-	-	23,940,369	-	23,940,369	-
Limited Tax Bonds Payable	-	7,855,000	-	-	7,855,000	-
Revenue Bonds Payable (net of Unamortized Premium and Unamortized Discount)	60,334,943	-	37,914,328	5,493,987	103,743,258	-
Revenue Notes Payable	7,562,770	1,580,000	-	-	9,142,770	-
Mortgage Payable	-	25,000	-	-	25,000	-
Capital Lease Payable	-	-	-	-	-	3,315,877
Advance from Other Funds	-	2,959,828	-	-	2,959,828	1,177,947
Compensated Absences Payable	269,604	-	-	453,181	722,785	2,233,244
Net Other Postemployment Benefits Obligation	377,958	-	-	638,473	1,016,431	4,655,037
<b>Total Noncurrent Liabilities</b>	<b>68,545,275</b>	<b>12,419,828</b>	<b>61,854,697</b>	<b>6,585,641</b>	<b>149,405,441</b>	<b>11,382,105</b>
<b>TOTAL LIABILITIES</b>	<b>77,764,683</b>	<b>16,356,004</b>	<b>67,217,289</b>	<b>13,788,979</b>	<b>175,126,955</b>	<b>20,244,265</b>
<b>NET POSITION</b>						
Net Investment in Capital Assets	190,087,414	14,015,074	28,212,796	(833,317)	231,481,967	7,919,552
Restricted for:						
Debt Service	5,666,143	54,197	4,105,090	-	9,825,430	-
Operation and Maintenance	4,650,734	202,559	249,044	-	5,102,337	-
Total Restricted	10,316,877	256,756	4,354,134	-	14,927,767	-
Unrestricted	35,589,641	22,371,117	10,840,480	(6,381,328)	62,419,910	14,181,872
<b>TOTAL NET POSITION</b>	<b>235,993,932</b>	<b>36,642,947</b>	<b>43,407,410</b>	<b>(7,214,645)</b>	<b>308,829,644</b>	<b>22,101,424</b>
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds					89,042	
<b>Net Position of Business-Type Activities</b>					<b>308,918,686</b>	

City of Saint Paul, Minnesota

Exhibit 8

STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
For the Fiscal Year Ended December 31, 2012

	Business Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds	
<b>OPERATING REVENUES</b>					
Intergovernmental Revenue	-	-	-	-	2,969,168
Fees, Sales and Services	50,992,440	52,714	12,101,480	6,828,651	54,401,294
Rents and Leases	-	674,235	-	846,670	1,853,558
Interest Earned on Loans	-	192,188	85,473	-	494,686
Miscellaneous	193,073	-	-	171,551	1,402,025
<b>Total Operating Revenues</b>	<b>51,185,513</b>	<b>919,137</b>	<b>12,186,953</b>	<b>7,846,872</b>	<b>61,120,731</b>
<b>OPERATING EXPENSES</b>					
Cost of Merchandise Sold	-	-	-	228,476	802,119
Salaries	3,480,715	-	-	3,308,469	21,003,093
Employee Fringe Benefits	1,934,061	-	-	1,344,413	11,446,567
Agent Services	-	364,447	3,933,400	-	-
Materials and Supplies	34,037,542	639,686	943,519	2,188,421	10,278,285
Depreciation	609,924	-	6,024	1,284,280	13,476,167
Bad Debts	4,960,153	213,867	2,973,302	239,123	1,723,347
Miscellaneous	-	-	21,368	-	137,658
	2,603,214	-	383,674	2,920	408,968
<b>Total Operating Expenses</b>	<b>47,625,609</b>	<b>1,218,000</b>	<b>8,261,287</b>	<b>8,596,102</b>	<b>59,276,204</b>
<b>OPERATING INCOME (LOSS)</b>	<b>3,559,904</b>	<b>(298,863)</b>	<b>3,925,666</b>	<b>(749,230)</b>	<b>1,844,527</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Property Tax Increment	-	257,046	1,181,563	-	-
Intergovernmental Revenue (Schedule 37)	142,559	681,284	-	-	860,802
Operating Grants	-	-	-	-	1,300
Gain on Sale of Capital Assets	1,340	-	2,500	389	27,370
Investment Income	-	-	-	-	-
Interest Earned on Investments	440,370	193,833	117,305	39,221	8,063
Increase (Decrease) in Fair Value of Investments	(258,959)	(11,644)	(39,762)	1,621	(492)
Noncapital Contributions	-	301,800	-	-	-
Miscellaneous Other Revenue (Expense)	-	-	-	-	180,730
Loss on Retirement of Assets	-	-	(117,091)	-	(21,224)
Contribution to Other Governmental Units	-	-	-	-	(301,095)
Interest Expense	-	-	-	-	-
General Obligation Bonds	-	-	(789,671)	-	-
Revenue Bonds	(2,326,984)	(514,094)	(1,897,288)	(270,130)	(5,008,496)
Capital Lease	-	-	-	-	(148,685)
Revenue Notes	(328,500)	-	-	-	(328,500)
Mortgage	-	(417)	-	-	(417)
Mortgage Issuance Costs	-	(995,811)	-	-	(995,811)
Bond Issuance Costs	(372,138)	-	-	(78,627)	(450,765)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(2,702,312)</b>	<b>(88,003)</b>	<b>(1,542,444)</b>	<b>(307,526)</b>	<b>606,769</b>
<b>Income (Loss) Before Capital Contributions and Transfers</b>	<b>857,592</b>	<b>(386,866)</b>	<b>2,383,222</b>	<b>(1,056,756)</b>	<b>2,451,296</b>
Capital Contributions	-	1,076,050	-	-	340,815
Transfers In	-	11,654,120	15,713	230,000	1,899,833
Transfers Out	(12,471,774)	(672,604)	(2,417,493)	(255,735)	(3,208,673)
<b>Change in Net Position</b>	<b>(11,614,182)</b>	<b>11,670,700</b>	<b>(18,558)</b>	<b>(1,082,491)</b>	<b>1,476,624</b>
<b>NET POSITION, January 1, as restated</b>	<b>247,608,114</b>	<b>24,972,247</b>	<b>43,425,968</b>	<b>(6,132,154)</b>	<b>20,624,800</b>
<b>NET POSITION, December 31</b>	<b>235,993,932</b>	<b>36,642,947</b>	<b>43,407,410</b>	<b>(7,214,645)</b>	<b>22,101,424</b>
<b>Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds</b>					<b>660,658</b>
<b>Total change in net position of business-type activities</b>					<b>(383,873)</b>

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, 2012

Exhibit 9

	Business-type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Funds
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Receipts from Loan Recipients and Other Customers	49,358,154	1,536,063	12,250,030	7,375,243	70,519,490	16,133,393
Receipts from Other Funds for Services Provided	1,718,121	552	-	1,358,928	3,077,601	46,813,830
Other Operating Receipts	-	-	-	206	206	577,946
Payment to Suppliers	(28,767,820)	(1,603,657)	(4,710,540)	(2,449,911)	(37,531,928)	(17,309,820)
Payment to Employees	(3,476,156)	-	-	(3,298,093)	(6,774,249)	(20,899,247)
Payment for Fringe Benefits and Payroll Taxes	(1,891,685)	-	-	(1,243,138)	(3,134,823)	(10,418,272)
Payment to Other Funds for Services Used	(8,711,657)	(227,948)	(619,433)	(1,263,436)	(10,822,474)	(7,713,772)
Other Operating Payments	-	-	-	-	-	(42,730)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>8,228,957</b>	<b>(294,990)</b>	<b>6,920,057</b>	<b>479,799</b>	<b>15,333,823</b>	<b>7,141,328</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Transfers In from Other Funds	-	2,377,524	-	230,000	2,607,524	981,058
Transfers Out to Other Funds	(18,095,366)	(310,372)	(2,400,872)	(255,735)	(21,062,345)	(2,570,061)
Operating Grants Received	72,711	681,284	-	-	753,995	1,300
Noncapital Contributions Received from Outside Sources	-	102,000	-	-	102,000	-
Advance Received From Other Funds	-	935,511	-	297,118	1,232,629	787,792
Repayment of Advance Made to Other Funds	-	270,000	-	(224,511)	45,489	-
Advance Made to Other Funds	-	(84,806)	-	-	(84,806)	(962,664)
Repayment of Advance Received for Pooled Cash and Investments Overdrafts	-	-	-	-	-	-
Repayment of Advance Received from Other Funds	-	78,182	-	-	78,182	(699,132)
Collection of an Advance to Other Funds	-	-	-	-	-	987,004
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<b>(18,022,655)</b>	<b>4,049,323</b>	<b>(2,400,872)</b>	<b>46,872</b>	<b>(16,327,332)</b>	<b>(1,474,703)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Property Tax Increments Received for Financing Capital Debt	-	257,046	1,197,779	-	1,454,825	-
Capital Contributions	-	9,276,596	-	-	9,276,596	-
Proceeds from Issuance of Mortgage	-	25,000	-	-	25,000	-
Proceeds from Issuance of Revenue Bonds	9,002,766	-	-	-	9,002,766	-
Proceeds from Issuance of Capital Lease	-	-	-	-	-	1,210,000
Proceeds from Sale of Capital Assets	-	-	-	-	-	-
Buildings and Structures	-	-	2,500	-	2,500	-
Equipment	1,340	-	-	389	1,729	38,801
Cash Received for Capital Acquisition	-	-	-	-	-	-
From Grants	-	-	-	-	-	860,802
Principal Paid On	-	-	-	-	-	-
General Obligation Bonds	-	-	(1,605,000)	-	(1,605,000)	-
Revenue Bonds	(3,060,000)	-	(1,670,000)	(280,000)	(5,010,000)	-
Revenue Notes	(1,122,462)	-	-	-	(1,122,462)	-
Capital Lease	-	-	-	-	-	(474,022)
Payments for Acquisition and Construction of Capital Assets	-	-	-	-	-	-
Buildings and Structures	-	-	(335,988)	-	(335,988)	(1,737,955)
Improvements Other Than Buildings	-	-	-	-	-	(14,280)
Public Improvements	(7,885,004)	-	(168,458)	-	(8,053,462)	-
Equipment	(103,177)	(23,245)	(206,002)	-	(332,424)	(1,482,350)
Construction in Progress	-	(5,918,740)	-	-	(5,918,740)	-
Interest Paid On	-	-	-	-	-	-
General Obligation Bonds	-	-	(880,999)	-	(880,999)	-
Limited Tax Bonds	-	(514,093)	-	-	(514,093)	-
Revenue Bonds	(2,450,089)	-	(1,928,452)	(284,150)	(4,662,691)	-
Mortgage	-	(351)	-	-	(351)	-
Capital Lease	-	-	-	-	-	(149,928)
Revenue Notes	(341,347)	-	-	-	(341,347)	-
Payments of Bond Issue Costs	(62,175)	-	-	-	(62,175)	-
Payments of Mortgage Issue Costs	-	(995,811)	-	-	(995,811)	-
<b>NET CASH PROVIDED (USED) IN CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(6,020,148)</b>	<b>2,106,402</b>	<b>(5,594,620)</b>	<b>(563,761)</b>	<b>(10,072,127)</b>	<b>(1,748,932)</b>

continued

City of Saint Paul, Minnesota  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Fiscal Year Ended December 31, 2012

Exhibit 9

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds	
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds		Total
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Interest and Dividends Received	500,497	195,002	40,129	38,851	774,479	7,881
Increase (Decrease) in Fair Value of Investments	(254,869)	(11,644)	(39,761)	1,621	(304,653)	-
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<u>245,628</u>	<u>183,358</u>	<u>368</u>	<u>40,472</u>	<u>469,826</u>	<u>7,881</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(15,568,218)	6,044,093	(1,075,067)	3,382	(10,595,810)	3,925,574
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>66,446,642</u>	<u>8,979,124</u>	<u>17,409,057</u>	<u>1,600</u>	<u>92,836,423</u>	<u>5,692,531</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>50,878,424</u>	<u>15,023,217</u>	<u>16,333,990</u>	<u>4,982</u>	<u>82,240,613</u>	<u>9,618,105</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>						
Operating Income (Loss)	<u>3,559,904</u>	<u>(298,863)</u>	<u>3,925,666</u>	<u>(749,230)</u>	<u>6,437,477</u>	<u>1,844,527</u>
<b>Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities</b>						
Depreciation	4,960,153	213,867	2,973,302	239,123	8,386,445	1,723,347
Increase (Decrease) in Allowance for Uncollectible Accounts/Loans	44,064	(4,408,259)	-	(34,879)	(4,399,074)	(114,630)
Nonoperating Miscellaneous Other Revenue Received	-	-	-	-	-	180,730
Nonoperating Miscellaneous Other Expenses Paid	-	(362,232)	-	-	(362,232)	-
Changes in Assets and Liabilities						
(Increase) Decrease in						
Accounts Receivable	(757,243)	(29,678)	84,445	25,859	(676,617)	272,177
Assessments Receivable	(170,283)	-	-	-	(170,283)	-
Notes and Loans Receivable	-	3,851,271	-	-	3,851,271	1,423,469
Accrued Interest Receivable	-	606,341	-	-	606,341	29,226
Due from Other Funds	748,096	-	-	357,606	1,105,702	553,667
Due from Component Units	3,791	-	-	44,402	48,193	(189,110)
Due from Other Governmental Units	22,337	-	-	(167,452)	(145,115)	345,588
Inventories	22,819	-	-	67	22,886	(163,703)
Prepaid Items	-	-	(30,676)	-	(30,676)	284,161
Land Held for Resale	-	450,350	-	-	450,350	-
Increase (Decrease) in						
Accrued Salaries Payable	4,558	-	-	10,374	14,932	105,245
Accounts Payable	(338,255)	1,153	(22,015)	15,119	(343,998)	(95,836)
Contracts and Retention Payable	-	(28)	-	-	(28)	-
Due to Other Funds	104,723	(318,912)	(10,714)	634,448	409,545	149,804
Due to Component Units	556	-	-	-	556	-
Due to Other Governmental Units	-	-	49	278	327	(50,438)
Unearned Revenue	-	-	-	-	-	73,982
Compensated Absences Payable	(5,608)	-	-	(3,502)	(9,110)	(190,463)
Net Other Postemployment Benefits Obligation	29,345	-	-	107,586	136,931	959,585
<b>Total Adjustments</b>	<u>4,669,053</u>	<u>3,873</u>	<u>2,994,391</u>	<u>1,229,029</u>	<u>8,896,346</u>	<u>5,296,801</u>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>8,228,957</u>	<u>(294,990)</u>	<u>6,920,057</u>	<u>479,799</u>	<u>15,333,823</u>	<u>7,141,328</u>

continued

City of Saint Paul, Minnesota  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Fiscal Year Ended December 31, 2012

Exhibit 9

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds	
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds		Total
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET ASSETS</b>						
Cash and Investments with Treasurer	34,097,476	4,848,783	10,169,906	3,382	49,119,547	8,406,880
Cash and Investments with Trustees	-	9,690,287	781,475	-	10,471,762	1,210,000
Imprest Funds	150	-	-	1,600	1,750	1,225
Restricted Cash						
For General Obligation Bond Debt Service	-	-	2,481,248	-	2,481,248	-
For Limited Tax Bond Debt Service	-	268,403	-	-	268,403	-
For Limited Tax Bond Construction	-	13,185	-	-	13,185	-
For Limited Tax Bond Operations and Maintenance	-	202,559	-	-	202,559	-
For Revenue Bond Debt Service	1,142,070	-	2,652,317	-	3,794,387	-
For Revenue Bond Operations and Maintenance	4,650,734	-	249,044	-	4,899,778	-
For Revenue Bond Construction	6,099,481	-	-	-	6,099,481	-
For Cash for Budget and Rate Stabilization	4,888,513	-	-	-	4,888,513	-
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>50,878,424</b>	<b>15,023,217</b>	<b>16,333,990</b>	<b>4,982</b>	<b>82,240,613</b>	<b>9,618,105</b>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>						
Capital Assets Purchased on Account						
Buildings and Structures	-	-	60,500	-	60,500	169,923
Public Improvements	221,223	-	-	-	221,223	-
Construction in Progress	-	3,580,507	-	-	3,580,507	-
Equipment	7,150	-	36,205	-	43,355	558,747
Loss on Disposition of Capital Assets	-	-	117,091	-	117,091	(18,479)
Contribution from Governmental Activities Capital Assets						
Construction in Progress	-	1,076,050	-	-	1,076,050	-
Improvements Other Than Buildings	-	-	-	-	-	(86,438)
Equipment	-	-	15,713	-	15,713	(95,713)
Buildings and Structures	-	-	-	-	-	126,158
Contribution to Governmental Activities Capital Assets						
Improvements Other Than Buildings	-	-	-	-	-	(398,771)
Equipment	-	-	-	-	-	(105,692)
Buildings and Structures	-	-	-	-	-	-
Non Cash Advance from Fund	-	-	-	-	-	-
Contribution from Proprietary Activities Capital Assets	-	3,560,000	-	-	3,560,000	-
Prior Year Loans From Outside Sources	-	199,800	-	-	199,800	-

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

City of Saint Paul, Minnesota  
STATEMENT OF FIDUCIARY NET POSITION  
AGENCY FUNDS  
December 31, 2012

Exhibit 10

**ASSETS**

Cash and Investments with Treasurer	5,077,570
Receivables	
Property Taxes - Due from Ramsey County	22,083
Accounts (net of allowance for estimated uncollectibles)	111,805
Accrued Interest	4,147
Due from Other Funds	7,566
Due from Other Governmental Units	1,080
	<hr/>
<b>TOTAL ASSETS</b>	<b>5,224,251</b>
	<hr/> <hr/>

**LIABILITIES**

Accounts Payable	3,029,211
Due to Other Governmental Units	2,194,644
Due to Component Unit	396
	<hr/>
<b>TOTAL LIABILITIES</b>	<b>5,224,251</b>
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The notes to the financial statements are an integral part of this statement.

City of Saint Paul, Minnesota  
**STATEMENT OF NET POSITION**  
**ALL DISCRETELY PRESENTED COMPONENT UNITS**  
December 31, 2012

Exhibit 11

	RiverCentre Convention & Visitors Authority	Regional Water Services	Port Authority	Total
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and Investments	2,578,563	14,313,998	439,534	17,332,095
Investments	380,432	6,466,359	10,704,795	17,551,586
Departmental Cash	-	552,611	-	552,611
Imprest Funds	-	7,000	-	7,000
<b>Restricted Cash and Cash Equivalents</b>				
Cash for Grants and Other Contributions	-	1,008	-	1,008
Cash for General Obligation Debt Service	-	-	1,549,861	1,549,861
Cash for Revenue Bond Debt Service	-	-	12,471,680	12,471,680
Investments for Revenue Bond Debt Service	-	3,428,110	-	3,428,110
Investments for Revenue Note Debt Service	-	1,549,689	-	1,549,689
<b>Receivables</b>				
Accounts (net of allowance for Estimated Uncollectibles)	974,502	5,143,609	524,055	6,642,166
Assessments	-	3,817,188	-	3,817,188
Loans	-	-	180,000	180,000
Accrued Interest	-	101,486	68,938	170,424
Due from Primary Government	-	147,375	-	147,375
Due from Other Governmental Units	-	1,113,048	-	1,113,048
Inventory - Materials and Supplies	-	1,914,810	-	1,914,810
Prepaid Items	92,248	-	273,934	366,182
<b>Total Current Assets</b>	<b>4,025,745</b>	<b>38,556,291</b>	<b>26,212,797</b>	<b>68,794,833</b>
<b>Noncurrent Assets</b>				
<b>Restricted Assets</b>				
Cash for Operations	1,112,924	-	1,256,579	2,369,503
Cash for Other Funds Held in Trust	-	-	2,034,973	2,034,973
Investments for Port Authority Operations	-	-	4,395,533	4,395,533
Investments for Other Funds Held in Trust	-	-	7,078,851	7,078,851
Investments for Revenue Bond Future Debt Service	-	5,103,350	-	5,103,350
Investments for Revenue Bond and Notes	-	-	7,050,142	7,050,142
Investments for Revenue Bond Operations and Maintenance	-	1,600,846	-	1,600,846
Investments for City Obligations	-	-	1,435,770	1,435,770
<b>Total Restricted Assets</b>	<b>1,112,924</b>	<b>6,704,196</b>	<b>23,251,848</b>	<b>31,068,968</b>
<b>Other Assets</b>				
Other Long-Term Receivables	-	166,538	1,740,000	1,906,538
Taxes Receivable	-	-	74,933,643	74,933,643
<b>Total Other Assets</b>	<b>-</b>	<b>166,538</b>	<b>76,673,643</b>	<b>76,840,181</b>
<b>Capital Assets</b>				
Land	-	1,307,887	8,027,165	9,335,052
Buildings and Structures	-	56,382,178	47,899,067	104,281,245
Less: Accumulated Depreciation	-	(19,327,257)	(31,007,296)	(50,334,553)
Public Improvements	-	251,390,108	-	251,390,108
Less: Accumulated Depreciation	-	(78,031,086)	-	(78,031,086)
Equipment	164,064	51,565,300	2,350,178	54,079,542
Less: Accumulated Depreciation	(104,956)	(26,944,655)	(2,067,395)	(29,117,006)
Construction in Progress	-	33,610,904	10,384,549	43,995,453
<b>Total Capital Assets</b>	<b>59,108</b>	<b>269,953,379</b>	<b>35,586,268</b>	<b>305,598,755</b>
<b>Total Noncurrent Assets</b>	<b>1,172,032</b>	<b>276,824,113</b>	<b>135,511,759</b>	<b>413,507,904</b>
<b>Total Assets</b>	<b>5,197,777</b>	<b>315,380,404</b>	<b>161,724,556</b>	<b>482,302,737</b>

continued

City of Saint Paul, Minnesota  
**STATEMENT OF NET POSITION**  
**ALL DISCRETELY PRESENTED COMPONENT UNITS**  
December 31, 2012

Exhibit 11

	RiverCentre Convention & Visitors Authority	Regional Water Services	Port Authority	Total
<b>LIABILITIES</b>				
<b>Current Liabilities (Payable from Current Assets)</b>				
Accrued Salaries Payable	-	605,072	-	605,072
Compensated Absences Payable	-	75,765	406,000	481,765
Claims and Judgments Payable	-	617,959	-	617,959
Accounts Payable	901,957	4,667,814	9,600,251	15,170,022
Contract Retention Payable	-	1,464,653	-	1,464,653
Due to Primary Government	191,359	3,070,611	-	3,261,970
Due to Other Governmental Units	-	1,916,908	823,156	2,740,064
Unearned Revenue	534,502	538,188	3,722,210	4,794,900
Capital Lease Payable	1,354	1,847	-	3,201
<b>Total Current Liabilities (Payable from Current Assets)</b>	<b>1,629,172</b>	<b>12,958,817</b>	<b>14,551,617</b>	<b>29,139,606</b>
<b>Current Liabilities (Payable from Restricted Assets)</b>				
Accounts Payable	-	2,583	-	2,583
General Obligation Bonds	-	-	1,496,243	1,496,243
Revenue Bonds Payable	-	2,525,000	24,194,941	26,719,941
Revenue Notes Payable	-	1,320,038	449,565	1,769,603
Accrued Interest Payable				
General Obligation Bonds	-	-	544,638	544,638
Revenue Bonds	-	75,259	16,476,415	16,551,674
Revenue Notes	-	46,178	-	46,178
<b>Total Current Liabilities (Payable from Restricted Assets)</b>	<b>-</b>	<b>3,969,058</b>	<b>43,161,802</b>	<b>47,130,860</b>
<b>Total Current Liabilities</b>	<b>1,629,172</b>	<b>16,927,875</b>	<b>57,713,419</b>	<b>76,270,466</b>
<b>Noncurrent Liabilities</b>				
General Obligation Bonds Payable	-	-	27,273,757	27,273,757
Add: Unamortized Premium	-	-	37,992	37,992
Revenue Bonds Payable	-	21,195,000	35,200,872	56,395,872
Add: Unamortized Premium	-	199,119	284,052	483,171
Less: Unamortized Discount	-	(127,356)	(150,242)	(277,598)
Revenue Notes Payable	-	24,309,765	7,280,389	31,590,154
Accrued Interest Payable on Revenue Note	-	-	1,979,101	1,979,101
Advance from Primary Government	568,200	-	-	568,200
Compensated Absences Payable	-	1,718,786	-	1,718,786
Net Other Postemployment Benefits Obligation	-	3,495,166	61,530	3,556,696
Claims and Judgments Payable	-	2,587,801	-	2,587,801
<b>Total Noncurrent Liabilities</b>	<b>568,200</b>	<b>53,378,281</b>	<b>71,967,451</b>	<b>125,913,932</b>
<b>Total Liabilities</b>	<b>2,197,372</b>	<b>70,306,156</b>	<b>129,680,870</b>	<b>202,184,398</b>
<b>NET POSITION</b>				
Net Investment in Capital Assets	57,754	220,529,966	4,143,253	224,730,973
Restricted	-	11,560,558	32,546,168	44,106,726
Unrestricted	2,942,651	12,983,724	(4,645,735)	11,280,640
<b>Total Net Position</b>	<b>3,000,405</b>	<b>245,074,248</b>	<b>32,043,686</b>	<b>280,118,339</b>

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, 2012

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	13,106,742	8,251,909	1,092,630	2,704,738	(1,057,465)	-	-	(1,057,465)
Regional Water Services	45,579,365	51,520,196	87,796	12,231,015	-	18,259,642	-	18,259,642
Port Authority	23,573,088	7,697,195	5,428,828	-	-	-	(10,447,065)	(10,447,065)
<b>Total Component Units</b>	<b>82,259,195</b>	<b>67,469,300</b>	<b>6,609,254</b>	<b>14,935,753</b>	<b>(1,057,465)</b>	<b>18,259,642</b>	<b>(10,447,065)</b>	<b>6,755,112</b>
<b>General Revenues</b>								
<b>Taxes</b>								
Property Taxes, Levied for Debt Service					-	-	5,602,927	5,602,927
Hotel/Motel Tax					1,633,023	-	-	1,633,023
<b>Investment Income</b>								
Interest Earned on Investments					107,094	474,762	955,054	1,536,910
Increase (Decrease) in Fair Value of Investments					7,037	(25,511)	-	(18,474)
Gain on Sale of Capital Assets					-	17,670	-	17,670
Miscellaneous					3,292	119,748	180,877	303,917
<b>Total General Revenues</b>					<b>1,750,446</b>	<b>586,669</b>	<b>6,738,858</b>	<b>9,075,973</b>
<b>Change in Net Position</b>					<b>692,981</b>	<b>18,846,311</b>	<b>(3,708,207)</b>	<b>15,831,085</b>
<b>Net Position, January 1, as restated</b>					<b>2,307,424</b>	<b>226,227,937</b>	<b>35,751,893</b>	<b>264,287,254</b>
<b>Net Position, December 31</b>					<b>3,000,405</b>	<b>245,074,248</b>	<b>32,043,686</b>	<b>280,118,339</b>

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

# City of Saint Paul

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December 31, 2012

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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.

The HRA's component unit, Penfield Apartments, LLC is presented as a blended component unit of the HRA because the component unit's governing body is the same as the governing body of the HRA. Penfield Apartments, LLC is the developer and owner of a 253-unit market rate apartment complex, with structured parking and a grocery store located in the complex. It is a special purpose entity LLC, financed primarily by a U.S. Department of Housing and Urban Development mortgage, and is wholly owned by a single entity, the HRA. The HRA Board acts as the Penfield Apartments, LLC Board. Separate financial statements for the Penfield Apartments, LLC 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 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, 380<sup>50</sup> St. Peter Street; Suite 850; Saint Paul, MN 55102.

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, Chief Financial Officer, 380 St. Peter Street; Suite 850; Saint Paul, MN 55102-1313.

**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 affect 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 and no 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), and the former 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 City of Minneapolis 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 position at December 31, 2012 was \$19,580,793. The 2012 operations resulted in a decrease of \$4,691,155 to net position. During 2012, no distributions were made from the HRA or the City of Minneapolis to the Board.

Upon dissolution of the Board, all properties acquired by the Board and any surplus monies shall be distributed to the HRA and the City of Minneapolis 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, 2012. 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.

## **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 position 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 is 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, deferred inflows/outflows of resources, fund equity/net position, 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 (including deferred outflows of resources), liabilities (including deferred inflows of resources), 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:

- General Fund – accounts for the City’s primary operating activities financed mainly from property taxes, franchise fees and local government aid. It is used to account for all financial resources except those accounted for in another fund.
- Library Agency – accounts for the primary operating activities of the Library financed mainly from property taxes to provide a full range of library services.
- HRA General Fund – accounts for the HRA’s primary operating activities financed mainly from property taxes and conduit bond fees. It is used to account for all financial resources except those accounted for in another fund.
- General Debt Service – accounts for resources accumulated, mainly from property taxes, investment earnings 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, mainly from property tax increment, investment earnings 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.

The City reports the following 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: (1) loans issued under HRA housing and business programs and (2) the Lofts at Farmers Market and the Penfield Apartments, market-rate rental projects.
- 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 and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

- Special Projects – General Government
- Media Services
- Emergency Communications Center Consolidation
- Fire Responsive Services
- Lighting Maintenance Assessment Districts
- Special Projects – Division of Health
- Citywide Major Events
- Charitable Gambling Enforcement
- Special Projects Police
- Right of Way Maintenance
- Solid Waste and Recycling
- Municipal Stadium

- Forestry Special
- Special Recreation Activities
- Charitable Gambling
- Parks and Recreation Opportunity
- Library Agency Revenues and Grants
- Community Development Block Grant
- HRA Federal and State Programs
- Como Campus
- Municipal Athletic Programming
- Debt – Capital Improvement
- Parks and Recreation Grants and Aids
- Rella Havens Memorial Fund
- State Grant Programs

Debt Service Funds are used to account for and report the accumulation of financial resources that are restricted, committed, or assigned to expenditure for general long-term debt principal, interest and related costs.

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

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including acquisition or construction of capital facilities and other capital assets.

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

Permanent Funds are used to account for and report resources that are 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
- Impounding Lot
- Watergate Marina
- River Print 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 position 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 inflow of resources, 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.

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.

**C. Reclassification and Restatement of Fund Balances and Net Position**

**1. Reclassification of Fund Balances**

To meet presentation requirements of Governmental Accounting Standards Board (GASB) Statement No. 54 – *Fund Balance Reporting and Governmental Fund Type Definitions* reporting, the 2012 beginning fund balance and current year transactions of one special revenue fund were reclassified to the General Fund. Below are the reclassified fund balances and net positions.

	Fund/Net Position Balance January 1, 2012	Reclassified (From) To	Fund Balance January 1, 2012 As Restated
General Fund	\$ 43,528,369	\$ (44,222)	\$ 43,484,147
Non-major Governmental Funds	\$ 132,906,233	\$ 44,222	\$ 132,950,455
Special Revenue Fund:			
Equal Opportunity and Economic Development	\$ (44,222)	\$ 44,222	\$ -

**2. Prior Period Adjustment of the Capital Assets Used in the Operation of Business-Type Activities**

The January 1, 2012 net position of the Sewer Utility Enterprise Fund was decreased by \$5,711,101 due to an adjustment affecting its capital assets. The Sewer Utility Enterprise Fund changed the useful life of sanitary lift stations and flood pumping stations from 80 years to 20 years which resulted in a prior period adjustment to accumulated depreciation.

Sewer Utility Enterprise Fund:

Net Position, January 1, 2012	\$ 253,319,215
Restatement of Accumulated Depreciation on Public Improvements	(5,711,101)
Net Position, January 1, 2012, as Restated	<u>\$ 247,608,114</u>

The January 1, 2012 balance of the accumulated depreciation for public improvements in the Business-Type Activities was restated as follows:

Balance, January 1, 2012	\$	(120,190,366)
Restatement		(5,711,101)
Balance, January 1, 2012, as Restated	\$	(125,901,467)

**3. Changes in Accounting Principles**

During the year ended December 31, 2012, the City of Saint Paul adopted GASB Statements No. 62, 63, 65, and 66. GASB Statement No. 62 *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, incorporates into the GASB’s authoritative literature certain accounting and financial reporting guidance that is included in FASB and AICPA Pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements. GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities. GASB Statement No. 66, *Technical Correction-2012-an amendment of GASB Statements No. 10 and 62*, amends conflicting guidance that resulted from earlier pronouncements.

Restatements of December 31, 2011 net position (formerly net assets) occurred as a result of adopting GASB Statement No. 65.

**Restatement of the Deferred Charges Used in the Operation of Business-Type Activities and Governmental Activities**

The HRA implemented Governmental Accounting Standards Board (GASB) Statement No.65: *Items Previously Reported as Assets and Liabilities* which resulted in the HRA no longer reporting Deferred Charges used in the Operation of Business-Type Activities. A restatement was made due to the implementation of this new standard.

Fund	Net Position at January 1, 2012 – as Previously Reported	Adjustment to eliminate Deferred Charges on the Statement of Net Position	Net Position at January 1, 2012 – as Restated
HRA Loan Enterprise	\$25,144,617	(\$172,370)	\$24,972,247
HRA Parking	\$45,140,956	(\$1,714,988)	\$43,425,968
Total		(\$1,887,358)	

The HRA and the City, in implementing GASB Statement No. 65, result in no longer reporting the January 1, 2012 balance of Deferred Charges used in the Operation of Governmental Activities of \$6,703,188.

**4. Restatement of Net Position in the Statement of Activities**

The January 1, 2012 adjustment to capital assets in the Sewer Utility Enterprise Fund and the January 1, 2012 restatement of deferred charges in the HRA Loan Enterprise Fund and the HRA Parking Fund resulted in a restatement of the January 1, 2012 net position balance of the Business-Type Activities in the Statement of Activities.

Balance, January 1, 2012, as previously reported		\$316,901,018
Adjustment for Capital Assets	(\$5,711,101)	
Restatement of Deferred Charges	(1,887,358)	
Net Effect to Net Position	(\$7,598,459)	
Balance, January 1, 2012, as restated		\$309,302,559

The January 1, 2012 adjustment to the balance of Deferred Charges used in the operation of Governmental Activities resulted in a restatement of the January 1, 2012 net position balance of the Governmental Activities in the Statement of Activities.

Balance, January 1, 2012, as previously reported		\$953,432,225
Restatement of Deferred Charges	(\$6,703,188)	
Net Effect to Net Position	(6,703,188)	
Balance, January 1, 2012, as restated		\$946,729,037

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position**

**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."

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, 2012. 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, bankers' acceptances and U.S. Treasury and agency obligations. Investments in Rule 2a7-like investment pools are measured at the net asset value per share provided by the pool.

It is the City's practice to ensure that investments can be held to maturity. The amounts of unrealized gains or losses are included in investment income as an increase (decrease) in fair value of investments. In 2012, the City recorded a "decrease in fair value of investments" as investment income of (\$689,446) 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
- 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 Bonds
- Library Capital Projects
- City Sales Tax
- HRA Tax Increment

#### Permanent Funds:

- Japanese Gardens
- Hoffman Memorial

Enterprise Funds:

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

Internal Service Funds:

- Energy Conservation Investment

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 inflows of resources, 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 \$1,283,191.

### **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 position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances to other funds as reported in the fund financial statements are included in nonspendable fund balance in the General Fund to indicate the asset is not in spendable form and in restricted, committed, or assigned fund balance in the other governmental funds to indicate the level of constraint placed upon the proceeds from the repayment of the advance.

### **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 inflows of resources 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 inflows of resources 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 inflows of resources. In the HRA Federal and State Programs special revenue fund, in order to satisfy federal grant reporting requirements, deferred inflows of resources 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, a loan receivable from Rock-Tenn Co. in the amount of \$30,071 is reported as "due to other governmental units" on the balance sheet of the State Grant Programs special revenue fund since any payments from the Rock-Tenn Co. loan receivable are owed to the State of Minnesota.

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 for all assets acquired before 2009 and at cost of purchase for all assets purchased after 2008 in the fund which acquired it. Deferred inflow of resources 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 drawdowns 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 position. 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:

<b>Asset</b>	<b>Method</b>	<b>Years</b>
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. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City only has one item that qualifies for reporting in this category. It is the unrealized loss on derivative instruments (interest swap derivative) reported in the government-wide governmental activities statement of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from the following sources: property taxes, accounts receivable, loans receivable, notes receivable, special assessments, and miscellaneous other. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the government-wide governmental activities statement of net position the City reports only one deferred inflows of resources, the interest swap derivative.

### **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 may be 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, 2012, the City reported \$280,000 of expenditures relating to arbitrage rebate. These amounts are set aside in the Arbitrage Rebate Agency Fund for subsequent payment to the federal government. In 2012, the City remitted \$104,380 to the federal government from the Arbitrage Rebate Agency Fund.

## **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. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received are reported as debt service expenditures at the time of the debt issuance. 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 \$1.4 billion at December 31, 2012. 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 132 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 position and displayed in three components:

- a. Net investment in capital assets – 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 position – Consists of net position 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 position – All other net assets that do not meet the definition of “restricted” or “net investment in capital assets.”

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

### **Fund Financial Statements**

#### **Classification of Fund Balances**

Governmental fund equity is classified as fund balance. Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable – the nonspendable fund balance category includes amounts that cannot be spent because they are either not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

Restricted – fund balance is reported as restricted when constraints placed on the use of the resources are either externally imposed by the creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation.

Committed – the committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the City Council. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

Assigned – the assigned fund balance classification includes amounts the City intends to use for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, assigned fund balance represents intended uses established by the City Council or the Office of Financial Services Director who has been delegated that authority by the City Council.

Unassigned – Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other fund balance classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted or committed.

The City has adopted an accounting policy that in determining the composition of its ending fund balance will consider restricted amounts to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned amounts and then unassigned amounts when expenditures are incurred for purposes for which amounts of the unrestricted fund balance classifications could be used.

Proprietary fund equity is classified the same as in the government-wide statements.

## **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 Position**

Exhibit 4 is a reconciliation between fund balance – total governmental funds as reported in governmental funds and net position – governmental activities as reported in the government-wide statement of net position. 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 position as shown below.

Historical Cost of Capital Assets	\$ 1,786,188,258
Accumulated Depreciation	<u>(622,538,218)</u>
Net Adjustment to Increase Fund Balance - Total Governmental Funds to Arrive at Net Position of Governmental Activities	<u><u>\$ 1,163,650,040</u></u>

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Another element of the reconciliation states that “Some receivables that are not currently available are reported as deferred inflows of resources in the fund financial statements, but are recognized as revenue when earned in the government-wide statements, excluding the provision for an allowance for uncollectible taxes.” Below are details of that difference.

Unavailable Revenue	
General Government Revenues	\$ 20,499,087
Public Safety Revenues	473,878
Highways and Streets Revenues	30,128,496
Sanitation Revenues	4,058,868
Culture and Recreation Revenues	912,182
Housing and Economic Development Revenues	8,110,444
Property Taxes	1,028,072
Other Taxes	395,035
Interest Earned on Investments	342,576
Interest Earned - Other	66,736
Miscellaneous Revenues	7,960,454
Highways and Streets Expenses	<u>306,090</u>
Net Adjustment to Increase Fund Balance - Total Governmental Funds to Arrive at Net Position of Governmental Activities	<u>\$ 74,281,918</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:

Pollution Remediation Obligation	\$ (2,506,097)
Reduction in Unearned Revenue Related to the Pollution Remediation Obligation	2,506,097
Deferred Outflow - Unrealized Loss on Derivatives	15,543,376
Derivative Interest Swap	(15,543,376)
Bonds Payable	(356,053,862)
Discount and Premium	(7,382,254)
Revenue Notes Payable	(71,130,919)
Capital Lease Payable	(8,943,807)
Compensated Absences Payable	(19,566,039)
Net Other Postemployment Benefits Obligation	(27,253,596)
Claims and Judgments Payable	(26,742,551)
Accrued Interest	<u>(3,196,842)</u>
Net Adjustment to Decrease Fund Balance - Total Governmental Funds to Arrive at Net Position of Governmental Activities	<u>\$ (520,269,870)</u>

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**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 position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the Statement of Net Position, 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 (\$956,180) difference are as follows:

Capital outlay is reported as an expenditure in the fund financial statements	\$ 47,772,365
Add: Some items reported as functional expenditures were capitalized	1,022,644
Depreciation is reported in the government-wide statements	<u>(49,751,189)</u>
Net Excess (Deficit) of Capital Outlay Over Depreciation	<u>\$ (956,180)</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 Position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.” Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of 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 \$16,232,390 difference are as follows:

Debt Issued or Incurred:	
General Obligations Bonds	\$ (15,025,000)
Revenue Bonds	(15,790,000)
Revenue Notes	(7,575,000)
Capital Lease	<u>(2,700,000)</u>
Total Debt Issued	\$ (41,090,000)
RiverCentre Equipment Lease Paid by Discrete Component Unit	(209,707)
Principal Payments	
General Obligations Bonds	\$ 26,335,000
Revenue Bonds	24,802,795
Revenue Notes	4,184,751
Capital Lease	<u>2,209,551</u>
Total Principal Payments	<u>57,532,097</u>
Net Adjustment to Net Changes in Fund Balances - Total Governmental Funds to Arrive at Changes in Net Position of Governmental Activities	<u>\$ 16,232,390</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 \$1,257,565 difference are as follows:

Compensated Absences	\$ 313,974
Net Other Postemployment Benefits	(6,163,791)
Claims and Judgments	6,131,836
Interest on Debt	468,100
Amortization of Bond Discount and Premium	<u>507,446</u>
Net Adjustment to Net Changes in Fund Balances - Total Governmental Funds to Arrive at Changes in Net Position of Governmental Activities	<u>\$ 1,257,565</u>

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## **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 2012 budgets:

- a. On August 15, 2011, 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 December 7, 2011, to obtain taxpayer comments.
- c. The budget was legally adopted through passage of council resolution #11-2437 during the City Council meeting on December 14, 2011.

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 2012 budgets:

- a. On August 11, 2011, 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 #11-2446.

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 2012 budgets:

- a. On August 19, 2011, 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 December 7, 2011 to obtain taxpayer comments.
- c. The budget was legally adopted through passage of Saint Paul Library Agency resolution #11-2435 during the Library Board meeting on December 14, 2011.

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, and HRA Federal and State 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.

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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 12/31/12
<b>SPECIAL REVENUE FUNDS</b>				
Library Agency	\$ 15,794,707	\$ 14,657,759	\$ (982,836)	\$ 973,764
HRA General Fund	5,553,867	3,770,962	(977,793)	11,628,813
Annually Budgeted Nonmajor Funds	65,475,508	67,285,353	1,961,541	21,286,808
Multi-year Budgeted Nonmajor Funds				
Community Development Block Grant	10,775,005	9,659,714	(1,115,291)	-
State Grant Programs	16,138,470	16,256,070	-	1,007,736
HRA Federal and State Programs	5,846,442	5,855,768	9,326	-
Total Multi-year Budgeted Nonmajor Funds	<u>32,759,917</u>	<u>31,771,552</u>	<u>(1,105,965)</u>	<u>1,007,736</u>
Total Special Revenue Funds	<u>\$ 119,583,999</u>	<u>\$ 117,485,626</u>	<u>\$ (1,105,053)</u>	<u>\$ 34,897,121</u>

## 5. Appropriation Revisions

Budgeted amounts are as originally adopted or as amended by the City Council. During 2012, 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	\$ 213,564,627	\$ 3,415,505	\$ 216,980,132
Special Revenue Funds	98,208,257	6,065,605	104,273,862
Debt Service Funds	74,147,595	22,037,144	96,184,739
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 2012, 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.

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**C. Deficit Balances**

Generally accepted accounting principles require disclosure of individual funds that have deficit fund balances or net position at year end. The following funds had deficit fund balances or net position at December 31, 2012:

	<u>Fund Balance/ Net Position</u>
Special Revenue Funds:	
Emergency Communications Center Consolidation	\$ (14,268)
Municipal Stadium	(231,433)
Forestry Special	(1,204,368)
Como Campus	(2,122,535)
Enterprise Funds:	
Special Services	(6,831,705)
Watergate Marina	(116,452)
Impounding Lot	(310,488)

**Emergency Communications Center Consolidation**

The Emergency Communication Center Consolidation Fund reported a deficit fund balance of \$14,268 due to under billing of expenditures in 2008 through 2010. In 2011, the deficit was greatly reduced from (\$640,803) at the end of 2010. It is projected that the deficit will disappear in 2013 by way of increased revenues or a transfer from another fund.

**Municipal Stadium**

The Municipal Stadium Fund reported a significant reduction in total revenue as a result of the decrease in facility rental income from the Saint Paul Saints as compared to budget by \$26,054, and a decrease in transfers in for 2012 as compared to 2011 by \$60,000. Adjustments will be made, as needed to make the necessary changes so the results of 2012 will not be repeated.

**Forestry Special**

In 2012, the street tree maintenance activity was overspent, causing the whole Forestry Special Revenue Fund to be significantly overspent, both compared to budget and compared to revenue received. This loss in the street tree maintenance activity was partially due to the unexpectedly high cost and demand for work to be done and partially from the budget not being monitored close enough during the year. The Parks and Recreation accounting section will work with forestry management to limit spending in 2013 by looking at trends and projecting when the costs normally increase. Adjustments will be made, as needed to make the necessary changes so the results of 2012 will not be repeated.

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#### Como Campus

The Como Campus Fund continued to have a significant negative fund balance, as of December 31, 2012. The net loss in 2012 was primarily the result of not reaching budgeted revenues. This loss contributed further to the cumulative negative position at year end. In 2013, management will continue its measures to closely monitor the monthly spending compared to budget. Revenue is also being analyzed frequently to ensure its accuracy to the budget. With a continued focus on both revenue and spending, the goal is to achieve positive results of operations in 2013 and therefore reverse the trend of recent years.

#### Special Services

The Special Services Fund has developed a negative overall net position balance during recent history. 2012 was no exception to this recent trend. The net position went from negative (\$5,990,059) in 2011 to negative (\$6,831,705) at the end of 2012. The spending that is required maintaining the essential operations in the fund, as well as the debt service activities in the fund, have caused the overall net position balance to worsen significantly. Golf's nonoperating expense was the main contributor to a negative balance in 2012. In addition, the lack of expected revenue has been a contributing factor. Due to the very significant negative net position, this fund has become an even greater point of emphasis. All actions are being taken to do whatever is possible to eliminate the net loss in 2013 and therefore reverse the trend of recent years.

#### Watergate Marina

The City contracted with an outside company to manage and operate the Watergate Marina in 2000 to ensure that the Marina would operate at no net cost or financial risk to the City. The City is paid an annual commission which has been used to steadily improve the fund equity position from a net position balance of (\$311,346) for the year 2000 to the 2012 net position balance of (\$116,452).

#### Impounding Lot

The Impounding Lot Fund ended year 2012 with a deficit net position balance of (\$310,488). Expenses exceeded revenue in 2012 by \$82,218 due to the mild winter and the reduction in snow emergencies. Plans for reduction in expenses for 2013 will help stabilize and improve the current net position balance.

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**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:			
Special Projects General Government	\$ 2,685,100	\$ 2,791,499	\$ (106,399)
Citywide Major Events	-	1,576	(1,576)
Emergency Communications Center Consolidation	5,243,100	5,436,874	(193,774)
Como Campus	4,256,615	4,280,656	(24,041)
Special Recreation Activities	1,737,896	1,961,333	(223,437)
Municipal Athletic Programming	527,033	582,693	(55,660)
Charitable Gambling	25,000	56,259	(31,259)
Parks and Recreation Opportunity	102,724	113,780	(11,056)
Debt Service Funds:			
City Revenue Bonds and Other Long-Term Debt	10,925,190	11,333,305	(408,115)

The fund managers have been directed that in the future, funds must have been 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 department:

	Final Budgeted Amounts	Actual	Variance with Final Budgets
General Fund:			
Culture and Recreation	\$ 26,080,267	\$ 26,662,735	\$ (582,468)

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## **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, 2012, the City's bank balance of checking and interest-bearing accounts and certificates of deposit totaled \$99,840,832. The carrying amount of these balances was \$106,794,485. As of December 31, 2012, the City's deposits were not exposed to custodial credit risk.

#### *Imprest Funds on Hand*

At December 31, 2012, the total imprest funds were \$109,120. Of this amount, the City had \$102,620 on hand. The remaining \$6,500 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.

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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, 2012, is as follows:

Rating Agency	Rating	Fair Value
Moody's	Aaa	\$ 132,158,740
Moody's	Aa1	2,081,445
Moody's	Aa2	4,799,776
Moody's	Aa3	519,155
Moody's	A2	360,455
S&P	AAA	16,614,767
S&P	AA+	7,887,707
S&P	AA	7,996,331
S&P	A+	447,810
S&P	A	135,066
S&P	AA-	1,676,327
S&P	A-	292,559
	N/A	20,546,978
		<hr/>
Total		\$ 195,517,116

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. Certificates of Deposit and select securities purchased from the City of St. Paul may be kept in the City's safe. The securities lending agreement, although program is suspended, 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, 2012.

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, 2012, 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 was 80% Barclay's Intermediate Government Index/20% 15-year MBS Index.

At December 31, 2012, 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	\$ 29,043,000	\$ 6,256,209	\$ -	\$ 7,740,991	\$ 15,045,800
State & Local Govt Securities	888,919	222,169	666,750	-	-
Munis	28,877,764	246,993	331,508	12,993,407	15,305,856
Money market funds	12,204,784	12,204,784	-	-	-
Guaranteed Investment Contract	2,200,000	2,200,000	-	-	-
<b>Internal Investment Total</b>	<b>\$ 73,214,467</b>	<b>\$ 21,130,155</b>	<b>\$ 998,258</b>	<b>\$ 20,734,398</b>	<b>\$ 30,351,656</b>
U.S. Agencies - US Bancorp	\$ 13,776,313	\$ 2,095,833	\$ 2,819,398	\$ 5,410,036	\$ 3,451,046
U.S. Agencies - Galliard	28,070,690	1,328,734	1,586,940	10,126,277	15,028,739
U.S. Agencies - NorthShore	5,764,931	-	701,015	1,688,556	3,375,360
U.S. Agencies - RBC	20,031,502	185,493	7,031,554	7,063,181	5,751,274
Corporate Obligations - NorthShore	1,756,377	-	200,216	1,556,161	-
Munis - Galliard	5,794,377	331,229	1,221,259	3,677,142	564,747
Munis - NorthShore	3,350,724	254,782	664,891	2,431,051	-
Munis - RBC	7,083,650	253,700	3,816,794	3,013,156	-
US Treasuries - US Bancorp	11,218,450	-	1,001,721	7,068,074	3,148,655
US Treasuries - Galliard	6,124,381	-	-	4,533,947	1,590,434
US Treasuries - NorthShore	4,199,215	-	3,356,302	346,193	496,720
US Treasuries - RBC	12,272,653	-	3,098,691	6,873,000	2,300,962
Investment Pool/Mutual Funds - US Bancorp	1,153,329	1,153,329	-	-	-
Investment Pool/Mutual Funds - Galliard	712,066	712,066	-	-	-
Investment Pool/Mutual Funds - NorthShore	400,120	400,120	-	-	-
Investment Pool/Mutual Funds - RBC	593,871	593,871	-	-	-
<b>External Managers Investment Total</b>	<b>\$ 122,302,649</b>	<b>\$ 7,309,157</b>	<b>\$ 25,498,781</b>	<b>\$ 53,786,774</b>	<b>\$ 35,707,937</b>
<b>Total Investments</b>	<b>\$ 195,517,116</b>	<b>\$ 28,439,312</b>	<b>\$ 26,497,039</b>	<b>\$ 74,521,172</b>	<b>\$ 66,059,593</b>

Included in the total investment pool of \$195,517,116 is an equity investment of the RiverCentre Convention & Visitors Authority, a component unit of the City, in the amount of \$2,480,863. The remaining amount of \$193,036,253 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, 2012, the City had the following investments in its external investment pools.

	<u>Fair Value</u>	<u>Effective Duration</u>
FAF Advisors	\$ 27,904,470	3.21
Galliard	40,701,514	3.26
NorthShore	13,714,989	3.27
RBC	<u>39,981,676</u>	3.25
Total External Investment Pool	<u>\$ 122,302,649</u>	
Benchmark (80% Barclay's Interim Gov't/20% 15 Year MBS)		3.34

Recap

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

Cash Deposits	\$ 106,794,485	Cash and Investments with Treasurer	\$ 241,946,033
Investments	193,036,253	Cash and Investments with Trustees	29,356,239
Imprest Funds on Hand	<u>102,620</u>	Imprest Funds	109,120
		Restricted Cash	22,647,555
		Restricted Investments	<u>5,874,411</u>
Total	<u>\$ 299,933,358</u>	Total	<u>\$ 299,933,358</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:

<b>Governmental Activities</b>	General	Library Agency	HRA General Fund	General Debt Service	HRA General Debt Service	Capital Improvement Projects	Nonmajor and Other Funds	Total
Receivables:								
Taxes	\$ 3,245,069	\$ 719,373	\$ 127,561	\$ 386,141	\$ 218,893	\$ -	\$ 289,069	\$ 4,986,106
Accounts	5,111,615	192,501	60,698	1,379	-	1,002,250	860,152	7,228,595
Special Assessments	-	-	-	-	-	17,790,457	33,401,171	51,191,628
Interest	526,376	-	63,358	89,399	46,792	-	660,958	1,386,883
Xcel Energy	1,039,018	-	-	-	-	-	-	1,039,018
Intergovernmental	1,037,240	-	-	-	-	15,673,031	15,021,834	31,732,105
Gross Receivables	10,959,318	911,874	251,617	476,919	265,685	34,465,738	50,233,184	97,564,335
Less: Allowance for Uncollectibles	(534,951)	-	-	-	-	-	(668,327)	(1,203,278)
Net Total Receivables	\$ 10,424,367	\$ 911,874	\$ 251,617	\$ 476,919	\$ 265,685	\$ 34,465,738	\$ 49,564,857	\$ 96,361,057
Amounts not expected to be collected within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,423,429	\$ 12,438,596	\$ 22,862,025

<b>Business-Type Activities</b>	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds	Total
Receivables:					
Taxes	\$ -	\$ -	\$ 96,859	\$ -	\$ 96,859
Accounts	774,102	29,678	377,425	82,210	1,263,415
Special Assessments	6,025,110	933	-	-	6,026,043
Interest	60,630	33,067	27,903	9,558	131,158
Intergovernmental	221,756	525	-	471,666	693,947
Gross Receivables	7,081,598	64,203	502,187	563,434	8,211,422
Less: Allowance for Uncollectibles	(46,295)	-	-	(33,618)	(79,913)
Net Total Receivables	\$ 7,035,303	\$ 64,203	\$ 502,187	\$ 529,816	\$ 8,131,509

**Property Taxes**

For property taxes collectible in 2012, Saint Paul's taxable net tax capacity (including Tax Increment Districts) was \$229,214,448; the estimated market value was \$19,439,998,300; the net tax capacity was 1.18% 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, 2012, were as follows:

	<u>City</u>	<u>HRA</u>
Dollar Amount	\$ 95,767,724	\$ 3,109,958
Percent of Levy Spread	97.91%	97.85%

**Notes and Loans Receivable**

Notes and Loans Receivable are reported as assets in the following funds at December 31, 2012:

General Fund	<u>\$ 9,664,122</u>
Special Revenue Funds:	
Solid Waste and Recycling	260,464
Community Development Block Grant	3,300,697
State Grant Programs	120,015
HRA Federal and State Programs	<u>3,727,730</u>
Total Special Revenue Funds	<u>7,408,906</u>
Capital Projects Funds:	
City Sales Tax	3,529,637
HRA Development Capital Projects	210,048
HRA Tax Increment	<u>756,250</u>
Total Capital Projects Funds	<u>4,495,935</u>
Total	<u><u>\$ 21,568,963</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	\$ 2,488,936
HRA Parking	236,250
Internal Service Funds:	
Internal Borrowing	2,674,742
Energy Conservation Investment	<u>130,034</u>
Total	<u><u>\$ 5,529,962</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, 2012, the allowance for uncollectible loans recorded was \$131,253,640.

**C. Land Held for Resale**

Land Held for Resale is reported in the following funds as an asset as of December 31, 2012:

Special Revenue Funds	
HRA General Fund	\$ 493,622
Community Development Block Grant	2,974,533
State Grant Programs	<u>5,387,759</u>
Total Special Revenue Funds	<u>8,855,914</u>
Capital Projects Funds	
HRA Development Capital Projects	1,898,708
HRA Tax Increment	<u>1,352,328</u>
Total Capital Projects Funds	<u>3,251,036</u>
Enterprise Fund	
HRA Loan Enterprise	<u>7,175,621</u>
Total	<u>\$ 19,282,571</u>

**D. Restricted Assets**

As of December 31, 2012, the following restricted assets were reported in the following enterprise funds:

	<u>Sewer Utility</u>	<u>HRA Loan Enterprise</u>	<u>HRA Parking</u>	<u>Special Services</u>
Cash for General Obligation Bond Current Debt Service	\$ -	\$ -	\$ 2,481,248	\$ -
Cash for Limited Bond Debt Service	-	268,403	-	-
Cash for Limited Bond Construction	-	13,185	-	-
Cash for Limited Bond Operations and Maintenance	-	202,559	-	-
Cash for Revenue Bond Debt Service	1,142,070	-	2,652,317	-
Cash for Revenue Bond Operations and Maintenance	4,650,734	-	249,044	-
Cash for Revenue Bond Construction	6,099,481	-	-	-
Cash for Budget and Rate Stabilization	4,888,513	-	-	-
Investment for Revenue Bond Future Debt Service	<u>5,207,661</u>	<u>-</u>	<u>-</u>	<u>666,750</u>
Total	<u>\$ 21,988,459</u>	<u>\$ 484,147</u>	<u>\$ 5,382,609</u>	<u>\$ 666,750</u>

**E. Capital Assets**

Capital asset activity for the year ended December 31, 2012 was as follows:

**Governmental Activities**

	Balance 01/01/12	Additions	Deductions	Balance 12/31/12
<b>Capital Assets Not Being Depreciated:</b>				
Land	\$ 149,089,440	\$ 5,008,842	\$ (2,039,367)	\$ 152,058,915
Construction in Progress	<u>87,923,115</u>	<u>40,682,826</u>	<u>(46,298,482)</u>	<u>82,307,459</u>
Total Capital Assets Not Being Depreciated	<u>237,012,555</u>	<u>45,691,668</u>	<u>(48,337,849)</u>	<u>234,366,374</u>
<b>Capital Assets Being Depreciated:</b>				
Buildings and Structures	605,350,469	10,050,563	(21,495)	615,379,537
Improvements Other than Buildings	138,777,651	7,229,708	(340,815)	145,666,544
Equipment	102,290,937	6,158,005	(3,732,105)	104,716,837
Infrastructure	<u>699,392,799</u>	<u>89,679,774</u>	<u>(60,693,900)</u>	<u>728,378,673</u>
Total Capital Assets Being Depreciated	<u>1,545,811,856</u>	<u>113,118,050</u>	<u>(64,788,315)</u>	<u>1,594,141,591</u>
<b>Less: Accumulated Depreciation for:</b>				
Buildings and Structures	(237,385,659)	(16,884,049)	21,495	(254,248,213)
Improvements Other than Buildings	(41,903,290)	(5,338,764)	-	(47,242,054)
Equipment	(74,468,954)	(6,822,049)	3,694,380	(77,596,623)
Infrastructure	<u>(260,471,119)</u>	<u>(22,429,674)</u>	<u>8,944,018</u>	<u>(273,956,775)</u>
Total Accumulated Depreciation	<u>(614,229,022)</u>	<u>(51,474,536)</u>	<u>12,659,893</u>	<u>(653,043,665)</u>
Total Capital Assets Being Depreciated, Net	<u>931,582,834</u>	<u>61,643,514</u>	<u>(52,128,422)</u>	<u>941,097,926</u>
Governmental Activities Capital Assets, Net	<u>\$ 1,168,595,389</u>	<u>\$ 107,335,182</u>	<u>\$ (100,466,271)</u>	<u>\$ 1,175,464,300</u>

Depreciation expense was charged to the following governmental functions:

General Government	\$ 1,732,994
Public Safety	6,821,952
Highways and Streets	23,983,388
Culture and Recreation	17,900,386
Housing and Economic Development	<u>1,035,816</u>
Total Governmental Activities Depreciation Expense	<u>\$ 51,474,536</u>

**Business-Type Activities**

	Balance 01/01/12			Balance 12/31/12
	As Restated	Additions	Deductions	
Capital Assets Not Being Depreciated:				
Land	\$ 31,788,825	\$ 3,560,000	\$ -	\$ 35,348,825
Construction in Progress	10,183,455	10,066,540	(9,239,408)	11,010,587
Total Capital Assets Not Being Depreciated	<u>41,972,280</u>	<u>13,626,540</u>	<u>(9,239,408)</u>	<u>46,359,412</u>
Capital Assets Being Depreciated:				
Buildings and Structures	113,440,389	9,493,408	(143,789)	122,790,008
Public Improvements	370,961,321	4,938,964	(930,055)	374,970,230
Equipment	7,025,592	391,495	(103,591)	7,313,496
Total Capital Assets Being Depreciated	<u>491,427,302</u>	<u>14,823,867</u>	<u>(1,177,435)</u>	<u>505,073,734</u>
Less: Accumulated Depreciation for:				
Buildings and Structures	(42,711,523)	(3,154,816)	143,789	(45,722,550)
Public Improvements	(125,901,467)	(4,754,055)	434,605	(130,220,917)
Equipment	(4,312,942)	(477,574)	103,591	(4,686,925)
Total Accumulated Depreciation	<u>(172,925,932)</u>	<u>(8,386,445)</u>	<u>681,985</u>	<u>(180,630,392)</u>
Total Capital Assets Being Depreciated, Net	<u>318,501,370</u>	<u>6,437,422</u>	<u>(495,450)</u>	<u>324,443,342</u>
Business-Type Activities Capital Assets, Net	<u>\$ 360,473,650</u>	<u>\$ 20,063,962</u>	<u>\$ (9,734,858)</u>	<u>\$ 370,802,754</u>

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

Sewer	\$ 4,960,153
Parking	2,973,302
Parks, Recreation and Athletics	216,470
Apartment Operations (Included in Development Loan Programs)	213,867
Impound Lot	4,940
Printing	17,713
Total Business-Type Activities Depreciation Expense	<u>\$ 8,386,445</u>

**F. Interfund Receivables/Payables/Advances and Transfers**

**Interfund Receivables/Payables**

The following is a schedule of interfund receivables and payables including loans made from the General Fund to other Funds as of December 31, 2012:

**Due to/from Other Funds**

Receivable Fund	Payable Fund					
	General	Library Agency	HRA General Fund	General Debt Service	Capital Improvement Projects	Other Governmental Funds
General	\$ -	\$ 13,481	\$ -	\$ -	\$ 101,002	\$ 9,183,443
General Debt Service	-	-	-	-	-	1,406
Capital Improvement Projects	-	-	-	-	-	591,508
Other Governmental Funds	65,939	-	-	-	14,550	1,079,290
Sewer Utility	-	-	-	-	-	19,276
Other Enterprise Funds	7,156	-	-	-	118,531	12,380
Internal Service Funds	614,388	752	1,635,953	25,149	1,185,691	3,212,455
Fiduciary-Agency Funds	4,473	-	-	-	128	2,205
Total All Funds	<u>\$ 691,956</u>	<u>\$ 14,233</u>	<u>\$ 1,635,953</u>	<u>\$ 25,149</u>	<u>\$ 1,419,902</u>	<u>\$ 14,101,963</u>

table continued below

Receivable Fund	Payable Fund					
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds	Internal Service Funds	Total All Funds
General	\$ 23,144	\$ 51,768	\$ -	\$ 6,466,678	\$ 1,441,429	\$ 17,280,945
General Debt Service	-	-	621	-	-	2,027
Capital Improvement Projects	1,925,252	-	-	-	1,856	2,518,616
Other Governmental Funds	120,495	-	44,390	-	-	1,324,664
Sewer Utility	-	-	-	-	323	19,599
Other Enterprise Funds	8,617	-	-	710	1,227	148,621
Internal Service Funds	116,149	-	143,639	19,077	279,601	7,232,854
Fiduciary-Agency Funds	-	-	-	329	431	7,566
Total All Funds	<u>\$ 2,193,657</u>	<u>\$ 51,768</u>	<u>\$ 188,650</u>	<u>\$ 6,486,794</u>	<u>\$ 1,724,867</u>	<u>\$ 28,534,892</u>

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, 2012:

Receivable Fund	Payable Fund				
	General Fund	Other Governmental Funds	HRA Loan Enterprise	Internal Service Funds	Total All Funds
HRA General Fund	\$ -	\$ 717,599	\$ -	\$ -	\$ 717,599
Other Governmental Funds	612,190	1,750,000	2,959,828	-	5,322,018
HRA Loan Enterprise	-	2,493,890	-	703,637	3,197,527
Internal Service Funds	488,353	183,224	-	474,310	1,145,887
Total All Funds	<u>\$ 1,100,543</u>	<u>\$ 5,144,713</u>	<u>\$ 2,959,828</u>	<u>\$ 1,177,947</u>	<u>\$ 10,383,031</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.

**Transfers**

The following is a schedule of interfund transfers as of December 31, 2012:

Transfers In	Transfers Out						
	General	Library Agency	HRA General Fund	General Debt Service	HRA General Debt Service	Capital Improvement Projects	Other Governmental Funds
General	\$ -	\$ 43,022	\$ 402,274	\$ -	\$ -	\$ 2,284,861	\$ 2,385,802
HRA - General Fund	-	-	-	-	-	-	-
General Debt Service	-	933,183	-	-	-	-	3,923,562
HRA General Debt Service	-	-	-	-	-	-	21,605,233
Capital Improvement Projects	30,000	-	-	-	-	-	14,444,734
Other Governmental Funds	937,233	-	-	507,199	18,006,329	219,431	10,052,158
HRA Loan Enterprise	-	-	-	-	-	-	9,276,596
HRA Parking	-	-	-	-	-	-	-
Other Enterprise Funds	200,000	-	-	-	-	-	30,000
Internal Service Funds	54,939	6,631	832,565	-	-	240,559	274,299
<b>Total Transfers Out</b>	<b>\$ 1,222,172</b>	<b>\$ 982,836</b>	<b>\$ 1,234,839</b>	<b>\$ 507,199</b>	<b>\$ 18,006,329</b>	<b>\$ 2,744,851</b>	<b>\$ 61,992,384</b>

table continued below

Transfers In	Transfers Out					
	Sewer Utility	HRA Loan Enterprise	HRA Parking	Other Enterprise Funds	Internal Service Funds	Total Transfers In
General	\$ 447,272	\$ 362,232	\$ -	\$ 178,902	\$ 542,759	6,647,124
HRA - General Fund	-	257,046	-	-	-	257,046
General Debt Service	7,265,392	-	-	-	1,806,763	13,928,900
HRA General Debt Service	-	-	-	-	-	21,605,233
Capital Improvement Projects	3,610,609	-	-	-	-	18,085,343
Other Governmental Funds	1,004,490	53,326	39,969	74,158	1,468	30,895,761
HRA Loan Enterprise	-	-	2,377,524	-	-	11,654,120
HRA Parking	-	-	-	-	15,713	15,713
Other Enterprise Funds	-	-	-	-	-	230,000
Internal Service Funds	144,011	-	-	2,675	337,507	1,893,186
<b>Total Transfers Out</b>	<b>\$ 12,471,774</b>	<b>\$ 672,604</b>	<b>\$ 2,417,493</b>	<b>\$ 255,735</b>	<b>\$ 2,704,210</b>	<b>\$ 105,212,426</b>
Capital Assets Used in the Operation of Governmental Funds					504,463	
					<u>\$ 3,208,673</u>	

The total governmental and proprietary funds transfers in is \$104,707,963; the total governmental and proprietary funds transfers out is \$105,212,426. The variance of \$504,463 is capital assets transfers from the Internal Service Funds to the Governmental Activities 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

Long-term obligations activity in the year ended December 31, 2012 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<b>GOVERNMENTAL ACTIVITIES</b>					
Bonds Payable:					
General Obligation Bonds					
Property Tax Supported	\$ 164,099,811	\$ 12,706,774	\$ 17,329,965	\$ 159,476,620	\$ 17,096,160
Special Assessment Debt with Governmental Commitment	23,340,189	2,318,226	6,450,035	19,208,380	1,053,841
HRA Tax Increment	18,625,000	-	2,555,000	16,070,000	1,305,000
Total General Obligation Bonds	<u>206,065,000</u>	<u>15,025,000</u>	<u>26,335,000</u>	<u>194,755,000</u>	<u>19,455,001</u>
Revenue Bonds					
Sales Tax Revenue Bonds	84,800,000	-	3,230,000	81,570,000	3,410,000
HRA Tax Increment Revenue Bonds	36,911,657	15,790,000	19,007,795	33,693,862	1,245,862
HRA Sales Tax Revenue Bonds	35,520,000	-	1,975,000	33,545,000	2,115,000
HRA Lease Revenue Bonds	13,080,000	-	590,000	12,490,000	610,000
Total Revenue Bonds	<u>170,311,657</u>	<u>15,790,000</u>	<u>24,802,795</u>	<u>161,298,862</u>	<u>7,380,862</u>
Add/(Subtract) Deferred Amounts for: (Discounts)/Premiums Refundings - Gains/(Losses)					
	<u>5,208,240</u>	<u>2,253,341</u>	<u>507,446</u>	<u>6,954,135</u>	<u>569,054</u>
Total Bonds	<u>381,584,897</u>	<u>33,068,341</u>	<u>51,645,241</u>	<u>363,007,997</u>	<u>27,404,917</u>
Revenue Notes Payable					
General Obligation Notes Payable	13,457,969	7,575,000	1,583,237	19,449,732	2,230,815
Revenue Notes Payable	34,750,000	-	2,000,000	32,750,000	2,000,000
HRA Revenue Notes Payable	19,532,701	-	601,514	18,931,187	415,911
Add/(Subtract) Deferred Amounts for: (Discounts)/Premiums Refundings - Gains/(Losses)					
	<u>-</u>	<u>428,119</u>	<u>-</u>	<u>428,119</u>	<u>42,812</u>
Total Revenue Notes Payable	<u>67,740,670</u>	<u>8,003,119</u>	<u>4,184,751</u>	<u>71,559,038</u>	<u>4,689,538</u>
Other Liabilities:					
Compensated Absences	22,406,979	67,581	572,017	21,902,543	910,317
Net Other Postemployment Benefits Obligation	24,785,257	7,123,376	-	31,908,633	-
Claims and Judgments Payable	32,874,387	-	6,131,836	26,742,551	5,651,237
Capital Leases	11,608,850	3,910,000	2,683,573	12,835,277	2,383,133
Total Other Liabilities	<u>91,675,473</u>	<u>11,100,957</u>	<u>9,387,426</u>	<u>93,389,004</u>	<u>8,944,687</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 541,001,040</u>	<u>\$ 52,172,417</u>	<u>\$ 65,217,418</u>	<u>\$ 527,956,039</u>	<u>\$ 41,039,142</u>

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<b>BUSINESS-TYPE ACTIVITIES</b>					
Bonds Payable:					
General Obligation Bonds					
HRA General Obligation Debt	\$ 26,480,000	\$ -	\$ 1,605,000	\$ 24,875,000	\$ 1,640,000
Total General Obligation Bonds	<u>26,480,000</u>	<u>-</u>	<u>1,605,000</u>	<u>24,875,000</u>	<u>1,640,000</u>
Limited Tax Bonds					
	<u>7,855,000</u>	<u>-</u>	<u>-</u>	<u>7,855,000</u>	<u>-</u>
Revenue Bonds					
Revenue Bonds	63,075,000	8,815,000	3,340,000	68,550,000	3,795,000
HRA Parking Facilities Revenue Bonds	41,235,000	-	1,670,000	39,565,000	1,750,000
Total Revenue Bonds	<u>104,310,000</u>	<u>8,815,000</u>	<u>5,010,000</u>	<u>108,115,000</u>	<u>5,545,000</u>
Add/(Subtract) Deferred Amounts for: (Discounts)/Premiums Refundings - Gains/(Losses)					
	<u>1,925,910</u>	<u>88,333</u>	<u>135,616</u>	<u>1,878,627</u>	<u>74,625</u>
Total Bonds	<u>140,570,910</u>	<u>8,903,333</u>	<u>6,750,616</u>	<u>142,723,627</u>	<u>7,259,625</u>
Mortgage Payable	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>	<u>-</u>
Revenue Notes Payable					
Revenue Notes Payable	9,844,620	-	1,122,462	8,722,158	1,159,388
HRA Revenue Notes Payable	1,580,000	-	-	1,580,000	-
Total Revenue Notes Payable	<u>11,424,620</u>	<u>-</u>	<u>1,122,462</u>	<u>10,302,158</u>	<u>1,159,388</u>
Other Liabilities:					
Compensated Absences	766,379	8,239	14,493	760,125	37,340
Net Other Postemployment Benefits Obligation	882,358	134,073	-	1,016,431	-
Total Other Liabilities	<u>1,648,737</u>	<u>142,312</u>	<u>14,493</u>	<u>1,776,556</u>	<u>37,340</u>
Total Business-Type Activities Long-Term Liabilities	<u>\$ 153,644,267</u>	<u>\$ 9,070,645</u>	<u>\$ 7,887,571</u>	<u>\$ 154,827,341</u>	<u>\$ 8,456,353</u>
<b>TOTAL LONG-TERM OBLIGATION</b>	<u><u>\$ 694,645,307</u></u>	<u><u>\$ 61,243,062</u></u>	<u><u>\$ 73,104,989</u></u>	<u><u>\$ 682,783,380</u></u>	<u><u>\$ 49,495,495</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, \$2,336,504 of compensated absences, \$3,891,470 of capital leases and \$4,655,037 of net other postemployment benefits obligation were included in the amounts reported for the governmental funds.

The government-wide statement of net position includes \$3,006,169 of the long-term liabilities due within one year for business-type activities in "liabilities payable from restricted assets." The remaining amount of \$5,375,559 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
2013	\$ 19,455,001	\$ 7,434,846	\$ 1,640,000	\$ 835,541	\$ 21,095,001	\$ 8,270,387
2014	15,505,000	6,880,015	1,710,000	783,616	17,215,000	7,663,631
2015	14,770,000	6,351,752	1,650,000	727,846	16,420,000	7,079,598
2016	14,000,000	5,856,323	1,725,000	664,081	15,725,000	6,520,404
2017	13,095,000	5,391,945	1,800,000	593,581	14,895,000	5,985,526
2018-2022	51,725,000	20,860,044	9,665,000	1,981,122	61,390,000	22,841,166
2023-2027	39,915,001	11,437,380	6,685,000	358,314	46,600,001	11,795,694
2028-2032	22,029,998	3,665,069	-	-	22,029,998	3,665,069
2033-2035	4,260,000	340,339	-	-	4,260,000	340,339
Total General Obligation Bonds Debt	<u>\$ 194,755,000</u>	<u>\$ 68,217,713</u>	<u>\$ 24,875,000</u>	<u>\$ 5,944,101</u>	<u>\$ 219,630,000</u>	<u>\$ 74,161,814</u>

Limited Tax 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
2013	\$ -	\$ -	\$ -	\$ 514,093	\$ -	\$ 514,093
2014	-	-	100,000	511,918	100,000	511,918
2015	-	-	110,000	507,350	110,000	507,350
2016	-	-	120,000	502,347	120,000	502,347
2017	-	-	135,000	496,801	135,000	496,801
2018-2022	-	-	820,000	2,381,084	820,000	2,381,084
2023-2027	-	-	1,185,000	2,127,375	1,185,000	2,127,375
2028-2032	-	-	1,670,000	1,686,088	1,670,000	1,686,088
2033-2037	-	-	1,490,000	1,094,881	1,490,000	1,094,881
2038-2040	-	-	2,225,000	277,312	2,225,000	277,312
Total Limited Tax Bonds Debt	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,855,000</u>	<u>\$ 10,099,249</u>	<u>\$ 7,855,000</u>	<u>\$ 10,099,249</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
2013	\$ 7,380,862	\$ 8,893,460	\$ 5,545,000	\$ 4,470,801	\$ 12,925,862	\$ 13,364,261
2014	8,383,000	8,694,787	5,735,000	4,278,147	14,118,000	12,972,934
2015	8,618,000	8,225,570	5,935,000	4,069,897	14,553,000	12,295,467
2016	9,104,000	7,732,604	6,175,000	3,842,836	15,279,000	11,575,440
2017	10,030,000	7,187,750	6,400,000	3,601,198	16,430,000	10,788,948
2018-2022	53,683,000	27,241,751	27,920,000	14,377,180	81,603,000	41,618,931
2023-2027	49,138,000	10,356,932	28,100,000	8,614,945	77,238,000	18,971,877
2028-2032	14,962,000	1,334,623	15,430,000	3,597,104	30,392,000	4,931,727
2033-2035	-	-	6,875,000	698,750	6,875,000	698,750
Total Revenue Bonds Debt	<u>\$ 161,298,862</u>	<u>\$ 79,667,477</u>	<u>\$ 108,115,000</u>	<u>\$ 47,550,858</u>	<u>\$ 269,413,862</u>	<u>\$ 127,218,335</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
2013	\$ 4,646,726	\$ 897,178	\$ 1,159,388	\$ 302,700	\$ 5,806,114	\$ 1,199,878
2014	5,757,574	869,587	2,776,688	262,743	8,534,262	1,132,330
2015	6,821,874	797,161	1,172,132	221,906	7,994,006	1,019,067
2016	7,631,545	711,152	1,167,899	181,245	8,799,444	892,397
2017	7,752,609	618,663	1,170,142	238,672	8,922,751	857,335
2018-2022	23,896,567	1,768,305	2,855,909	237,266	26,752,476	2,005,571
2023-2027	10,599,852	1,024,150	-	-	10,599,852	1,024,150
2028-2032	4,024,172	870,527	-	-	4,024,172	870,527
Total Revenue Notes Debt	<u>\$ 71,130,919</u>	<u>\$ 7,556,723</u>	<u>\$ 10,302,158</u>	<u>\$ 1,444,532</u>	<u>\$ 81,433,077</u>	<u>\$ 9,001,255</u>

### **3. Sources for Long-Term Obligations Repayment**

#### **Governmental Activity Long-Term Obligations**

##### General Obligation Bonds

During April 2012, the City issued General Obligation Capital Improvement Bonds, Series 2012A in the amount of \$5,735,000. At December 31, 2012 the outstanding balance was \$5,735,000. The City issued General Obligation Special Assessment Debt, Series 2012B in the amount of \$9,290,000. At December 31, 2012 the outstanding balance was \$9,290,000.

\$194,755,000 in General Obligation Bonds is payable from the Debt Service Funds. The related interest requirement on this debt was \$68,217,713. These bonds are backed by the full faith and credit of the City.

##### *General Obligation Bonds – Property Tax Supported*

Of the \$194,755,000 General Obligation Bonds, \$159,476,620 is property tax supported debt to be paid primarily from property taxes levied and collected. The related interest requirement on this debt was \$56,620,905.

##### *General Obligation Special Assessment Debt with Governmental Commitment*

Of the \$194,755,000 of General Obligation Bonds, \$19,208,381 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 \$7,159,412) are being serviced by the G.O. Special Assessment – Streets Debt Service Fund. In October 2012, the City defeased \$3,680,000 of General Obligation Special Assessment Debt, resulting in interest cost savings of \$187,783.

##### *General Obligation HRA Tax Increment Bonds*

During August 2011, the City issued Taxable General Obligation Tax Increment Refunding Bonds, Series 2011F (US Bank Operations Center Project) in the amount of \$3,060,000; and General Obligation Tax Increment Refunding Bonds, Series 2011G (US Bank Operations Center Project) in the amount of \$8,870,000 along with HRA cash of \$1,014,106 which retired the HRA Tax Increment Revenue Bonds, Series 2001 (US Bank Operations Center Project). Total debt service payments decreased by \$810,601. The economic present value (difference between the present value of the debt payments of the refunded and the refunding bonds) saving for refunding the 2001 issue was \$3,585,001. The reacquisition price was \$9,835,000 and the net carrying amount of the refunded bonds was \$9,859,757. The 2011F and 2011G bonds, through August 2028 will be paid by HRA tax increment from the Renaissance Redevelopment Tax Increment Financing District. At December 31, 2012, the outstanding balances were \$2,315,000 and \$8,870,000, respectively.

The Koch/Mobil General Tax Increment Refunding Bonds, Series 2010A were issued in February 2010 in the amount of \$2,670,000 along with HRA funds to currently refund the Koch/Mobil General Obligation Temporary Bonds, Series 2007. This was done because the temporary bonds were maturing in March 2010. The reacquisition price was \$3,895,000 and the net carrying amount of the refunded bonds was \$2,670,000. Tax Increments from the Koch/Mobil Tax Increment District will be used to retire the Series 2010A bonds. The 2010A Bonds had a balance of \$2,425,000 as of December 31, 2012.

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. 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 \$2,460,000 as of December 31, 2012.

The total General Obligation HRA Tax Increment Bonds as of December 31, 2012, was \$16,070,000. The related interest requirement on this debt was \$4,437,396.

Revenue Bonds

Sales Tax Revenue Bonds

In 2009, the City issued \$65,455,000 of Taxable Variable Rate Demand Sales Tax Revenue Refunding Bonds (RiverCentre Arena project), Series 2009A to refund Taxable Sales Tax Revenue Bonds (RiverCentre Arena project), Series 1999A in connection with 2007 Arena Swap Transaction. The bonds are special limited obligations of the City payable solely from sales and use tax of one-half of one percent on the sales and use transactions, and Arena Net Revenues (rent and payments-in-lieu-of-taxes made by Arena tenant; and are not general or moral obligations of the City, State of Minnesota, or any other political subdivision. The current refunding resulted in economic gain of \$5,675,957 which is 8.67% net present value benefit. The Series 2009A Bonds had a balance of \$56,755,000 as of December 31, 2012.

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 \$14,235,000 as of December 31, 2012.

As of December 31, 2012, \$81,570,000 of Sales Tax Revenue Bonds was outstanding. The related interest requirement on this debt was \$40,055,027.

HRA Tax Increment Revenue Bonds

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 \$246,862 outstanding as of December 31, 2012.

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 \$899,000 outstanding as of December 31, 2012.

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 \$1,049,000 as of December 31, 2012.

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, 2012, \$1,350,000 of Series 2002 was outstanding.

The 9<sup>th</sup> 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, 2012, \$1,125,000 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, 201, \$3,304,000 of Series 2004 Bonds was outstanding.

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 \$3,665,000 as of December 31, 2012.

The Emerald Gardens Tax-Exempt Tax Increment Revenue Bonds, Series 2010, were issued in July 2010 in the amount of \$6,595,000 to provide financing for developer debt restructuring in the Emerald Gardens Tax Increment District. The bonds are to be retired using tax increment revenues from this same district. At December 31, 2012, \$6,265,000 of the bonds was outstanding.

The Upper Landing Refunding Bonds, Series 2012, were issued in December 2012 in the amount of \$15,790,000, and, along with existing funds of the HRA, currently refunded the Upper Landing Tax Increment Bonds, Series 2002A, Series 2002B-1, and Series 2002B-2. This current refunding was done to take advantage of lower interest rates and restructure debt service payments. Total debt service payments decreased by \$5,895,464. The current refunding resulted in an economic gain (difference between the present value of the debt payments of the refunded and the refunding bonds) of \$3,599,959. The reacquisition price was \$17,141,000 and the net carrying amount of the refunded bonds was \$17,503,250. Tax Increments from the Riverfront Renaissance – Upper Landing Tax Increment District will be used to retire the Series 2012 Bonds.

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, 2012, \$33,693,862 of HRA Tax Increment Revenue Bonds was outstanding. The related interest requirement on this debt was \$18,276,669.

#### *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, 2012, \$33,545,000 of HRA Sales Tax Revenue Advance Refunding Bonds was outstanding. The related interest requirement on this debt was \$15,907,905.

#### *HRA Lease Revenue Bonds*

In 2009, the city issued \$6,790,000 of RiverCentre Parking Ramp Improvement Revenue Bonds, Series 2009. The City is obligated under the RiverCentre Parking Facility Improvement Lease to make lease payments through 2024, which are to be used by the HRA to finance debt service payments on its RiverCentre Parking Facility Lease Revenue Bonds, Series 2009 which was used to refund Series 2000 bonds and provide additional capital funds. The RiverCentre Authority of the City of Saint Paul has approved a debt capital management plan which includes the amounts needed to make the lease payments through 2024. The 2009 Bonds had a balance of \$5,680,000 outstanding as of December 31, 2012.

The City has entered into a 25-year capital lease agreement with the HRA in the amount of \$7,685,000 to provide a long-term financing for completing the improvements of the Jimmy Lee Recreation Center. The HRA has issued tax exempt Recreational Facility Lease Revenue Bonds, Series 2008 (Jimmy Lee Recreational Center) in the same amount to finance the acquisition of its interest in the Jimmy Lee Recreational Center and then leaseback that portion to the City. The HRA bonds are secured by these lease payments. The lease is not a general or moral obligation of the City. The City has right to purchase the HRA's interest at the end of any fiscal year. A capital lease payable of \$6,810,000 was outstanding as of December 31, 2012.

At December 31, 2012, \$12,490,000 of HRA Lease Revenue Bonds was outstanding. The related interest requirement on this debt was \$5,427,875.

The total Revenue Bonds as of December 31, 2012 was \$161,298,862. The related interest requirement on this debt was \$79,667,476.

Revenue Notes Payable

In 2008, the City issued Taxable General Obligations Public Safety Note (DSI project) in the amount of \$1,500,000 to finance improvements, equipping and moving the Department of Safety and Inspection to 375 Jackson Street. The note is issued for ten years at 4.55%. At December 31, 2012, \$639,732 of the note was outstanding.

In 2009, the City issued General Obligation Capital Notes, Series 2009F, in the amount of \$14,235,000 and in 2012, issued General Obligation Capital Notes, Series 2012D in the amount of \$7,575,000 to finance the implementation of the City Operations Modernization and Enterprise Transformation (COMET) project. The project will modernize the City's procurement, finance, budget, payroll and human resources software systems and related hardware. At December 31, 2012, \$11,235,000 of the 2009 notes and \$7,575,000 of the 2012 notes were 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, 2012, the outstanding balance of the RiverCentre Arena Note was \$32,750,000.

\$18,931,187 of Saint Paul's governmental activity long-term obligations consists of the following HRA Revenue Notes payable. The related interest requirement on this debt was \$5,182,833.

A long term deferred interest free loan in the amount of \$10,599,852 was obtained from the Minnesota Housing Finance Agency Publicly Owned Permanent Supportive Housing Program (POPSHP) in 2006 to construct the Catholic Charities Midway Residence. At December 31, 2012, \$10,599,852 of the POPSHP loan was outstanding.

The Upper Landing Tax Increment Note, Series 2008 was issued in the amount of \$2,019,087 to replace an advance from the City to complete the Upper Landing Building complex. At December 31, 2012, \$1,507,163 of the note was outstanding. The related interest requirement on the debt was \$369,505.

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, 2012, the outstanding balance of the HUD Section 108 Notes was \$2,800,000.

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, 2012, the outstanding balance of the Shepard Davern Housing Tax Increment Note was \$4,024,172.

Compensated Absences

Included in the City's governmental long-term obligations is \$21,902,543 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, 2012, the claims and judgments liability was \$26,742,551.

Net Other Postemployment Benefits Obligation

At December 31, 2012, the net other postemployment benefits liability was \$31,908,633. Other postemployment benefits are generally liquidated through the General Fund.

Capital Leases

A 20-year lease agreement in the amount of \$3,000,000, dated October 14, 1998, was issued 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. At December 31, 2012, the balance of this capital lease was \$1,257,563, and was reported in the Real Estate Management Internal Service Fund.

A \$2,300,000 supplement to the above City Hall Annex lease agreement was issued on September 1, 2008, to be used to defray the expense of the acquisition and installation of improvements, including the renovation of floors three through five with HVAC, electrical, plumbing, fixtures, furniture, equipment, telecom equipment and a marble corridor. The 20 installment payments started on March 1, 2009, with the applicable annual interest rate of 4.76%. At December 31, 2012, the balance of this capital lease was \$1,505,924 and was reported in the Real Estate Management 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 Position and Capital Assets Used in Operation of Governmental Funds. A capital lease payable of \$5,122,000 was outstanding at December 31, 2012. Annual liquidation of this capital lease liability is reported in the Revenue Notes and Other Long-Term Debt Service Fund.

Pursuant to an agreement with the Saint Paul RiverCentre Convention & Visitors Authority, dated January 1, 2009, the City received equipment with a book value of \$546,972 and assumed a capital lease with a principal balance of \$821,564. Annual liquidation of this capital lease liability is reported in the City General Fund. At December 31, 2012, the balance of this capital lease was \$219,143.

During March 2010, the City entered into an agreement for lease purchase of public safety

vehicles for \$2,083,500 at 2.80%. Annual liquidation of \$635,222 of this capital lease liability is reported in the Revenue Notes and Other Long-Term Debt Service Fund and \$51,088 is reported in the City General Fund. At December 31, 2012, the balance is \$360,258.

During May 2011, the City entered into a supplemental agreement for lease purchase of public safety vehicles for \$1,950,500 at 1.55%. Annual liquidation of this capital lease liability is reported in the Revenue Notes and Other Long-Term Debt Service Fund. At December 31, 2012, the balance is \$986,501.

During May 2012, the City entered into a master tax-exempt lease agreement for the purchase of public safety for \$2,700,000 at 1.13% and public works vehicles for \$1,210,000 at 1.71%. Annual liquidation of this capital lease liability is reported in the Revenue Notes and Other Long-Term Debt Service Fund. At December 31, 2012, the balances are \$2,255,905 and \$1,127,983 respectively.

The following is a schedule by years of future minimum lease payments under these capital leases, together with the present value of the net minimum lease payments of December 31, 2012.

**Capital Leases – Governmental Activity**

Year Ended December 31	City Hall Annex Improvements	RiverCentre Pedestrian Link	RiverCentre Equipment Lease	2010 Public Safety Vehicle Lease	2011 Public Safety Vehicle Lease	2012 Public Safety Vehicle Lease	2012 Public Works Vehicle Lease
2013	\$ 531,863	\$ 393,880	\$ 226,484	\$ 365,302	\$ 667,887	\$ 458,875	\$ 92,088
2014	531,863	391,341	-	-	333,944	458,875	92,088
2015	531,863	393,622	-	-	-	458,875	92,088
2016	531,862	390,545	-	-	-	458,875	92,088
2017	531,862	392,288	-	-	-	458,875	92,086
Thereafter	531,863	5,075,625	-	-	-	-	736,700
Total Minimum Lease Payments	3,191,176	7,037,301	226,484	365,302	1,001,831	2,294,375	1,197,138
Less Amount Representing Interest	(427,689)	(1,915,301)	(7,341)	(5,044)	(15,330)	(38,470)	(69,155)
Present Value of Future Capital Lease Payments	\$ 2,763,487	\$ 5,122,000	\$ 219,143	\$ 360,258	\$ 986,501	\$ 2,255,905	\$ 1,127,983

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### **Business-Type Activity Long-Term Obligations**

#### General Obligation HRA Tax Increment Bonds

The Block 39 General Obligation Tax Increment Refunding Bonds, Series 2009G and 2009H were issued in the amounts of \$20,695,000 and \$8,655,000 to currently refund the Block 39 Tax Increment Bonds, Series 1998A and 1998B. This current refunding was done to take advantage of lower interest rates and restructure debt service payments. Total debt service payments decreased by \$2,481,198. Tax Increments from the Block 39 Tax Increment District and net parking revenues from the Block 39 parking ramp are to be used to retire the Series 2009G and 2009H Bonds. The outstanding balances of the Series 2009G and 2009H Bonds as of December 31, 2012, were \$20,695,000 and \$4,180,000, respectively. This liability is recognized in the HRA Parking Enterprise Fund. The related interest requirement on this debt was \$5,944,101.

#### Limited Tax Bonds

The Lofts at Farmers Market Limited Tax Bonds, Series 2010A Build America Bonds and Series 2010B Taxable Bonds were issued in the amounts of \$7,170,000 and \$685,000, respectively, to construct the Lofts at Farmers Market market-rate rental project. The bonds are to be retired using the special benefits tax levy of the HRA. The outstanding balances of Series 2010A and 2010B Bonds as of December 31, 2012 was \$7,170,000 and \$685,000 respectively. The related interest requirement on these bonds was \$10,099,249. This liability is recognized in the HRA Loan Enterprise Fund.

#### Revenue Bonds

During April 2012, the City issued Sewer Revenue Bonds, Series 2012C in the amount of \$8,815,000. The debt is secured by Sewer System charges. At December 31, 2012, the outstanding balance was \$8,815,000.

During April 2011, the City issued Sewer Revenue Bonds, Series 2011C in the amount of \$8,900,000. The debt is secured by Sewer System charges. At December 31, 2012, the outstanding balance was \$8,530,000.

During March 2010, the City issued Sewer Revenue Bonds, Series 2010D in the amount of \$8,610,000. This 20-year debt will be retired by Sewer System charges. At December 31, 2012, the outstanding balance was \$7,900,000.

In 2009, the City issued Sewer Revenue Bonds, Series 2009C in the amount of \$9,000,000 to finance rehabilitation projects to the City's sewer system including major sewer projects, tunnel repairs and storm water quality improvements. At December 31, 2012, \$7,970,000 of outstanding bonds was recorded as a liability in the Sewer Utility Enterprise Fund.

The Sewer Revenue Refunding Bonds, Series 2009I were issued in the amount of \$2,820,000 to currently refund the City's General Obligation Sewer Revenue Bonds, Series 1998E. The current refunding resulted in economic gain of \$295,372 (net present value benefit) and removed the City's general obligation pledge. At December 31, 2012, \$2,035,000 of outstanding bonds was recorded as a liability in the Sewer Utility Enterprise Fund.

In March 2008, the City issued Sewer Revenue Bonds, Series 2008D in the amount of \$23,735,000 to finance rehabilitation projects to the City's sewer system including major sewer repairs, tunnel repairs and storm water quality improvements. At December 31, 2012, \$19,550,000 of outstanding bonds was recorded as a liability in the Sewer Utility Enterprise Fund.

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, 2012, \$4,185,000 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, 2012, \$3,920,000 of outstanding bonds was recorded as a liability in the Sewer Utility Enterprise Fund.

The total amount of bonds outstanding recognized in the Sewer Utility Enterprise Fund as of December 31, 2012, was \$62,905,000. The related interest requirement on this debt was \$21,511,854.

The Special Services Enterprise Fund is reporting \$5,645,000 of revenue bonds outstanding at December 31, 2012. The related interest requirement on this debt was \$2,200,350. 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 Parking System Revenue Bonds

The Parking Revenue Refunding Bonds, Series 2010A and 2010B were issued in June 2010, in the amounts of \$24,135,000 and \$12,820,000, respectively, and along with existing funds of the HRA, currently refunded the Parking Revenue Refunding Bonds, Series 2001A, Parking Revenue Bonds, Series 2002A, Taxable Parking Revenue Bonds, Series 2002B, Parking Revenue Refunding Bonds, Series 2005A, Exhibit Hall Parking Ramp Subordinated Revenue Notes, Series 1995, and Parking Revenue Bonds, Series 2005. This current refunding was done to take advantage of lower interest rates and restructure debt service payments. Total debt service payments decreased by \$6,191,496. The current refunding resulted in an economic loss (difference between the present value of the debt payments of the refunded and the refunding bonds) of \$111,123. The reacquisition price was \$39,160,000 and the net carrying amount of the refunded bonds was \$38,067,878. Net parking revenues from specified parking ramps are to be used to retire the Series 2010A and 2010B Bonds. \$22,955,000 and \$12,185,000, respectively, was outstanding at December 31, 2012.

In addition, \$4,425,000 of HRA World Trade Center Ramp Bonds, Series 1997A was outstanding at December 31, 2012.

The total amount of HRA Parking System Revenue Bonds outstanding as of December 31, 2012, was \$39,565,000, and is recognized in the HRA Parking Enterprise Fund. The related interest requirement on this debt was \$23,838,650.

#### 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, 2012, was \$8,722,158. 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.

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. Simple interest of one percent on the outstanding Foundation advances is payable on each December 31 starting with 2004. December 1, 2015, is the final maturity date under the loan agreement.

The HRA Loan Enterprise Fund accounts for the line of credit transactions. Changes in the balance due under the revolving line of credit under the loan agreement for the year ended December 31, 2012, are as follows:

Balance Due January 1, 2012	Increase 2012	Decrease 2012	Balance Due December 31, 2012
\$ 195,190	\$ -	\$ 195,190	\$ -

Under the revolving loan agreement, there is \$2,500,000 available in loan funds from the Foundation at December 31, 2012.

Long term loans in the amount of \$1,580,000 were obtained from the LAAND Initiative Fund of the Metropolitan Council and the Family Housing Fund to purchase two parcels of land along the Central Corridor route. This land is to be developed for affordable housing use. Sales of the land parcels will be used to retire the loans. The total principal amount of the long-term portion of the loans at December 31, 2012, was \$1,580,000.

*Compensated Absences*

Proprietary fund accrued liabilities for compensated absences are also included in the City's long-term obligations of \$760,125. 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 \$1,016,431. Liabilities have been reported in the appropriate fund's financial statements.

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**4. Changes in Bonds Payable**

Bonds Payable at January 1, 2012		\$ 515,021,657
New Debt:		
G.O. Bonds -		
Capital Improvement Bonds	\$ 5,735,000	
Special Assessment Debt with Governmental Commitment	<u>9,290,000</u>	
Total G.O. Bonds		15,025,000
Revenue Bonds -		
HRA Tax Increment Revenue Bonds	15,790,000	
Sewer Utility Revenue Bonds	<u>8,815,000</u>	
Total Revenue Bonds		<u>24,605,000</u>
Total New Debt		39,630,000
Debt Retired:		
G.O. Bonds -		
Property Tax Supported G.O. Bonds	(17,329,965)	
Special Assessment Debt with Governmental Commitment G.O. Bonds	(6,450,035)	
HRA Tax Increment G.O. Bonds	(2,555,000)	
HRA Parking Facilities G.O. Bonds	<u>(1,605,000)</u>	
Total G.O. Bonds		(27,940,000)
Revenue Bonds -		
Sales Tax Revenue Bonds	(3,230,000)	
Sewer Utility Revenue Bonds	(3,060,000)	
Recreation Facility Revenue Bonds	(280,000)	
HRA Tax Increment Revenue Bonds	(19,007,795)	
HRA Sales Tax Revenue Bonds	(1,975,000)	
HRA Lease Revenue Bonds	(590,000)	
HRA Parking Facilities Bonds	<u>(1,670,000)</u>	
Total Revenue Bonds		<u>(29,812,795)</u>
Total Debt Retired		<u>(57,752,795)</u>
Bonds Payable at December 31, 2012		<u>\$ 496,898,862</u>

**5. Bonds Payable Summary**

G.O. Bonds - Property Tax Supported	\$	159,476,620	
G.O. Special Assessment Debt with Governmental Commitment		19,208,380	
Sales Tax Revenue Bonds		81,570,000	
HRA G.O. Tax Increment		16,070,000	
HRA Tax Increment Revenue Bonds		33,693,862	
HRA Sales Tax Revenue Bonds		33,545,000	
HRA Lease Revenue Bonds		<u>12,490,000</u>	\$ 356,053,862
Sewer Utility Enterprise Fund Debt:			
Revenue Bonds			
Current		3,500,000	
Noncurrent		<u>59,405,000</u>	62,905,000
Special Services Enterprise Fund Debt:			
Revenue Bonds			
Current		295,000	
Noncurrent		<u>5,350,000</u>	5,645,000
HRA Loan Enterprise Fund Debt:			
Limited Tax Bonds		<u>7,855,000</u>	7,855,000
HRA Parking Facilities Enterprise Fund Debt:			
General Obligation Bonds			
Current		1,640,000	
Noncurrent		23,235,000	
Revenue Bonds			
Current		1,750,000	
Noncurrent		<u>37,815,000</u>	<u>64,440,000</u>
Bonds Payable at December 31, 2012			<u>\$ 496,898,862</u>

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**6. Bonds Payable - by Issue**

Bonds payable at December 31, 2012, are composed of the following individual issues:

	Interest Rates	Interest Dates	Issue Date	Final Maturity Date	Authorized and Issued	Outstanding as of 12/31/2012
<b>GENERAL OBLIGATION BONDS</b>						
<u>Property Tax Supported</u>						
Capital Improvement	4.00%	(3/1; 9/1)	3/15/05	3/1/15	\$ 19,000,000	\$ 5,535,000
	4.00%	(4/1;10/1)	4/1/06	4/1/16	11,000,000	4,505,000
	3.80 to 4.00%	(4/1;10/1)	4/18/07	4/1/17	6,250,000	3,245,000
	2.00 to 3.50%	(3/1; 9/1)	3/1/08	3/1/18	6,330,000	3,910,000
	2.00 to 3.25%	(3/1; 9/1)	6/1/09	3/1/19	4,500,000	3,175,000
	2.00 to 3.00%	(3/1; 9/1)	3/11/10	3/1/20	3,000,000	2,420,000
	2.00 to 3.00%	(4/1;10/1)	10/1/10	10/1/17	4,400,000	3,030,000
	3.224 to 5.096%	(4/1;10/1)	10/1/10	10/1/30	4,675,000	4,675,000
	2.583 to 5.096%	(4/1;10/1)	10/1/10	10/1/30	7,765,000	7,765,000
	2.00 to 3.25%	(3/1; 9/1)	9/1/11	3/1/21	10,865,000	9,795,000
	2.125 to 3.00%	(3/1; 9/1)	9/1/11	3/1/13	4,175,000	2,035,000
	2.00 to 4.00%	(3/1; 9/1)	4/2/12	3/1/22	5,735,000	5,735,000
					<u>87,695,000</u>	<u>55,825,000</u>
Taxable Library RZEDs						
Series 2010H	5.196%	(4/1;10/1)	10/1/10	10/1/35	3,700,000	3,700,000
Saint Paul Public Library						
Series 2004	2.00 to 4.75%	(3/1; 9/1)	4/1/04	3/1/24	12,280,000	10,880,000
Public Safety						
Series 2008C	3.00 to 4.375%	(5/1;11/1)	3/1/08	5/1/33	10,510,000	9,390,000
Series 2009D	3.00 to 3.50%	(6/1;12/1)	6/2/09	12/1/21	5,575,000	4,365,000
Series 2009E	5.336 to 6.032%	(6/1;12/1)	6/2/09	12/1/34	9,275,000	9,275,000
Series 2011H	2.00 to 3.00%	(6/1;12/1)	12/13/11	12/1/23	10,050,000	9,915,000
Series 2011H	3.00%	(6/1;12/1)	12/13/11	6/1/13	4,555,000	2,315,000
					<u>39,965,000</u>	<u>35,260,000</u>
Street Improvement						
	4.00 to 4.375%	(4/1;10/1)	4/1/06	4/1/26	9,504,750	6,946,070
	4.00 to 4.375%	(4/1;10/1)	4/18/07	4/1/27	9,222,750	7,103,633
	5.00%	(5/1;11/1)	3/1/08	5/1/28	9,014,221	7,776,668
	3.00 to 5.00%	(5/1;11/1)	6/1/09	5/1/29	7,557,911	6,733,746
	.80 to 5.75%	(5/1;11/1)	3/3/10	5/1/30	10,023,250	9,209,363
	2.00 to 4.25%	(5/1;11/1)	4/4/11	11/1/31	9,624,750	9,070,366
	2.00 to 4.50%	(5/1;11/1)	4/2/12	5/1/32	6,971,774	6,971,774
					<u>61,919,406</u>	<u>53,811,620</u>
Total General Obligation Bonds - Property Tax Supported					<u>\$ 205,559,406</u>	<u>\$ 159,476,620</u>
<u>Special Assessment Debt with Governmental Commitment</u>						
Assessed Reconstruction Work						
	2.00 to 3.75%	(3/1; 9/1)	3/1/04	3/1/16	\$ 2,500,000	\$ 1,285,000
	3.00 to 4.00%	(3/1; 9/1)	3/15/05	3/1/17	2,400,000	1,350,000
	4.00 to 4.375%	(4/1;10/1)	4/1/06	4/1/26	2,995,250	2,188,928
	4.00 to 4.375%	(4/1;10/1)	4/18/07	4/1/27	3,277,250	2,521,365
	5.00%	(5/1;11/1)	3/1/08	5/1/28	2,530,779	2,183,332
	3.00 to 5.00%	(5/1;11/1)	6/1/09	5/1/29	2,667,089	2,376,253
	.80 to 5.75%	(5/1;11/1)	3/3/10	5/1/30	2,476,750	2,275,639
	2.00 to 4.25%	(5/1;11/1)	4/4/11	11/1/31	2,875,250	2,709,637
	2.00 to 4.50%	(5/1;11/1)	4/2/12	5/1/32	2,318,226	2,318,226
Total General Obligation Bonds - Special Assessment Debt with Governmental Commitment					<u>\$ 24,040,594</u>	<u>\$ 19,208,380</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 12/31/2012</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	\$ -
Series 2002C	2.90 to 5.65%	(2/1; 8/1)	3/1/02	2/1/12	2,335,000	-
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	2,460,000
Koch Mobil Tax Increment						
Series 2010A	2.00 to 4.00%	(3/1; 9/1)	2/25/10	3/1/31	2,670,000	2,425,000
US Bank Tax Increment Taxable Refunding Bonds						
Series 2011F	2.00%	(2/1; 8/1)	8/15/11	8/1/15	3,060,000	2,315,000
US Bank Tax Increment Refunding Bonds						
Series 2011G	2.00 to 4.00%	(2/1; 8/1)	8/15/11	8/1/28	<u>8,870,000</u>	<u>8,870,000</u>
Total General Obligation Bonds - HRA Tax Increment Bonds					<u>\$ 30,400,000</u>	<u>\$ 16,070,000</u>
<u>HRA Parking Facilities Enterprise Fund</u>						
Block 39 Tax Increment						
Series 2009G Tax Exempt Refunding	3.125 to 4.00%	(2/1; 8/1)	10/19/09	2/1/25	\$ 20,695,000	\$ 20,695,000
Series 2009HTaxable Refunding	3.10%	(2/1; 8/1)	10/19/09	2/1/15	<u>8,655,000</u>	<u>4,180,000</u>
Total General Obligation Bonds - HRA Parking Facilities Enterprise Fund Bonds					<u>\$ 29,350,000</u>	<u>\$ 24,875,000</u>
TOTAL GENERAL OBLIGATION BONDS					<u>\$ 306,535,000</u>	<u>\$ 219,630,000</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 12/31/2012</u>
<b>REVENUE BONDS</b>						
<u>Sewer Utility Enterprise Fund</u>						
Sewer Revenue Bonds - Series 2004E	2.25 to 4.25%	(6/1; 12/1)	4/1/04	12/1/23	\$ 6,300,000	\$ 3,920,000
Sewer Revenue Bonds - Series 2006C	4.00 to 4.50%	(6/1; 12/1)	4/1/06	12/1/20	7,040,000	4,185,000
Sewer Revenue Bonds - Series 2008D	3.00 to 5.00%	(6/1; 12/1)	3/1/08	12/1/27	23,735,000	19,550,000
Sewer Revenue Bonds - Series 2009C	2.00 to 4.00%	(6/1; 12/1)	6/1/09	12/1/28	9,000,000	7,970,000
Sewer Revenue Bonds - Series 2009I Refunding	2.00 to 4.00%	(6/1; 12/1)	10/1/09	12/1/18	2,820,000	2,035,000
Sewer Revenue Bonds - Series 20010D	3.00 to 4.00%	(6/1; 12/1)	3/3/10	12/1/29	8,610,000	7,900,000
Sewer Revenue Bonds - Series 2011C	2.00 to 4.25%	(6/1; 12/1)	4/4/11	12/1/30	8,900,000	8,530,000
Sewer Revenue Bonds - Series 2012C	2.00 to 4.00%	(6/1; 12/1)	4/2/12	12/1/31	8,815,000	8,815,000
					<u>\$ 75,220,000</u>	<u>\$ 62,905,000</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	\$ 7,310,000	\$ 5,645,000
<u>City Revenue Bonds and Other Long-Term Debt – Debt Service Fund</u>						
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	14,235,000
Taxable Sales Tax Revenue Bonds - Series 2009 Refunding	5.23%	(11/1)	4/3/09	11/1/25	64,455,000	56,755,000
					<u>\$ 91,735,000</u>	<u>\$ 81,570,000</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 12/31/2012</u>
<u>HRA General Debt Service Fund</u>						
HRA Tax Increment Revenue						
Bonds -						
Spruce Tree Center						
Refunding Bonds						
Series 2003	6.50%	(3/1)	3/1/03	3/1/13	\$ 1,890,000	\$ 246,862
North Quadrant Tax Increment						
Refunding Bonds						
Series 2002	7.50%	(2/15; 8/15)	5/1/02	2/15/28	1,089,000	899,000
Phase II Bonds						
Series 2002	7.00%	(2/15; 8/15)	6/13/02	2/15/28	1,140,000	1,049,000
Upper Landing Tax Increment						
Bonds - Series 2012 HRA	5.00%	(3/1; 9/1)	12/20/12	3/1/29	15,790,000	15,790,000
Drake Marble Tax Increment						
Bonds - Series 2002A	6.75%	(3/1; 9/1)	11/15/02	3/1/28	1,800,000	1,350,000
9th St Lofts Tax Increment						
Bonds, Series 2004	6.375%	(2/15; 8/15)	4/14/04	2/15/28	1,335,000	1,125,000
JJ Hill Tax Increment Bonds						
Series 2004	6.25%	(3/1; 9/1)	11/30/04	3/1/29	3,660,000	3,304,000
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	3,665,000
Emerald Gardens Tax						
Increment Bonds - Series						
2010	5.00 to 6.50%	(3/1)	7/15/10	3/1/29	<u>6,595,000</u>	<u>6,265,000</u>
Total HRA Tax Increment						
Revenue Bonds					<u>\$ 40,814,000</u>	<u>\$ 33,693,862</u>

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	Interest Rates	Interest Dates	Issue Date	Final Maturity Date	Authorized and Issued	Outstanding as of 12/31/2012
<u>HRA General Debt Service Fund</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	\$ 33,545,000
HRA Lease Revenue Bonds						
Jimmy Lee Lease Revenue Series 2008						
	3.00 to 5.00%	(6/1; 12/1)	7/1/08	12/1/32	\$ 7,685,000	\$ 6,810,000
RiverCentre Parking Ramp Improvement						
	3.00 to 4.50%	(5/1; 11/1)	5/5/09	5/1/24	6,790,000	5,680,000
Total HRA Lease Revenue					<u>\$ 14,475,000</u>	<u>\$ 12,490,000</u>
Total HRA General Debt Service Fund					<u>\$ 111,154,000</u>	<u>\$ 79,728,862</u>
<u>HRA Parking System Revenue Bonds</u>						
Refunding Bonds						
Series 2010A						
	3.00 to 5.00%	(2/1; 8/1)	7/20/10	8/1/35	\$ 24,135,000	\$ 22,955,000
Series 2010B						
	3.00 to 5.00%	(2/1; 8/1)	7/20/10	8/1/35	12,820,000	12,185,000
World Trade Center Ramp Bonds						
Series 1997A						
	6.75%	(6/1; 12/1)	11/13/97	12/1/17	11,305,000	4,425,000
Total HRA Parking System Revenue Bonds					<u>\$ 48,260,000</u>	<u>\$ 39,565,000</u>
TOTAL REVENUE BONDS					<u>\$ 333,679,000</u>	<u>\$ 269,413,862</u>
TOTAL BONDS PAYABLE					<u>\$ 627,569,000</u>	<u>\$ 469,898,862</u>

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**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, 2012 the City had no balance of refunded debt outstanding. The HRA had \$48,745,000 of refunded debt outstanding at December 31, 2012.

HRA Refunded Bonds		
Issue	Refunded Amount	Balance Outstanding
HRA Sales Tax Revenue Bonds, Series 1993	63,930,000	\$ <u>48,745,000</u>

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**8. Debt Limit**

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

2012 Taxable Market Values	
Real Property Value	\$ 17,855,295,300
Personal Property Value	<u>306,810,900</u>
Estimated Market Value for Debt Limit Computation	18,162,106,200
% 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><u>\$ 605,403,540</u></u>

\$118,028,865 of Saint Paul's \$540,578,869 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		\$ 605,403,540
GROSS DEBT	\$ 540,578,869	
DEDUCTIONS (Allowable under Minnesota Statutes) Section 475.51, Subd. 4):		
General Obligation Bonds		
Reserve for 2012 Maturities within Debt Limit	(11,767,030)	
Outside Statutory Debt Limit	(55,525,000)	
Outside Statutory Debt Limit - Revenue Supported	(82,925,839)	
Limited Tax Bonds	7,855,000	
Revenue Bonds	<u>(269,413,862)</u>	
TOTAL NET DEBT APPLICABLE TO DEBT LIMIT		<u>(114,116,836)</u>
LEGAL DEBT MARGIN		<u><u>\$ 491,286,704</u></u>

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**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	\$ 135,675,810	100.00%	135,675,810
Independent School District #625	269,321,161	100.00%	269,321,161
County of Ramsey	61,526,487	48.97%	30,129,521
Metropolitan Council	190,372,312	7.42%	14,125,626
Port Authority of Saint Paul	22,562,019	100.00%	22,562,019
Total	\$ 679,457,789		\$ 471,814,137

Based on the City of Saint Paul's 2012 population of 286,367 based on Metropolitan Council estimates, this resulted in a per capita City Debt of \$474 and a per capita total debt of \$1,648.

**H. Operating Lease**

From 1998 through 2012, the City entered into noncancelable operating leases for personal computers. Total payments made for the leases during 2012 were \$1,200,707. The following schedule presents the future minimum rental payments for these operating leases:

Year Ending December 31	Amount
2013	\$ 1,020,067
2014	721,581
2015	484,487
2016	243,224
2017	85,160
Total Minimum Payments Required	\$ 2,554,519

## 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 Position

	<u>Special Services</u>
<b>ASSETS</b>	
Current Assets	\$ 192,049
Restricted Assets	666,750
Capital Assets (net of Accumulated Depreciation)	<u>4,885,255</u>
Total Assets	<u>5,744,054</u>
<b>LIABILITIES</b>	
Current Liabilities	6,339,191
Noncurrent Liabilities	<u>6,236,568</u>
Total Liabilities	<u>12,575,759</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	(903,732)
Unrestricted	<u>(5,927,973)</u>
<b>TOTAL NET POSITION</b>	<u><u>\$ (6,831,705)</u></u>

### Condensed Statement of Revenues, Expenses and Changes in Net Position

	<u>Special Services</u>
Fees, Sales, Services and Rental Charges	\$ 4,146,303
Depreciation Expense	(212,045)
Other Operating Expenses	<u>(4,445,991)</u>
Operating Income (Loss)	<u>(511,733)</u>
Nonoperating Revenues (Expenses)	
Investment Income	40,842
Gain on Sale of Capital Assets	389
Interest Expense	(270,130)
Bond Issuance Costs	<u>(78,627)</u>
Total Other Nonoperating Revenues (Expenses)	<u>(307,526)</u>
Transfers In (Out)	<u>(22,387)</u>
Changes in Net Position	(841,646)
Beginning Net Position	<u>(5,990,059)</u>
<b>ENDING NET POSITION</b>	<u><u>\$ (6,831,705)</u></u>

### Condensed Statement of Cash Flows

	<u>Special Services</u>
Net Cash Provided (Used) by	
Operating Activities	\$ 545,676
Noncapital Financing Activities	(22,387)
Capital and Related Financing Activities	(563,761)
Investing Activities	<u>40,472</u>
Net Increase (Decrease)	-
Beginning Cash and Cash Equivalents	<u>600</u>
<b>ENDING CASH AND CASH EQUIVALENTS</b>	<u><u>\$ 600</u></u>

In 2012, the HRA, as the sole owner of the Penfield Apartments, LLC, began construction of a 253 unit apartment complex. It is being financed with a HUD insured mortgage, and contributions from the HRA. Since the HRA Board of Commissioners acts as the Penfield Apartments, LLC Board, the Penfield Apartments, LLC is a blended component unit of the HRA, and is accounted for in the HRA Loan Enterprise Fund, which is an enterprise fund. Summary financial information is presented below:

**Condensed Statement of Net Position**

	HRA Loan Enterprise
<b>ASSETS</b>	
Current Assets	\$ 9,083,340
Capital Assets (net of Accumulated Depreciation)	14,570,588
Total Assets	<u>23,653,928</u>
<b>LIABILITIES</b>	
Current Liabilities	3,544,654
Noncurrent Liabilities	25,000
Total Liabilities	<u>3,569,654</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	14,015,074
Unrestricted	6,069,200
<b>TOTAL NET POSITION</b>	<u><u>\$ 20,084,274</u></u>

**Condensed Statement of Revenues, Expenses and Changes in Net Position**

	HRA Loan Enterprise
Other Operating Expenses	<u>\$ (299)</u>
Operating Income (Loss)	<u>(299)</u>
Nonoperating Revenues (Expenses)	
Investment Income	415
Capital Contribution	4,636,050
Interest Expense	(417)
Mortgage Issuance Costs	(995,811)
Total Other Nonoperating Revenues (Expenses)	<u>3,640,237</u>
Transfers In (Out)	<u>15,062,195</u>
Changes in Net Position	18,702,133
Beginning Net Position	<u>1,382,141</u>
<b>ENDING NET POSITION</b>	<u><u>\$ 20,084,274</u></u>

**Condensed Statement of Cash Flows**

	HRA Loan Enterprise
Net Cash Provided (Used) by	
Operating Activities	\$ (299)
Capital and Related Financing Activities	9,083,224
Investing Activities	415
	<hr/>
Net Increase (Decrease)	9,083,340
Beginning Cash and Cash Equivalents	<hr/> -
<b>ENDING CASH AND CASH EQUIVALENTS</b>	<b><u><u>\$ 9,083,340</u></u></b>

**J. Deferred Inflows of Resources**

Governmental Activities	General	Library Agency	HRA General Fund	General Debt Service	HRA General Debt Service	Capital Improvement Projects	Nonmajor and Other Funds	Total
Deferred Inflows of Resources:								
Property Taxes	\$ 2,133,717	\$ 455,213	\$ 79,145	\$ 235,978	\$ 148,950	\$ -	\$ 88,619	\$ 3,141,622
Fees, Sales and Services	-	-	-	-	-	-	473,877	473,877
Operating Grants & Contributions	-	-	-	-	-	13,217,581	11,100	13,228,681
Accounts Receivable	2,706,700	-	4,190	-	-	-	438,028	3,148,918
Accrued Interest Receivable	145,470	-	17,510	-	27,578	-	152,019	342,577
Accrued Interest on Loans	-	-	-	24,706	-	-	42,031	66,737
Notes and Loans Receivable	9,664,122	-	-	-	-	-	4,395,935	14,060,057
Land Held for Resale	-	-	493,622	-	-	-	3,251,036	3,744,658
Special Assessments	-	-	-	-	-	17,790,457	21,827,873	39,618,330
Other	-	-	-	-	-	-	116,168	116,168
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Deferred Inflows of Resources	<u>\$ 14,650,009</u>	<u>\$ 455,213</u>	<u>\$ 594,467</u>	<u>\$ 260,684</u>	<u>\$ 176,528</u>	<u>\$ 31,008,038</u>	<u>\$ 30,796,686</u>	<u>\$ 77,941,625</u>

**K. Fund Balance Classifications**

Fund balance for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The December 31, 2012, fund balances are as follows:

Fund Balances:	Major Special Revenue Funds						Capital Improvement Projects	Other Governmental Funds	Total
	General Fund	Library Agency Fund	HRA General Fund	General Debt Service Fund	HRA General Debt Service Fund				
<b>Nonspendable:</b>									
Advance to Component Units	\$ 568,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 568,200	
Corpus of Permanent Funds	-	-	-	-	-	-	35,000	35,000	
<b>Total</b>	<b>568,200</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,000</b>	<b>603,200</b>	
<b>Restricted For:</b>									
General Government	-	-	-	-	-	-	34,339,066	34,339,066	
Public Safety	-	-	-	-	-	-	4,412,053	4,412,053	
Highways and Streets	-	-	-	-	-	-	1,208,138	1,208,138	
Culture and Recreation	-	-	-	-	-	-	1,928,566	1,928,566	
Housing and Economic Development	-	-	-	-	-	-	21,223,796	21,223,796	
Debt Service	-	-	-	17,193,224	12,230,743	-	13,471,960	42,895,927	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,193,224</b>	<b>12,230,743</b>	<b>-</b>	<b>76,583,579</b>	<b>106,007,546</b>	
<b>Committed To:</b>									
General Government	-	-	-	-	-	-	270,378	270,378	
Public Safety	-	-	-	-	-	-	714,927	714,927	
Culture and Recreation	-	535,554	-	-	-	-	483,042	1,018,596	
Housing and Economic Development	-	-	6,885,845	-	-	-	16,970,968	23,856,813	
<b>Total</b>	<b>-</b>	<b>535,554</b>	<b>6,885,845</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,439,315</b>	<b>25,860,714</b>	
<b>Assigned:</b>									
General Government	899,465	-	-	-	-	3,756,440	353,745	5,009,650	
Public Safety	1,319,119	-	-	-	-	-	752,565	2,071,684	
Highways and Streets	-	-	-	-	-	-	11,050,549	11,050,549	
Sanitation	-	-	-	-	-	-	1,181,216	1,181,216	
Health	-	-	-	-	-	-	53,497	53,497	
Culture and Recreation	40,560	438,210	-	-	-	-	2,682,892	3,161,662	
Housing and Economic Development	-	-	4,742,968	-	-	-	4,911,525	9,654,493	
<b>Total</b>	<b>2,259,144</b>	<b>438,210</b>	<b>4,742,968</b>	<b>-</b>	<b>-</b>	<b>3,756,440</b>	<b>20,985,989</b>	<b>32,182,751</b>	
Unassigned	47,466,130	-	-	-	-	-	(3,572,604)	43,893,526	
<b>Total</b>	<b>\$ 50,293,474</b>	<b>\$ 973,764</b>	<b>\$ 11,628,813</b>	<b>\$ 17,193,224</b>	<b>\$ 12,230,743</b>	<b>\$ 3,756,440</b>	<b>\$ 112,471,279</b>	<b>\$ 208,547,737</b>	

## **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.

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

### **B. Restatement of Beginning Net Position – Port Authority**

The Port Authority of Saint Paul implemented GASB Statement No. 65 for the year ended December 31, 2012. As a result, the Port Authority 's net position balance as of December 31, 2011 has been restated to reflect the retroactive write-off of prior years' bond issuance costs in the statement of revenue, expenses and changes in net position.

Net Position at January 1, 2012 as Previously Reported	\$36,581,509
Effect of Applying GASB Statement No. 65 - Reporting Of Debt Issuance Costs as Operating Expense	<u>(829,616)</u>
Net Position, at January 1, 2012 As Restated	<u>\$35,751,893</u>

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**C. 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, 2012, the RiverCentre Convention & Visitors Authority's deposits in checking and interest bearing accounts total \$997,643. 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, 2012, RCVA's investments include the following:

	<u>Fair Value</u>
Marketable Certificates of Deposit	\$ 247,455
Mutual Fund Equities	132,977
Investments with the City's Cash and Investments Pool	<u>2,480,864</u>
Total	<u>\$ 2,861,296</u>

**Recap**

Deposits	\$ 997,643	Cash and Investments	\$ 2,578,563
Investments	3,074,276	Investments	380,432
		Restricted Cash	<u>1,112,924</u>
Total	<u>\$ 4,071,919</u>	Total	<u>\$ 4,071,919</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, 2012, the Regional Water Services deposits in checking and interest bearing accounts and certificates of deposits total \$14,315,006. 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, 2012, 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, 2012, is as follows:

<u>Rating Agency</u>	<u>Rating</u>	<u>Fair Value</u>
Moody's	Aaa	\$ 18,148,354

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, 2012, 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, 2012, 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, 2012, Regional Water Services had the following investments:

Investment Type	Fair Value	Less Than 2 years	2-4 Years	5-10 Years	Over 10 Years
U.S. Government Agency	\$ 18,148,354	\$ -	\$ 2,636,299	\$ -	\$ 15,512,055
Total Investments	<u>\$ 18,148,354</u>	<u>\$ -</u>	<u>\$ 2,636,299</u>	<u>\$ -</u>	<u>\$ 15,512,055</u>

Recap

Deposits	\$ 14,315,006	Cash and Investments	\$ 14,313,998
Investments	18,148,354	Investments	6,466,359
Departmental Cash	552,611	Departmental Cash	552,611
Imprest Funds on Hand	7,000	Imprest Funds	7,000
		Restricted Cash	1,008
		Restricted Investments for Debt Service	11,681,995
Total	<u>\$ 33,022,971</u>		<u>\$ 33,022,971</u>

**Port Authority:**

***Deposits***

In accordance with applicable Minnesota State Statutes, the Port Authority maintains deposits at financial institutions authorized by the Board of Commissioners. All such depositories are members of the Federal Reserve System. Minnesota Statutes require that all deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by insurance or corporate surety bonds. Minnesota Statutes require securities pledged as collateral held in safekeeping in a restricted account at the Federal Reserve Bank or at an account at a trust department of a commercial bank or other financial institution not owned or controlled by the depository.

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. It is the Port Authority's policy that securities must carry an A- or higher long-term rating by one rating agency or the highest quality short term rating (without regard to modifiers) by two of the following rating agencies: Standard & Poors, Fitch or Moody's. The Port Authority's investments at December 31, 2012, carried the following ratings:

<u>Rating</u>	<u>Fair Value</u>
AAA/Aaa	\$ 6,244,226
AA/Aa	18,372,754
A	438,594
Not Rated	<u>5,609,517</u>
	<u>\$ 30,665,091</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 registered in the Port Authority's name or are in the possession of the Port Authority or a third-party custodian.

Concentration of Credit Risk

The Port Authority diversifies its portfolio in order to minimize the impact of losses from any one individual issuer. It is the Port Authority's policy to limit the amount invested in any one issuer at the time of the purchase, excluding securities of the U.S. Government and government sponsored enterprise securities. There were no violations of the policy during the year. 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 5% of the total investments managed by the Port Authority.

At December 31, 2012, more than 5% of the Port Authority's and Capital City Properties (CCP)'s investments are in the following issuers:

Issuer	Percent of Investments
Federal Home Loan Mortgage Corp (Freddie Mac)	21.2%
Federal National Mortgage Association (Fannie Mae)	23.9%
Municipal Bonds	10.6%

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. The Port Authority establishes benchmarks that reflect its expected cash flow needs and minimize interest rates that are materially longer or shorter than those established by the benchmarks chosen. Maximum duration of the portfolio is 120% of the benchmark duration.

The schedule of the average maturities by investment type as of December 31, 2012, is as follows:

Investment Type	Fair Value	Less Than 1 year	1-5 Years	6-10 Years	Over 10 Years
Federal Farm Credit Bank Note	\$ 502,151	\$ -	\$ 502,151	\$ -	\$ -
Federal Home Loan Mortgage Corp (Freddie Mac)	6,510,663	-	3,316,450	2,978,352	215,861
Federal National Mortgage Assoc. (Fannie Mae)	7,335,793	270,958	4,542,993	2,521,842	-
Governmental National Mortgage Assoc (Ginnie Mae)	18,446	-	-	18,446	-
Guaranteed Investment Contracts	372,800	-	-	-	372,800
Mutual Fund	3,026,573	-	-	-	3,026,573
Negotialble Certificates of Deposit	2,564,498	2,564,498	-	-	-
State & Local Obligations:					
Municipal Bonds	3,258,619	480,391	1,982,705	795,523	-
Time deposits	-	-	-	-	-
US Dept Agriculture Taxable Bonds	1,150,189	-	660,022	207,768	282,399
US Dept Agriculture Loan Certificates	38,704	-	-	-	38,704
US Treasury Notes	5,886,655	50,230	3,814,964	2,021,461	-
<b>Total</b>	<b>\$ 30,665,091</b>	<b>\$ 3,366,077</b>	<b>\$ 14,819,285</b>	<b>\$ 8,543,392</b>	<b>\$ 3,936,337</b>

Recap

Deposits	\$ 17,752,627	Cash and Investments	\$ 439,534
Investments	<u>30,665,091</u>	Investments	10,704,795
		Restricted Cash	17,313,093
		Restricted Investments	<u>19,960,296</u>
Total	<u>\$ 48,417,718</u>	Total	<u>\$ 48,417,718</u>

**D. Capital Assets**

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

	Balance 01/01/12	Additions	Deductions	Balance 12/31/12
Capital Assets Not Being Depreciated:				
Land	\$ -	\$ -	\$ -	\$ -
Construction in Progress	-	-	-	-
Total Capital Assets Not Being Depreciated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital Assets Being Depreciated:				
Buildings and Structures	-	-	-	-
Public Improvements	-	-	-	-
Equipment	124,778	39,286	-	164,064
Total Capital Assets Being Depreciated	<u>124,778</u>	<u>39,286</u>	<u>-</u>	<u>164,064</u>
Less: Accumulated Depreciation for:				
Buildings and Structures	-	-	-	-
Public Improvements	-	-	-	-
Equipment	(85,507)	(19,449)	-	(104,956)
Total Accumulated Depreciation	<u>(85,507)</u>	<u>(19,449)</u>	<u>-</u>	<u>(104,956)</u>
Total Capital Assets Being Depreciated, Net	<u>39,271</u>	<u>19,837</u>	<u>-</u>	<u>59,108</u>
Capital Assets, Net	<u>\$ 39,271</u>	<u>\$ 19,837</u>	<u>\$ -</u>	<u>\$ 59,108</u>

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**Summary of Changes in Capital Assets of Regional Water Services:**

	Balance 01/01/12	Additions	Deductions	Balance 12/31/12
<b>Capital Assets Not Being Depreciated:</b>				
Land	\$ 1,307,887	\$ -	\$ -	\$ 1,307,887
Construction in Progress	31,165,074	22,770,256	(20,324,426)	33,610,904
<b>Total Capital Assets Not Being Depreciated</b>	<b>32,472,961</b>	<b>22,770,256</b>	<b>(20,324,426)</b>	<b>34,918,791</b>
<b>Capital Assets Being Depreciated:</b>				
Buildings and Structures	56,058,123	324,055	-	56,382,178
Public Improvements	228,569,690	27,829,431	(5,009,013)	251,390,108
Equipment	49,907,485	2,502,135	(844,320)	51,565,300
<b>Total Capital Assets Being Depreciated</b>	<b>334,535,298</b>	<b>30,655,621</b>	<b>(5,853,333)</b>	<b>359,337,586</b>
<b>Less: Accumulated Depreciation for:</b>				
Buildings and Structures	(17,943,476)	(1,383,781)	-	(19,327,257)
Public Improvements	(76,717,082)	(3,998,351)	2,684,347	(78,031,086)
Equipment	(25,612,895)	(2,101,587)	769,827	(26,944,655)
<b>Total Accumulated Depreciation</b>	<b>(120,273,453)</b>	<b>(7,483,719)</b>	<b>3,454,174</b>	<b>(124,302,998)</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>214,261,845</b>	<b>23,171,902</b>	<b>(2,399,159)</b>	<b>235,034,588</b>
<b>Capital Assets, Net</b>	<b>\$ 246,734,806</b>	<b>\$ 45,942,158</b>	<b>\$ (22,723,585)</b>	<b>\$ 269,953,379</b>

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**Summary of Changes in Capital Assets of Port Authority:**

	Balance 01/01/12	Additions	Deductions	Balance 12/31/12
<b>Capital Assets Not Being Depreciated:</b>				
Land	\$ 8,047,166	\$ -	\$ (20,001)	\$ 8,027,165
Construction in Progress	4,835,654	5,571,907	(23,012)	10,384,549
<b>Total Capital Assets Not Being Depreciated</b>	<b>12,882,820</b>	<b>5,571,907</b>	<b>(43,013)</b>	<b>18,411,714</b>
<b>Capital Assets Being Depreciated:</b>				
Buildings	48,341,185	1,095,117	(1,537,235)	47,899,067
Equipment	2,322,790	27,388	-	2,350,178
<b>Total Capital Assets Being Depreciated</b>	<b>50,663,975</b>	<b>1,122,505</b>	<b>(1,537,235)</b>	<b>50,249,245</b>
<b>Less: Accumulated Depreciation for:</b>				
Buildings	(29,812,785)	(1,194,511)	-	(31,007,296)
Equipment	(1,994,724)	(72,671)	-	(2,067,395)
<b>Total Accumulated Depreciation</b>	<b>(31,807,509)</b>	<b>(1,267,182)</b>	<b>-</b>	<b>(33,074,691)</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>18,856,466</b>	<b>(144,677)</b>	<b>(1,537,235)</b>	<b>17,174,554</b>
<b>Capital Assets, Net</b>	<b>\$ 31,739,286</b>	<b>\$ 5,427,230</b>	<b>\$ (1,580,248)</b>	<b>\$ 35,586,268</b>

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**E. Long-Term Obligations**

**RiverCentre Convention & Visitors Authority:**

At December 31, 2012, long-term obligations of the RiverCentre Convention & Visitors Authority consisted of:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Capital Lease	\$ 6,001	\$ -	\$ 4,647	\$ 1,354	\$ 1,354

**Regional Water Services:**

At December 31, 2012, long-term obligations of Regional Water Services consisted of:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Revenue Bonds	\$ 26,090,000	\$ -	\$ 2,370,000	\$ 23,720,000	\$ 2,525,000
Revenue Notes	15,314,674	11,743,118	1,427,989	25,629,803	1,320,038
Capital Lease	3,546	-	1,699	1,847	1,847
Compensated Absences	1,895,546	203,163	304,158	1,794,551	75,765
Net Other Postemployment Benefits	2,858,414	1,345,224	708,472	3,495,166	-
Claims and Judgments	3,088,400	863,073	745,713	3,205,760	617,959
Total	<u>\$ 49,250,580</u>	<u>\$ 14,154,578</u>	<u>\$ 5,558,031</u>	<u>\$ 57,847,127</u>	<u>\$ 4,540,609</u>

**Port Authority:**

At December 31, 2012, long-term obligations of Port Authority consisted of:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
General Obligation Bonds	\$ 30,200,000	\$ -	\$ 1,430,000	\$ 28,770,000	\$ 1,475,000
Revenue Bonds	51,792,422	8,500,000	896,609	59,395,813	24,197,063
Add/(Subtract) Deferred Amounts for: (Discounts)/Premiums Refundings - Gains/(Losses)	(391,930)	(262,482)	(826,214)	171,802	19,121
Total Bonds	81,600,492	8,237,518	1,500,395	88,337,615	25,691,184
Revenue Notes	7,957,695	203,660	431,401	7,729,954	449,565
Net Other Postemployment Benefits Obligation	50,895	46,090	35,455	61,530	-
Total	<u>\$ 89,609,082</u>	<u>\$ 8,487,268</u>	<u>\$ 1,967,251</u>	<u>\$ 96,129,099</u>	<u>\$ 26,140,749</u>

**F. 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, 2012, were as follows:

	Principal	Interest	Total
Revenue Bonds	\$ 23,720,000	\$ 5,158,301	\$ 28,878,301
Revenue Notes	25,629,803	4,764,780	30,394,583
Total	<u>\$ 49,349,803</u>	<u>\$ 9,923,081</u>	<u>\$ 59,272,884</u>

**Port Authority:**

Total principal and interest requirements relating to outstanding revenue bonds and notes at December 31, 2012, were as follows:

	Principal	Interest	Total
General Obligation Bonds	\$ 28,770,000	\$ 9,779,013	\$ 38,549,013
Revenue Bonds	59,395,813	22,969,589	82,365,402
Revenue Notes	7,729,954	1,794,371	9,524,325
Total	<u>\$ 95,895,767</u>	<u>\$ 34,542,973</u>	<u>\$ 130,438,740</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, 2012, outstanding no-commitment debt totaled \$428.3 million.

**G. Net Position – Restricted**

As of December 31, 2012, net position was restricted for the following purposes:

	RiverCentre Convention and Visitors Authority	Regional Water Services	Port Authority	Total
For Economic Development	\$ -	\$ -	\$ 22,054,568	\$ 22,054,568
For Debt Service	-	11,560,558	10,491,600	22,052,158
Total	<u>\$ -</u>	<u>\$ 11,560,558</u>	<u>\$ 32,546,168</u>	<u>\$ 44,106,726</u>

## H. Condensed Financial Information

The following provides component unit condensed financial information for the year ended December 31, 2012:

### Condensed Statement of Net Position

	RiverCentre Convention and Visitors Authority	Regional Water Services	Port Authority	Total
<b>ASSETS</b>				
Current Assets	\$ 4,025,745	\$ 38,556,291	\$ 26,212,797	\$ 68,794,833
Restricted Assets	1,112,924	6,704,196	23,251,848	31,068,968
Capital Assets, Net	59,108	269,953,379	35,586,268	305,598,755
Other Assets	-	166,538	76,673,643	76,840,181
<b>Total Assets</b>	<b>5,197,777</b>	<b>315,380,404</b>	<b>161,724,556</b>	<b>482,302,737</b>
<b>LIABILITIES</b>				
Current Liabilities	1,629,172	16,927,875	57,713,419	76,270,466
Noncurrent Liabilities	568,200	53,378,281	71,967,451	125,913,932
<b>Total Liabilities</b>	<b>2,197,372</b>	<b>70,306,156</b>	<b>129,680,870</b>	<b>202,184,398</b>
<b>NET POSITION</b>				
Invested in Capital Assets, Net of Related Debt	57,754	220,529,966	4,143,253	224,730,973
Restricted	-	11,560,558	32,546,168	44,106,726
Unrestricted	2,942,651	12,983,724	(4,645,735)	11,280,640
<b>TOTAL NET POSITION</b>	<b>\$ 3,000,405</b>	<b>\$ 245,074,248</b>	<b>\$ 32,043,686</b>	<b>\$ 280,118,339</b>

### Condensed Statement of Revenues, Expenses and Changes in Net Position

	RiverCentre Convention and Visitors Authority	Regional Water Services	Port Authority	Total
Operating Revenues	\$ 10,977,562	\$ 51,520,196	\$ 13,126,023	\$ 75,623,781
Operating Expenses	11,057,642	34,423,565	22,305,906	67,787,113
Depreciation	19,449	7,009,993	1,267,182	8,296,624
<b>Operating Income (Loss)</b>	<b>(99,529)</b>	<b>10,086,638</b>	<b>(10,447,065)</b>	<b>(459,956)</b>
Total Nonoperating Revenues (Expenses)	792,510	(3,471,342)	6,738,858	4,060,026
Capital Contributions	-	12,231,015	-	12,231,015
<b>Changes in Net Position</b>	<b>692,981</b>	<b>18,846,311</b>	<b>(3,708,207)</b>	<b>15,831,085</b>
Net Position, January 1, Restated	2,307,424	226,227,937	35,751,893	264,287,254
<b>Net Position, December 31</b>	<b>\$ 3,000,405</b>	<b>\$ 245,074,248</b>	<b>\$ 32,043,686</b>	<b>\$ 280,118,339</b>

## **I. 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 5% of compensation. During 2004, an additional discretionary contribution of 2% of each participant's salary was approved by the Board. Discretionary contributions have not been made from 2005 through 2012. Retirement expense was \$31,178 and \$40,083 for 2012 and 2011 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 2012 were \$1,012,428. See Note VIII.A for disclosures relating to the PERA pension plan.

### **Port Authority:**

All employees hired after June 30, 2003, as well as certain other employees, are participants in the General Employees Retirement Fund (GERF), which is a cost sharing, multiple employer retirement plan. All other full-time employees are required to participate in a Port Authority-sponsored Section 414(d) employee benefit 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 GERF. Employee participation in the plan is mandatory, and employees are required to contribute 6.25% of their salary. The Port Authority provides a contribution of 7.25%. Total contributions were \$41,346 in 2012.

**General Employees Retirement Fund (GERF):** All full-time employees of the Port Authority who were hired after June 30, 2003, as well as certain other employees who elected to participate in GERF, are covered by defined benefit plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund (GERF), which is a cost-sharing, multiple-employer retirement plan. This plan is established and administered in accordance with Minnesota Statutes, Chapters 353 and 356. The Port Authority contributed \$98,997 in 2012.

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

## **J. Postemployment Benefits Other than Pension**

### **RiverCentre Convention & Visitors Authority:**

The RiverCentre 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 authority to provide these benefits is established in Minnesota Statutes §471.61, Subd. 2a. 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	\$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

Membership

As of the actuarial valuation date of September 30, 2010 the membership consisted of:

	<u>Life Insurance Only</u>	<u>Family Coverage</u>	<u>Single Coverage</u>	<u>Total</u>
Retired Participants and Beneficiaries				
Under Age 65 (Early Retirees)	1	4	28	33
Over Age 65 (Regular Retirees)	-	46	99	145
Total Retired Participants	<u>1</u>	<u>50</u>	<u>127</u>	<u>178</u>
Active Participants				
Eligible to receive benefits				50
Not eligible to receive benefits*				176
Total Active Participants				<u>226</u>
Total Participants				<u><u>404</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 2012 were as follows:

	<u>Age</u>	<u>Average Monthly Regional Water Contribution</u>	<u>Average Monthly Retiree Contribution</u>
Health Insurance	Less than 65	\$ 370	\$ 400
	65 and older	\$ 276	\$ 18
Life Insurance	Less than 65	\$ 2	Not applicable
	65 and older	Not applicable	Not applicable

These plans are fully insured.

The expenses for these post-employment benefits are recognized as premiums and are paid to the insurers. For Regional Water, the 2012 expense totaled \$639,913 for approximately 183 retirees. Retirees contributed \$176,978; 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, 2010, 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, 2012. Regional Water's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012 and the two preceding years were 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, 2010	\$ 1,318,571	\$ 698,846	53.00%	\$ 2,268,673
December 31, 2011	\$ 1,316,167	\$ 726,426	55.20%	\$ 2,858,414
December 31, 2012	\$ 1,345,224	\$ 708,472	52.67%	\$ 3,495,166

The net OPEB obligation (NOPEBO) as of December 31, 2012, was calculated as follows:

Annual Required Contribution (ARC)	\$ 1,388,097
Interest on Net OPEB Obligation	142,420
Adjustment to Annual Required Contribution	(185,293)
Annual OPEB cost	<u>1,345,224</u>
Contributions Made	
Direct	639,981
Indirect Implicit Subsidy	68,491
Total Contributions Made	<u>708,472</u>
Increase (Decrease) in Net OPEB Obligation	636,752
Net OPEB Obligation Beginning of Year	<u>2,858,414</u>
Net OPEB Obligation End of Year	<u><u>\$ 3,495,166</u></u>

Funded Status and Funding Progress

The actuarial accrued liability for benefits, as of September 30, 2010, the most recent actuarial valuation date, was \$16,138,206. 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, 2010, the funded status of the plan was as follows:

Actuarial Accrued Liability (AAL)	\$ 16,138,206
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 16,138,206</u>
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.00%
Active Members Covered Payroll	\$ 12,630,550
UAAL as a Percentage of Covered Payroll	127.8%

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, 2010, actuarial valuation the projected unit credit actuarial cost method was used. The actuarial assumptions included 5.0% discount rate and an annual healthcare cost trend rate of beginning at 10.0% for fiscal year 2010 and declining over 10 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 a 30-year open amortization period (30-year period restarted with each valuation).

#### **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, 2012, there were 18 current employees that may become eligible for benefits in the future and 9 beneficiaries 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 alternative 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 Healthcare Benefit Program:

Annual Required Contribution (ARC)	\$ 47,480
Interest on Net OPEB Obligation	1,015
Adjustment to Annual Required Contribution	<u>(2,445)</u>
Annual OPEB cost	46,050
Contributions Made	<u>35,415</u>
Increase (Decrease) in Net OPEB Obligation	10,635
Net OPEB Obligation Beginning of Year	<u>50,895</u>
Net OPEB Obligation End of Year	<u>\$ 61,530</u>

The Port Authority's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligations for 2012:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
December 31, 2010	\$ 47,224	82.4%	\$ 47,303
December 31, 2011	\$ 46,769	91.5%	\$ 50,895
December 31, 2012	\$ 46,050	76.9%	\$ 61,530

#### Funded Status and Funding Progress

The actuarial accrued liability for benefits as of December 31, 2012, the most recent actuarial valuation date, was \$629,247. This liability will be phased in over 30 years based on the requirements of GASB Statement No. 45.

Actuarial Accrued Liability (AAL)	\$ 629,247
Actuarial Value of Plan Assets	<u>-</u>
Unfunded Actuarial Accrued Liability (UAAL)	\$ 629,247
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.00%
Active Members Covered Payroll	\$ 1,879,151
UAAL as a Percentage of Covered Payroll	33.49%

#### 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 6.2% and a 5% present value assumption. Alternative measurement calculations assume a level of percentage projected payroll 30-year open amortization period. The remaining amortization period at December 31, 2012, was 25 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 defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund (GERF) 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.

GERF 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, and benefits vest after three years of credited service (five years for those first eligible for membership after June 30, 2010).

All police officers, firefighters and peace officers who qualify for membership by statute are covered by the PEPFF. For members first eligible for membership after June 30, 2010, benefits vest on a graduated schedule starting with 50 percent after five years and increasing 10 percent for each year of service until fully vested after ten years. Members eligible for membership before July 1, 2010, are fully vested after three years of service.

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. Defined retirement benefits are based on a member's average salary for the five highest-paid consecutive years of allowable service, age and years of credit at termination of service.

Two methods are used to compute benefits for GERF 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 year thereafter. For a Coordinated Plan member the annuity accrual rate is 1.2 percent of average salary for each of the first ten years and 1.7 percent for each successive 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 GERF members, whose annuity is calculated using Method 1, and all PEPFF members, a full annuity is available when age plus years of service equal 90. Normal retirement age is 55 for PEPFF members and either 65 or 66 (depending on date hired) for GERF members. A reduced retirement annuity is also available to eligible members seeking early retirement.

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 yet receiving them are bound by the provisions in effect at the time they last terminated public service.

PERA issues a publicly available financial report that includes financial statements and required supplementary information for GERF and PEPFF. That report may be obtained on the internet at [www.mnpera.org](http://www.mnpera.org); by writing to PERA at 60 Empire Drive Suite 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 employer contributions and income from the investment of fund assets. Rates for employer and employee contributions are set by Minnesota Statutes Chapter 353. 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 GERP. Rates are applied to annual covered salary.

The City is required to contribute the following percentages of annual covered payroll in 2012 and 2013:

Retirement Plan	2012		2013	
	Employee	Employer	Employee	Employer
General Employees Retirement Fund (GERF)				
Basic	9.10%	11.78%	9.10%	11.78%
Coordinated	6.25%	7.25%	6.25%	7.25%
Public Employees Police and Fire Fund (PEPFF)	9.60%	14.10%	9.60%	14.10%

The City's contributions for the years ending December 31, 2012, 2011, and 2010 for GERP and PEPFF were:

	2012	2011	2010
General Employees Retirement Fund (GERF)			
Basic	\$ -	\$ 1,159	\$ 7,375
Coordinated	6,756,676	6,806,186	6,843,790
	6,756,676	6,807,345	6,851,165
Public Employees Police and Fire Fund (PEPFF)	11,094,757	11,421,235	11,174,812
	<u>\$ 17,851,433</u>	<u>\$ 18,228,580</u>	<u>\$ 18,025,977</u>

These contribution amounts are equal to the contractually required contributions for each year as set by state statute.

## **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 5.25% of the employee's salary. The City of Saint Paul contributes 7.00% of each active employee's salary who belongs in the pension plan. The City and the covered employees contributed \$20,514 and \$15,385, respectively, for the year ending December 31, 2012. The City also contributed \$26,271 for 2011 and \$38,567 for 2010. For each year, the City contribution equals the required contribution for each respective year.

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**B. Postemployment Benefits Other than Pension**

**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 (early retiree)</u>	<u>Over Age 65 (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, 2010 the membership consisted of:

	<u>Family Coverage</u>	<u>Single Coverage</u>	<u>Total</u>
Retired Participants and Beneficiaries			
Under Age 65 (Early Retirees)	132	478	610
Over Age 65 (Regular Retirees)	456	833	1,289
Total Retired Participants	<u>588</u>	<u>1,311</u>	<u>1,899</u>
Active Participants			
Eligible to receive benefits			402
Not eligible to receive benefits*			<u>2,206</u>
Total Active Participants			<u>2,608</u>
Total Participants			<u>4,507</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, 2012, retirees contributed \$2,623,605 and the City contributed \$7,367,446. Active employees do not contribute to the plan until retirement.

The average monthly premium contributions for 2012 were as follows:

	<u>Age</u>	<u>Average Monthly City Contribution<sup>1</sup></u>	<u>Average Monthly Retiree Contribution<sup>2</sup></u>
Health Insurance	Less than 65	\$ 245,130 <sup>1</sup>	\$ 186,300 <sup>2</sup>
	65 and older	\$ 366,191 <sup>1</sup>	\$ 32,424 <sup>2</sup>
Life Insurance	Less than 65	\$ 357 <sup>3</sup>	Not applicable
	65 and older	Not applicable	Not applicable

(1) The average monthly City contribution for health insurance for individuals less than 65 is \$454 and \$271 for individuals 65 and older.

(2) The average monthly retiree contribution for health insurance for individuals less than 65 is \$345 and \$24 for individuals 65 and older.

(3) The average monthly City contribution for life insurance for individuals less than 65 is \$1.

**5. Annual OPEB costs and Net OPEB Obligation**

The City had an actuarial valuation performed for the plan as of September 30, 2010, 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, 2012. The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012 and the two preceding years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
December 31, 2010	\$ 14,549,940	\$ 8,951,951	61.53%	\$ 19,210,054
December 31, 2011	\$ 15,756,623	\$ 9,299,062	59.02%	\$ 25,667,615
December 31, 2012	\$ 16,064,452	\$ 8,807,003	54.82%	\$ 32,925,064

The net OPEB obligation (NOPEBO) as of December 31, 2012, was calculated as follows:

Annual Required Contribution (ARC)	\$ 16,446,256
Interest on Net OPEB Obligation	1,268,332
Adjustment to Annual Required Contribution	(1,650,136)
Annual OPEB cost	<u>16,064,452</u>
Contributions Made	
Direct	7,367,446
Indirect Implicit Subsidy	1,439,557
Total Contributions Made	<u>8,807,003</u>
Increase (Decrease) in Net OPEB Obligation	7,257,449
Net OPEB Obligation Beginning of Year	25,667,615
Net OPEB Obligation End of Year	<u>\$ 32,925,064</u>

**6. Funded Status and Funding Progress**

As of the actuarial valuation date of September 30, 2010, the funded status of the plan was as follows:

Actuarial Accrued Liability (AAL)	\$ 188,664,971
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UALL)	<u>\$ 188,664,971</u>
Fund Ratio (Actuarial Value of Plan Assets/AAL)	0.00%
Active Members Covered Payroll	\$ 162,301,913
UAAL as a Percentage of Covered Payroll	116.24%

## **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, 2010 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included 5.00% discount rate and an annual healthcare cost trend rate of beginning at 10.0% for fiscal year 2010 and declining over 10 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 a 30-year open amortization period (30-year period restarted with each valuation).

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**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 2011 and 2012.

	Year Ended December 31, 2012	Year Ended December 31, 2011
Beginning of Fiscal Year Liability	\$ 32,874,387	\$ 29,897,320
Current Year Claims and Changes in Estimates	(3,393,894)	10,581,073
Claim Payments	<u>(2,737,942)</u>	<u>(7,604,006)</u>
End of Fiscal Year Liability	<u>\$ 26,742,551</u>	<u>\$ 32,874,387</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 and before July 1, 2009, the limit per accident for any number of claims arising out of a single occurrence is \$1,200,000 and \$400,000 per individual. For claims arising on or after July 1, 2009, the limit per accident for any number of claims arising out of a single occurrence is \$1,500,000 and \$500,000 per individual. The limits double when the claim arises out of the release or threatened release of a hazardous substance. The City does not carry commercial liability and collision insurance for City-owned vehicles.

The HRA acquired in 2009 a site with existing pollution which will require remediation. To address its exposure to risk of loss related to pollution liability torts, the HRA has purchased a Premises Pollution Liability Insurance policy. The limit of this coverage is \$20,000,000.

The City has purchased all risk property insurance coverage of \$1.3 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 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 its staff.

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**D. Construction and Other Significant Commitments**

At December 31, 2012, the City had commitments for the following major construction projects:

Project Title	Remaining Construction Committed
Penfield Apartments	\$ 37,764,470
Sewers (Sanitary, Tunnels, Storm)	8,568,947
Gorilla Exhibit Renovation	1,065,430
Edgcombe Bridge	841,875
Cherokee Regional Park Trails	529,112
	\$ 48,769,834
Total	\$ 48,769,834

**E. Interest Rate Swap Agreements**

Summary of Notional Amounts and Fair Values

The City enters into contracts to hedge its exposure to fluctuating interest rates. These contracts are evaluated pursuant to GASB Statement No. 53 - *Accounting and Financial Reporting for Derivative Instruments*, to determine whether they meet the definition of derivative instruments, and, if so, whether they effectively hedge the expected cash flows associated with interest rate exposures.

The City applies hedge accounting for derivatives that are deemed effective hedges. Under hedge accounting, the increase (decrease) in the fair value of a hedge is reported as a deferred outflow of resources (derivative instrument interest swap liability) in the statement of net position. For the reporting period, all of the City's derivatives meet the effectiveness tests.

For interest rate derivatives, the City contracted with Springsted Investment Advisors, Inc., an independent mark-to-market service, to estimate fair value based upon the market close rate data provided by Bloomberg Financial.

The following is a summary of the fair values and notional amounts of derivative instruments outstanding as of December 31, 2012 (gains shown as positive amounts, losses as negative).

<b>Governmental Activities</b>	2012 Change in Fair Value		Fair Value at December 31, 2012		Notional
	Classification	Amount	Classification	Amount	
Effective Cash Flow hedges					
Interest Rate Derivatives:					
Pay-fixed swaps, interest rate	Deferred Outflow	\$ (218,874)	Derivative	\$(15,543,376)	\$ 56,755,000

Objective and Terms of Hedging Derivative Instruments

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. On May 1, 2009, the 1999 Taxable Sales Tax Revenue Bonds were 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 5.58% compared to the present interest rates of 6.44%

through 7.09% on the original bonds payable from 2009 through 2025.

Risks of Derivative Instruments

**1. Credit Risk**

Credit risk is the risk of loss due to a counterparty defaulting on its obligations. The City seeks to minimize credit risk by transacting with creditworthy counterparties. Interest rate swap counterparties are evaluated at the time of transaction execution.

**2. Termination Risk**

Termination risk is the risk that a derivative will terminate prior to its scheduled maturity due to a contractual event. Contractual events include bankruptcy, illegality, default, and mergers in which the successor entity does not meet credit criteria. One aspect of termination risk is that the City would lose the hedging benefit of a derivative that becomes subject to a termination event. Another aspect of termination risk is that, if at the time of termination the mark-to-market value of the derivative was a liability to the City, the City could be required to pay that amount to the counterparty. Termination risk is associated with the City's derivative up to the fair value amount.

**3. Hedged Debt**

Net cash flows for the City's synthetic fixed-rate debt are shown below. These amounts assume that the interest rates of the bonds and the reference rates of the hedging derivative instruments remain at December 31, 2012 levels. These rates will vary and, as they do, interest payments on the variable-rate bonds and net receipts/payments on the interest rate swaps will vary. The table shows only the City's effectively hedged synthetic fixed-rate debt, which is a subset of the City's total debt. As of December 31, 2012, all of the City's variable-rate debt is effectively hedged.

Year Ending December 31,	Principal	Interest	Net Payment on Derivatives	Total
2013	\$ 2,590,000	\$ 117,547	\$ 2,828,164	\$ 5,535,711
2014	2,730,000	112,093	2,696,940	5,539,033
2015	2,890,000	106,339	2,558,520	5,554,859
2016	3,045,000	100,254	2,412,107	5,557,361
2017	3,215,000	93,840	2,257,786	5,566,626
2018-2022	18,955,000	359,790	8,656,512	27,971,302
2023-2025	23,330,000	100,242	2,411,814	25,842,056
Totals	<u>\$ 56,755,000</u>	<u>\$ 990,105</u>	<u>\$ 23,821,843</u>	<u>\$ 81,566,948</u>

## **F. Contingent Liabilities**

### Litigation

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.

### University Enterprise Laboratory Project

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 (UEL) Project at 1000 Westgate Drive in St. Paul, Minnesota.

In January 2012, the original 2005 debt was refinanced through various funds, including the proceeds of a loan from US Bank for \$9.4 million. The effect of the refunding was to reduce the City of St. Paul's guaranty to \$4 million. Going forward, the City's contingent liability will drop further, as the City's guaranty automatically declines as the mortgage is paid down. The current guaranty encumbrance is against the General Fund.

### Cleanup of Hazardous Materials

Properties owned by the HRA and City may have certain contingent liabilities associated with them due to potential contamination from hazardous materials or difficulty in securing vacant structures located on them. It is not expected that these contingencies will have a material effect on the financial statements of the City.

The following HRA and City properties have been identified as possible sites of pollution or contamination:

1. Capp Road (Catholic Charities) – Possible pollution or contamination.
2. Koch/Mobil – Remediation has been completed on the Koch site. The Mobil/Exxon site remediation is underway pursuant to a purchase agreement executed in December 2009. The HRA is to remediate the pollution and restricts the future use of the land to specific uses. The land was purchased for \$1 and, in addition, the seller (Exxon) donated \$5,000,000 to the HRA for pollution remediation and possible park improvements.
3. Bruce Vento Interpretive Center – Possible pollution or contamination.
4. Seventh Street (Fire Station) - Possible pollution or contamination.
5. Rivoli Street Properties – Remediation has already been completed by the original polluter.

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**G. Subsequent Events**

In 2013, the City issued the following bonds and refunded the following bonds:

	<u>Amount</u>	<u>Final Maturity</u>
General Obligation Bonds		
Property Tax Supported		
Capital Improvement Bonds	\$ 6,325,000	03/2023
Special Assessment Bonded Debt		
Street Improvement Bonds with Governmental Commitment	16,800,000	05/2033
Revenue Bonds		
Sewer Revenue Bonds	8,815,000	12/2031
Water Revenue Bonds	<u>14,480,000</u>	12/2024
Total Issued	<u>\$ 46,420,000</u>	
Refunded Bonds		
Sewer Revenue Bonds	3,920,000	
Water Revenue Bonds	<u>14,450,000</u>	
Total Refunded	<u>\$ 18,370,000</u>	

In 2010, Moody's recalibrated its municipal ratings to its global scale, which resulted in the City of Saint Paul's rating of Aa1 with a positive outlook. The General Obligation Bonds and Sewer Revenue Bonds issued in 2012 were reaffirmed at Aa1 by Moody's Investors Service and Standard and Poor's Corporation, respectively.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

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City of Saint Paul, Minnesota  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE BUDGET AND ACTUAL**  
**GENERAL FUND**  
For the Fiscal Year Ended December 31, 2012

Schedule 1

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
<b>Taxes</b>				
Property Taxes	71,703,417	71,703,417	71,997,184	293,767
Gross Earnings Franchise Fees	25,074,131	25,074,131	24,988,045	(86,086)
Hotel-Motel Tax	1,300,900	1,300,900	1,440,985	140,085
Other Taxes	121,000	121,000	113,842	(7,158)
<b>Total Taxes</b>	<b>98,199,448</b>	<b>98,199,448</b>	<b>98,540,056</b>	<b>340,608</b>
Licenses and Permits	10,574,694	10,824,694	10,315,908	(508,786)
Intergovernmental Revenue	61,240,005	61,384,000	60,035,959	(1,348,041)
Fees, Sales and Services	28,404,532	28,265,660	36,574,826	8,309,166
Investment Income				
Interest Earned On Investments	2,215,034	2,215,034	2,552,191	337,157
Increase (Decrease) in Fair Value of Investments	-	-	299,571	299,571
Interest Earned - Other	-	-	167,280	167,280
Miscellaneous Revenue - Other	983,246	1,586,775	1,490,770	(96,005)
<b>Total Revenues</b>	<b>201,616,959</b>	<b>202,475,611</b>	<b>209,976,561</b>	<b>7,500,950</b>
<b>EXPENDITURES</b>				
<b>Current</b>				
<b>General Government</b>				
City Council	3,097,800	3,046,845	2,827,865	218,980
Mayor	1,433,104	1,417,401	1,329,207	88,194
City Attorney	6,965,897	7,114,272	6,892,345	221,927
Financial Services	2,054,341	2,082,889	1,906,397	176,492
Human Resources	3,255,538	3,265,862	3,106,058	159,804
Human Rights	1,642,157	1,602,643	977,203	625,440
Technology	10,719,507	10,763,381	9,785,119	978,262
<b>Total General Government</b>	<b>29,168,344</b>	<b>29,293,293</b>	<b>26,824,194</b>	<b>2,469,099</b>
<b>Public Safety</b>				
Police	77,160,098	76,970,429	76,112,577	857,852
Fire and Safety Services	55,156,450	56,220,268	52,884,962	3,335,306
Safety and Inspection	16,599,883	16,492,344	15,352,406	1,139,938
Emergency Management	256,897	253,401	249,676	3,725
<b>Total Public Safety</b>	<b>149,173,328</b>	<b>149,936,442</b>	<b>144,599,621</b>	<b>5,336,821</b>
Highways and Streets	1,992,346	1,990,443	1,980,656	9,787
Culture and Recreation	25,272,241	26,080,267	26,662,735	(582,468)
Miscellaneous - Other	6,639,869	8,304,926	7,461,396	843,530
<b>Debt Service</b>				
Interest - Other Debt	-	4,011	8,065	(4,054)
<b>Total Expenditures</b>	<b>212,246,128</b>	<b>215,609,382</b>	<b>207,536,667</b>	<b>8,072,715</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(10,629,169)</b>	<b>(13,133,771)</b>	<b>2,439,894</b>	<b>15,573,665</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	14,896,598	14,896,598	5,404,208	(9,492,390)
Transfers Out	(1,318,499)	(1,370,750)	(1,222,172)	148,578
Sale of Capital Assets	49,000	49,000	128,766	79,766
<b>Total Other Financing Sources (Uses)</b>	<b>13,627,099</b>	<b>13,574,848</b>	<b>4,310,802</b>	<b>(9,264,046)</b>
<b>Net Change in Fund Balance</b>	<b>2,997,930</b>	<b>441,077</b>	<b>6,750,696</b>	<b>6,309,619</b>
<b>FUND BALANCE, January 1 - Restated</b>	<b>43,484,147</b>	<b>43,484,147</b>	<b>43,484,147</b>	<b>-</b>
<b>FUND BALANCE, December 31</b>	<b>46,482,077</b>	<b>43,925,224</b>	<b>50,234,843</b>	<b>6,309,619</b>
<b>Adjustment to Reflect the Consolidation of Special Revenue Funds</b>	<b>(490,308)</b>	<b>(490,308)</b>	<b>58,631</b>	<b>548,939</b>
<b>CONSOLIDATED FUND BALANCE, December 31</b>	<b>45,991,769</b>	<b>43,434,916</b>	<b>50,293,474</b>	<b>6,858,558</b>

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

City of Saint Paul, Minnesota  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**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, 2012

Schedule 2

	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		
<b>REVENUES</b>								
Taxes								
Property Taxes								
Current Taxpayer	15,637,869	15,637,869	15,693,895	56,026	2,574,788	2,574,788	2,852,912	278,124
Delinquent Taxpayer	100,000	100,000	68,845	(31,155)	-	-	13,260	13,260
Total Property Taxes	15,737,869	15,737,869	15,762,740	24,871	2,574,788	2,574,788	2,866,172	291,384
Intergovernmental Revenue	-	-	11,889	11,889	-	-	-	-
Fees, Sales and Services	-	-	-	-	1,174,144	1,174,144	2,344,124	1,169,980
Investment Income								
Interest Earned on Investments	-	-	-	-	260,000	260,000	332,440	72,440
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	10,831	10,831
Miscellaneous - Other	175,000	175,000	20,078	(154,922)	-	-	300	300
<b>Total Revenues</b>	<b>15,912,869</b>	<b>15,912,869</b>	<b>15,794,707</b>	<b>(118,162)</b>	<b>4,008,932</b>	<b>4,008,932</b>	<b>5,553,867</b>	<b>1,544,935</b>
<b>EXPENDITURES</b>								
Current								
Culture and Recreation	15,871,124	15,871,124	14,583,695	1,287,429	-	-	-	-
Housing and Economic Development	-	-	-	-	5,631,357	5,631,357	3,770,962	1,860,395
Capital Outlay	74,318	74,318	74,064	254	-	-	-	-
<b>Total Expenditures</b>	<b>15,945,442</b>	<b>15,945,442</b>	<b>14,657,759</b>	<b>1,287,683</b>	<b>5,631,357</b>	<b>5,631,357</b>	<b>3,770,962</b>	<b>1,860,395</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(32,573)</b>	<b>(32,573)</b>	<b>1,136,948</b>	<b>1,169,521</b>	<b>(1,622,425)</b>	<b>(1,622,425)</b>	<b>1,782,905</b>	<b>3,405,330</b>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	-	-	-	539,797	539,797	257,046	(282,751)
Transfers Out	(49,653)	(49,653)	(982,836)	(933,183)	(442,274)	(442,274)	(1,234,839)	(792,565)
<b>Total Other Financing Sources (Uses)</b>	<b>(49,653)</b>	<b>(49,653)</b>	<b>(982,836)</b>	<b>(933,183)</b>	<b>97,523</b>	<b>97,523</b>	<b>(977,793)</b>	<b>(1,075,316)</b>
<b>Net Change in Fund Balances</b>	<b>(82,226)</b>	<b>(82,226)</b>	<b>154,112</b>	<b>236,338</b>	<b>(1,524,902)</b>	<b>(1,524,902)</b>	<b>805,112</b>	<b>2,330,014</b>
<b>FUND BALANCES, January 1</b>	<b>819,652</b>	<b>819,652</b>	<b>819,652</b>	<b>-</b>	<b>10,823,701</b>	<b>10,823,701</b>	<b>10,823,701</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>737,426</b>	<b>737,426</b>	<b>973,764</b>	<b>236,338</b>	<b>9,298,799</b>	<b>9,298,799</b>	<b>11,628,813</b>	<b>2,330,014</b>

continued

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

City of Saint Paul, Minnesota  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**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, 2012

Schedule 2

	Total			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes				
Property Taxes				
Current Taxpayer	18,212,657	18,212,657	18,546,807	334,150
Delinquent Taxpayer	100,000	100,000	82,105	(17,895)
Total Property Taxes	<u>18,312,657</u>	<u>18,312,657</u>	<u>18,628,912</u>	<u>316,255</u>
Intergovernmental Revenue	-	-	11,889	11,889
Fees, Sales and Services	1,174,144	1,174,144	2,344,124	1,169,980
Investment Income				
Interest Earned on Investments	260,000	260,000	332,440	72,440
Increase (Decrease) in Fair Value of Investments	-	-	10,831	10,831
Miscellaneous - Other	175,000	175,000	20,378	(154,622)
<b>Total Revenues</b>	<u>19,921,801</u>	<u>19,921,801</u>	<u>21,348,574</u>	<u>1,426,773</u>
<b>EXPENDITURES</b>				
Current				
Culture and Recreation	15,871,124	15,871,124	14,583,695	1,287,429
Housing and Economic Development	5,631,357	5,631,357	3,770,962	1,860,395
Capital Outlay	74,318	74,318	74,064	254
<b>Total Expenditures</b>	<u>21,576,799</u>	<u>21,576,799</u>	<u>18,428,721</u>	<u>3,148,078</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,654,998)</u>	<u>(1,654,998)</u>	<u>2,919,853</u>	<u>4,574,851</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	539,797	539,797	257,046	(282,751)
Transfers Out	(491,927)	(491,927)	(2,217,675)	(1,725,748)
<b>Total Other Financing Sources (Uses)</b>	<u>47,870</u>	<u>47,870</u>	<u>(1,960,629)</u>	<u>(2,008,499)</u>
<b>Net Change in Fund Balances</b>	<u>(1,607,128)</u>	<u>(1,607,128)</u>	<u>959,224</u>	<u>2,566,352</u>
<b>FUND BALANCES, January 1</b>	<u>11,643,353</u>	<u>11,643,353</u>	<u>11,643,353</u>	<u>-</u>
<b>FUND BALANCES, December 31</b>	<u>10,036,225</u>	<u>10,036,225</u>	<u>12,602,577</u>	<u>2,566,352</u>

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

City of Saint Paul, Minnesota  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF FUNDING PROGRESS**  
**OTHER POSTEMPLOYMENT BENEFITS PLAN**  
For the Fiscal Year Ended December 31, 2012

Schedule 3

<u>Actuarial Valuation Date</u>	<u>(1) Actuarial Value of Assets</u>	<u>(2) Actuarial Accrued Liability (AAL)</u>	<u>(3) Funded Ratio (1) / (2)</u>	<u>(4) Actuarial Accrued Liability (UAAL) (2) - (1)</u>	<u>(5) Active Members Covered Payroll</u>	<u>(6) Percentage of Covered Payroll (4) / (5)</u>
September 30, 2006	\$ -	\$ 165,012,188	0.00%	\$ 165,012,188	\$ 148,007,987	111.49%
September 30, 2008	\$ -	\$ 167,566,226	0.00%	\$ 167,566,226	\$ 145,877,064	114.87%
September 30, 2010	\$ -	\$ 188,664,971	0.00%	\$ 188,664,971	\$ 162,301,913	116.24%

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  
**REQUIRED SUPPLEMENATRY INFORMATION**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**OTHER POSTEMPLOYMENT BENEFITS PLAN**  
For the Fiscal Year Ended December 31, 2012

Schedule 4

<b>Fiscal Year Ended December 31,</b>	<b>Employer Contributions</b>	<b>Annual Required Contribution (ARC)</b>	<b>Percentage Contributed</b>
2007	\$ 9,314,478	\$ 13,875,274	67.13%
2008	\$ 9,507,352	\$ 13,875,274	68.52%
2009	\$ 9,559,747	\$ 14,436,251	66.22%
2010	\$ 8,951,951	\$ 14,749,946	60.69%
2011	\$ 9,299,062	\$ 16,045,762	57.95%
2012	\$ 8,807,003	\$ 16,446,256	53.55%

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 principles. The legal level of budgetary control for the General Fund is at the department/office level and at the fund level 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.

The General Fund did not exceed total appropriations at the fund level, however total expenditures exceeded appropriations in Culture and Recreation by (\$582,468). For additional information, see Note V.D. on page 77.

The Library Agency and the HRA General Fund did not exceed the legal level of budgetary control for the fiscal year ended December 31, 2012.

**Explanation of Adjustment to Schedule of Revenue, Expenditures and Changes in Fund Balance Budget and Actual-General Fund**

Schedule 1 has a reconciling item between fund balance reported on the Budget and Actual General Fund Schedule and the Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds. The reconciling item consists of the budget and actual activity of the Property Code Enforcement Special Revenue Fund, the Crime Laboratory Special Revenue Fund, and the Equal Opportunity & Economic Development Special Revenue Fund. The three funds were combined with the General Fund for GASB No. 54 reporting. The General Fund original and final adopted budgets did not include the three funds, therefore the budget and actual activity was not included in Schedule 1. The details of this \$58,631 difference are as follows:

	<b>Property Code Enforcement Special Revenue Fund</b>			
	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>EXPENDITURES</b>				
<b>Current</b>				
Public Safety	\$ 824,976	\$ 824,976	\$ 756,840	\$ (68,136)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	650,000	650,000	910,752	260,752
<b>Net Change in Fund Balance</b>	<b>\$ (174,976)</b>	<b>\$ (174,976)</b>	<b>\$ 153,912</b>	<b>\$ 328,888</b>

CONTINUED

City of Saint Paul, Minnesota  
Notes to Required Supplementary Information  
For the Fiscal Year Ended December 31, 2012

	Crime Laboratory Special Revenue Fund			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Fees, Sales and Services	\$ 55,159	\$ 55,159	\$ 26,785	\$ (28,374)
<b>EXPENDITURES</b>				
Current				
Public Safety	98,567	98,567	126,450	(27,883)
<b>Net Change in Fund Balance</b>	<b>\$ (43,408)</b>	<b>\$ (43,408)</b>	<b>\$ (99,665)</b>	<b>\$ (56,257)</b>

	Equal Opportunity & Economic Dev. Special Revenue Fund			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Fees, Sales and Services	\$ 67,043	\$ 67,043	\$ 87,000	\$ 19,957
<b>EXPENDITURES</b>				
Current				
General Government	1,006,683	1,006,683	444,848	561,835
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	667,716	667,716	362,232	(305,484)
<b>Net Change in Fund Balance</b>	<b>(271,924)</b>	<b>(271,924)</b>	<b>4,384</b>	<b>276,308</b>
<b>Total Net Change in Fund Balance</b>	<b>\$ (490,308)</b>	<b>\$ (490,308)</b>	<b>\$ 58,631</b>	<b>\$ 548,939</b>

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## Nonmajor Governmental Funds

### Special Revenue Funds

Special revenue funds account and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

**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.

**Citywide Major Events** - to account for financing and spending for major events.

**Media Services** - 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.

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

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

**Fire Responsive Services** - to account for monies received by the Department of Fire and Safety Services to perform various fire functions, provide fire protection outside the city, and for the purchase of fire equipment.

**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.

**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.

continued

**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.

**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.

continued

**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.

### **Debt Service Funds**

Debt service funds account for and report financial resources that are restricted, committed, or assigned to expenditure for 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.

continued

### **Capital Projects Funds**

Capital projects funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

**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 Sales Tax** - to account for 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.

**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.

### **Permanent Funds**

Permanent funds account for and report resources that are restricted to the extent that only earnings, 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** - 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.

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City of Saint Paul, Minnesota  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 December 31, 2012

Schedule 5

	Special Revenue	Debt Service	Capital Projects	Permanent	Total Nonmajor Governmental Funds
<b>ASSETS</b>					
Cash and Investments with Treasurer	13,498,534	7,326,631	79,164,082	82,870	100,072,117
Cash and Investments with Trustees	2,700,000	6,007,937	1,414	-	8,709,351
Imprest Funds	64,020	-	-	-	64,020
Receivables					
Property Taxes - Due from Ramsey County	-	-	200,450	-	200,450
Property Taxes - Delinquent Accounts (net of allowance for estimated uncollectible)	-	-	88,619	-	88,619
Assessments	857,722	-	2,430	-	860,152
Notes and Loans	18,640,409	14,760,762	-	-	33,401,171
Accrued Interest	7,408,906	-	4,495,935	-	11,904,841
Due from Other Funds	147,515	138,270	374,696	477	660,958
Due from Component Units	1,284,695	-	39,969	-	1,324,664
Due from Other Governmental Units	53,819	-	-	-	53,819
Advance to Other Funds	13,188,841	56,890	1,776,103	-	15,021,834
Land Held for Resale	-	-	5,322,018	-	5,322,018
	8,362,292	-	3,251,036	-	11,613,328
<b>TOTAL ASSETS</b>	<b>66,206,753</b>	<b>28,290,490</b>	<b>94,716,752</b>	<b>83,347</b>	<b>189,297,342</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accrued Salaries Payable	973,951	-	-	-	973,951
Accounts Payable	1,841,956	-	134,192	-	1,976,148
Due to Other Funds	13,230,319	4,518	867,126	-	14,101,963
Due to Component Units	2,148	-	-	-	2,148
Due to Other Governmental Units	101,672	-	3,143,478	-	3,245,150
Advance from Other Funds	1,933,223	-	3,211,490	-	5,144,713
Unearned Revenue	17,815,374	-	2,769,930	-	20,585,304
<b>Total Liabilities</b>	<b>35,898,643</b>	<b>4,518</b>	<b>10,126,216</b>	<b>-</b>	<b>46,029,377</b>
<b>Deferred Inflows of Resources</b>					
Unavailable Revenue	8,013,566	14,814,012	7,968,977	131	30,796,686
<b>Fund Balance</b>					
Nonspendable	-	-	-	35,000	35,000
Restricted	8,520,531	13,471,960	54,542,872	48,216	76,583,579
Committed	1,468,347	-	16,970,968	-	18,439,315
Assigned	15,878,270	-	5,107,719	-	20,985,989
Unassigned	(3,572,604)	-	-	-	(3,572,604)
<b>Total Fund Balances</b>	<b>22,294,544</b>	<b>13,471,960</b>	<b>76,621,559</b>	<b>83,216</b>	<b>112,471,279</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>66,206,753</b>	<b>28,290,490</b>	<b>94,716,752</b>	<b>83,347</b>	<b>189,297,342</b>

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, 2012

Schedule 6

	Special Revenue	Debt Service	Capital Projects	Permanent	Total Nonmajor Governmental Funds
<b>REVENUES</b>					
Taxes					
Property Taxes					
Current Taxpayer	-	4,953,891	-	-	4,953,891
Current Tax Increment	-	-	10,295,025	-	10,295,025
Delinquent Tax Increment	-	-	484,599	-	484,599
<b>Total Property Taxes</b>	<b>-</b>	<b>4,953,891</b>	<b>10,779,624</b>	<b>-</b>	<b>15,733,515</b>
City Sales Tax	-	-	15,940,712	-	15,940,712
Hotel-Motel Tax	1,515,037	23,010	-	-	1,538,047
<b>Total Taxes</b>	<b>1,515,037</b>	<b>4,976,901</b>	<b>26,720,336</b>	<b>-</b>	<b>33,212,274</b>
Licenses and Permits	629,695	-	-	-	629,695
Intergovernmental Revenue	43,366,710	184,934	-	-	43,551,644
Fees, Sales and Services	19,435,625	3,500,000	655,299	-	23,590,924
Assessments	25,916,865	3,483,502	-	-	29,400,367
Investment Income					
Interest Earned on Investments	659,304	850,902	2,018,450	2,582	3,531,238
Increase (Decrease) in Fair Value of Investments	(13,565)	78,161	(160,714)	57	(96,061)
Interest Earned - Other	47,705	-	202,366	-	250,071
Miscellaneous Revenue					
Program Income	466,908	-	-	-	466,908
Other	6,211,141	4,571,182	1,674,408	-	12,456,731
<b>Total Revenues</b>	<b>98,235,425</b>	<b>17,645,582</b>	<b>31,110,145</b>	<b>2,639</b>	<b>146,993,791</b>
<b>EXPENDITURES</b>					
Current					
General Government					
Public Safety	2,978,760	1,278,586	-	-	4,257,346
Highways and Streets	15,330,885	-	-	-	15,330,885
Sanitation	21,463,635	-	-	-	21,463,635
Health	4,139,070	-	-	-	4,139,070
Culture and Recreation	3,351,494	-	-	-	3,351,494
Housing and Economic Development	16,200,679	-	59,491	-	16,260,170
Capital Outlay	31,771,552	-	16,448,182	-	48,219,734
Debt Service	3,728,057	-	-	-	3,728,057
Bond Principal					
Other Debt Principal	-	12,510,000	-	-	12,510,000
Interest - Bonds	-	4,082,852	156,768	-	4,239,620
Interest - Other Debt	-	8,170,341	-	-	8,170,341
Bond Issuance Costs	92,773	664,174	2,747,638	-	3,504,585
	-	-	88,859	-	88,859
<b>Total Expenditures</b>	<b>99,056,905</b>	<b>26,705,953</b>	<b>19,500,938</b>	<b>-</b>	<b>145,263,796</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(821,480)	(9,060,371)	11,609,207	2,639	1,729,995
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In					
Transfers Out	2,774,895	14,405,097	13,715,769	-	30,895,761
Bonds Issued	(4,622,442)	(9,088,474)	(48,281,468)	-	(61,992,384)
Premium on Bonds Issued	-	-	5,735,000	-	5,735,000
Capital Lease	-	-	449,329	-	449,329
Sale of Capital Assets	2,700,000	-	-	-	2,700,000
	3,123	-	-	-	3,123
<b>Total Other Financing Sources (Uses)</b>	<b>855,576</b>	<b>5,316,623</b>	<b>(28,381,370)</b>	<b>-</b>	<b>(22,209,171)</b>
<b>Net Change in Fund Balances</b>	<b>34,096</b>	<b>(3,743,748)</b>	<b>(16,772,163)</b>	<b>2,639</b>	<b>(20,479,176)</b>
<b>FUND BALANCES, January 1 - Restated</b>	<b>22,260,448</b>	<b>17,215,708</b>	<b>93,393,722</b>	<b>80,577</b>	<b>132,950,455</b>
<b>FUND BALANCES, December 31</b>	<b>22,294,544</b>	<b>13,471,960</b>	<b>76,621,559</b>	<b>83,216</b>	<b>112,471,279</b>

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, 2012

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		
<b>REVENUES</b>								
Taxes								
Property Taxes								
Current Taxpayer	-	-	-	-	10,424,317	10,424,317	10,539,405	115,088
Current Tax Increment	-	-	-	-	11,160,051	11,160,051	10,711,066	(448,985)
Delinquent Taxpayer	-	-	-	-	100,000	100,000	(43,974)	(143,974)
Delinquent Tax Increment	-	-	-	-	-	-	45,869	45,869
Total Property Taxes	-	-	-	-	21,684,368	21,684,368	21,252,366	(432,002)
City Sales Tax	-	-	-	-	3,250,247	3,250,247	-	(3,250,247)
Hotel-Motel Tax	1,467,063	1,467,063	1,515,037	47,974	-	-	23,010	23,010
Total Taxes	1,467,063	1,467,063	1,515,037	47,974	24,934,615	24,934,615	21,275,376	(3,659,239)
Licenses and Permits	322,200	322,200	629,695	307,495	-	-	-	-
Intergovernmental Revenue	17,702,586	22,338,198	14,258,749	(8,079,449)	259,016	259,016	693,353	434,337
Fees, Sales and Services	18,091,711	18,263,385	17,472,729	(790,656)	3,580,000	3,580,000	3,631,201	51,201
Assessments	25,753,722	25,783,722	25,916,865	133,143	3,391,116	7,086,226	3,483,502	(3,602,724)
Investment Income								
Interest Earned on Investments	526,016	526,016	655,100	129,084	1,224,000	1,224,000	1,468,002	244,002
Increase (Decrease) in Fair Value of Investments	-	-	(12,171)	(12,171)	-	-	(516,390)	(516,390)
Interest Earned - Other	18,939	18,939	18,939	-	-	-	-	-
Miscellaneous Revenue - Other	4,288,041	4,895,569	5,020,565	124,996	6,730,789	6,730,789	5,745,735	(985,054)
Total Revenues	68,170,278	73,615,092	65,475,508	(8,139,584)	40,119,536	43,814,646	35,780,779	(8,033,867)
<b>EXPENDITURES</b>								
Current								
General Government	2,900,366	2,916,598	2,978,760	(62,162)	887,190	887,190	1,981,593	(1,094,403)
Public Safety	17,619,662	21,686,476	15,330,885	6,355,591	-	-	-	-
Highways and Streets	21,799,139	21,829,139	21,463,635	365,504	-	-	-	-
Sanitation	4,103,478	4,248,478	4,139,070	109,408	-	-	-	-
Health	3,587,607	3,587,607	3,351,494	236,113	-	-	-	-
Culture and Recreation	15,566,296	16,569,603	16,200,679	368,924	-	-	-	-
Housing and Economic Development	-	-	-	-	3,500,000	3,500,000	2,549,785	950,215
Capital Outlay	6,966,573	7,521,552	3,728,057	3,793,495	-	-	-	-
Debt Service								
Bond Principal	-	-	-	-	31,308,795	52,129,795	51,137,795	992,000
Other Debt Principal	-	-	-	-	4,468,987	4,994,378	6,027,598	(1,033,220)
Prepayment Penalty-Early Debt Retirement	-	-	-	-	5,000	5,000	-	5,000
Interest - Bonds	-	-	-	-	19,988,506	20,362,572	18,258,462	2,104,110
Interest - Other Debt	136,702	39,967	92,773	(52,806)	1,836,037	1,492,503	1,337,347	155,156
Bond Issuance Costs	-	-	-	-	-	610,221	297,017	313,204
Total Expenditures	72,679,823	78,399,420	67,285,353	11,114,067	61,994,515	83,981,659	81,589,597	2,392,062
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,509,545)	(4,784,328)	(1,809,845)	2,974,483	(21,874,979)	(40,167,013)	(45,808,818)	(5,641,805)
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	3,141,508	3,193,758	2,610,180	(583,578)	35,737,819	35,919,676	49,939,230	14,019,554
Transfers Out	(3,459,708)	(3,805,716)	(3,351,762)	453,954	(12,203,080)	(12,203,080)	(27,602,002)	(15,398,922)
Bonds Issued	-	-	-	-	-	17,250,000	15,790,000	(1,460,000)
Premium on Bonds Issued	-	-	-	-	-	-	1,095,330	1,095,330
Sale of Capital Assets	-	-	3,123	3,123	-	-	-	-
Capital Lease	2,500,000	2,600,000	2,700,000	100,000	-	-	-	-
Total Other Financing Sources (Uses)	2,181,800	1,988,042	1,961,541	(26,501)	23,534,739	40,966,596	39,222,558	(1,744,038)
Net Change in Fund Balances	(2,327,745)	(2,796,286)	151,696	2,947,982	1,659,760	799,583	(6,586,260)	(7,385,843)
FUND BALANCES, January 1 - Restated	21,135,112	21,135,112	21,135,112	-	49,482,187	49,482,187	49,482,187	-
FUND BALANCES, December 31	18,807,367	18,338,826	21,286,808	2,947,982	51,141,947	50,281,770	42,895,927	(7,385,843)

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, 2012

Schedule 7

	Permanent				Total			
	Budgeted Amounts		Actual Amount	Variance With Final Budget	Budgeted Amounts		Actual Amount	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes								
Property Taxes								
Current Taxpayer	-	-	-	-	10,424,317	10,424,317	10,539,405	115,088
Current Tax Increment	-	-	-	-	11,160,051	11,160,051	10,711,066	(448,985)
Delinquent Taxpayer	-	-	-	-	100,000	100,000	(43,974)	(143,974)
Delinquent Tax Increment	-	-	-	-	-	-	45,869	45,869
Total Property Taxes	-	-	-	-	21,684,368	21,684,368	21,252,366	(432,002)
City Sales Tax	-	-	-	-	3,250,247	3,250,247	-	(3,250,247)
Hotel-Motel Tax	-	-	-	-	1,467,063	1,467,063	1,538,047	70,984
Total Taxes	-	-	-	-	26,401,678	26,401,678	22,790,413	(3,611,265)
Licenses and Permits	-	-	-	-	322,200	322,200	629,695	307,495
Intergovernmental Revenue	-	-	-	-	17,961,602	22,597,214	14,952,102	(7,645,112)
Fees, Sales and Services	-	-	-	-	21,671,711	21,843,385	21,103,930	(739,455)
Assessments	-	-	-	-	29,144,838	32,869,948	29,400,367	(3,469,581)
Investment Income								
Interest Earned on Investments	2,000	2,000	2,582	582	1,752,016	1,752,016	2,125,684	373,668
Increase (Decrease) in Fair Value of Investments	-	-	57	57	-	-	(528,504)	(528,504)
Interest Earned - Other	-	-	-	-	18,939	18,939	18,939	-
Miscellaneous Revenue - Other	-	-	-	-	11,018,830	11,626,358	10,766,300	(860,058)
Total Revenues	2,000	2,000	2,639	639	108,291,814	117,431,738	101,258,926	(16,172,812)
<b>EXPENDITURES</b>								
Current								
General Government	-	-	-	-	3,787,556	3,803,788	4,960,353	(1,156,565)
Public Safety	-	-	-	-	17,619,662	21,686,476	15,330,885	6,355,591
Highways and Streets	-	-	-	-	21,799,139	21,829,139	21,463,635	365,504
Sanitation	-	-	-	-	4,103,478	4,248,478	4,139,070	109,408
Health	-	-	-	-	3,587,607	3,587,607	3,351,494	236,113
Culture and Recreation	2,000	2,000	-	2,000	15,568,296	16,571,603	16,200,679	370,924
Housing and Economic Development	-	-	-	-	3,500,000	3,500,000	2,549,785	950,215
Capital Outlay	-	-	-	-	6,966,573	7,521,552	3,728,057	3,793,495
Debt Service								
Bond Principal	-	-	-	-	31,308,795	52,129,795	51,137,795	992,000
Other Debt Principal	-	-	-	-	4,468,987	4,994,378	6,027,598	(1,033,220)
Prepayment Penalty-Early Debt Retirement	-	-	-	-	5,000	5,000	-	5,000
Interest - Bonds	-	-	-	-	19,988,506	20,362,572	18,258,462	2,104,110
Interest - Other Debt	-	-	-	-	1,972,739	1,532,470	1,430,120	102,350
Bond Issuance Costs	-	-	-	-	-	610,221	297,017	313,204
Total Expenditures	2,000	2,000	-	2,000	134,676,338	162,383,079	148,874,950	13,508,129
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	2,639	2,639	(26,384,524)	(44,951,341)	(47,616,024)	(2,664,683)
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	-	-	-	38,879,327	39,113,434	52,549,410	13,435,976
Transfers Out	-	-	-	-	(15,662,788)	(16,008,796)	(30,953,764)	(14,944,968)
Bonds Issued	-	-	-	-	-	17,250,000	15,790,000	(1,460,000)
Premium on Bonds Issued	-	-	-	-	-	-	1,095,330	1,095,330
Sale of Capital Assets	-	-	-	-	-	-	3,123	3,123
Capital Lease	-	-	-	-	2,500,000	2,600,000	2,700,000	100,000
Total Other Financing Sources (Uses)	-	-	-	-	25,716,539	42,954,638	41,184,099	(1,770,539)
Net Change in Fund Balances	-	-	2,639	2,639	(667,985)	(1,996,703)	(6,431,925)	(4,435,222)
FUND BALANCES, January 1 - Restated	80,577	80,577	80,577	-	70,697,876	70,697,876	70,697,876	-
FUND BALANCES, December 31	80,577	80,577	83,216	2,639	70,029,891	68,701,173	64,265,951	(4,435,222)

City of Saint Paul, Minnesota  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 December 31, 2012

Schedule 8

	Special Projects - General Government	Citywide Major Events	Media Services	Charitable Gambling Enforcement	Emergency Communications Center Consolidation	Special Projects Police	Fire Responsive Services	Right of Way Maintenance
<b>ASSETS</b>								
Cash and Investments with Treasurer	567,938	9	282,764	108,674	-	3,090,366	-	2,925,322
Cash and Investments with Trustees	-	-	-	-	-	1,350,000	1,350,000	-
Imprest Funds	-	-	-	1,500	-	62,000	-	-
Receivables								
Accounts (net of allowance for estimated uncollectible)	2,470	-	-	-	-	114,335	29,831	118,648
Assessments	-	-	-	-	-	-	-	14,572,090
Notes and Loans	-	-	-	-	-	-	-	-
Accrued Interest	-	-	-	-	-	18,529	-	-
Due from Other Funds	13,547	25,421	-	-	1,307	12,765	-	132,781
Due from Component Units	53,819	-	-	-	-	-	-	-
Due from Other Governmental Units	604,605	4,127	-	-	1,029,106	1,274,845	1,292,471	1,312,219
Land Held for Resale	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>1,242,379</b>	<b>29,557</b>	<b>282,764</b>	<b>110,174</b>	<b>1,030,413</b>	<b>5,922,840</b>	<b>2,672,302</b>	<b>19,061,060</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>								
<b>Liabilities</b>								
Accrued Salaries Payable	13,021	-	-	2,458	170,548	74,562	28,263	269,094
Accounts Payable	480,578	-	132	-	-	65,558	44,474	252,433
Due to Other Funds	-	29,557	-	10,000	874,133	494,330	364,656	3,364,286
Due to Component Units	-	-	-	-	-	-	-	-
Due to Other Governmental Units	-	-	-	-	-	71,601	-	-
Advance from Other Funds	-	-	-	-	-	-	-	183,223
Unearned Revenue	-	-	-	-	-	1,190,980	-	-
<b>Total Liabilities</b>	<b>493,599</b>	<b>29,557</b>	<b>132</b>	<b>12,458</b>	<b>1,044,681</b>	<b>1,897,031</b>	<b>437,393</b>	<b>4,069,036</b>
<b>Deferred Inflows of Resources</b>								
Unavailable Revenue	395,035	-	-	-	-	478,889	-	3,014,960
<b>Fund Balance</b>								
Restricted	-	-	12,254	-	-	3,073,246	1,338,807	926,515
Committed	-	-	270,378	26,275	-	411,674	276,978	-
Assigned	353,745	-	-	71,441	-	62,000	619,124	11,050,549
Unassigned	-	-	-	-	(14,268)	-	-	-
<b>Total Fund Balances</b>	<b>353,745</b>	<b>-</b>	<b>282,632</b>	<b>97,716</b>	<b>(14,268)</b>	<b>3,546,920</b>	<b>2,234,909</b>	<b>11,977,064</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>1,242,379</b>	<b>29,557</b>	<b>282,764</b>	<b>110,174</b>	<b>1,030,413</b>	<b>5,922,840</b>	<b>2,672,302</b>	<b>19,061,060</b>

continued

City of Saint Paul, Minnesota  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 December 31, 2012

Schedule 8

	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
<b>ASSETS</b>									
Cash and Investments with Treasurer	320,108	886,515	-	-	-	-	217,338	575,350	132,420
Cash and Investments with Trustees	-	-	-	-	-	-	-	-	-
Imprest Funds	-	-	-	-	-	300	120	100	-
Receivables									
Accounts (net of allowance for estimated uncollectible)	-	25	-	41,379	-	51,487	64,756	1,405	-
Assessments	9,451	4,058,868	-	-	-	-	-	-	-
Notes and Loans	-	260,464	-	-	-	-	-	-	-
Accrued Interest	-	-	-	-	-	-	-	2,860	981
Due from Other Funds	-	-	-	-	1,001,714	-	-	-	-
Due from Component Units	-	-	-	-	-	-	-	-	-
Due from Other Governmental Units	304	77,964	330,114	-	-	4,292	-	-	-
Land Held for Resale	-	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>329,863</b>	<b>5,283,836</b>	<b>330,114</b>	<b>41,379</b>	<b>1,001,714</b>	<b>56,079</b>	<b>282,214</b>	<b>579,715</b>	<b>133,401</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>									
<b>Liabilities</b>									
Accrued Salaries Payable	-	2,697	99,857	2,872	85,752	92,196	90,339	7,427	-
Accounts Payable	38	41,055	-	4,594	2,396	30,225	54,229	1,414	-
Due to Other Funds	38,751	-	176,760	265,346	2,117,934	2,042,945	13,735	75	-
Due to Component Units	-	-	-	-	-	2,148	-	-	-
Due to Other Governmental Units	-	-	-	-	-	-	-	-	-
Advance from Other Funds	-	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>38,789</b>	<b>43,752</b>	<b>276,617</b>	<b>272,812</b>	<b>2,206,082</b>	<b>2,167,514</b>	<b>158,303</b>	<b>8,916</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>									
Unavailable Revenue	9,451	4,058,868	-	-	-	11,100	-	790	271
<b>Fund Balance</b>									
Restricted	281,623	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	17,728	212,525	-
Assigned	-	1,181,216	53,497	-	-	-	106,183	357,484	133,130
Unassigned	-	-	-	(231,433)	(1,204,368)	(2,122,535)	-	-	-
<b>Total Fund Balances</b>	<b>281,623</b>	<b>1,181,216</b>	<b>53,497</b>	<b>(231,433)</b>	<b>(1,204,368)</b>	<b>(2,122,535)</b>	<b>123,911</b>	<b>570,009</b>	<b>133,130</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>329,863</b>	<b>5,283,836</b>	<b>330,114</b>	<b>41,379</b>	<b>1,001,714</b>	<b>56,079</b>	<b>282,214</b>	<b>579,715</b>	<b>133,401</b>

continued

City of Saint Paul, Minnesota  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 December 31, 2012

Schedule 8

	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	Total Nonmajor Special Revenue Funds
<b>ASSETS</b>									
Cash and Investments with Treasurer	817,612	240,053	1,466,756	978,176	439,892	114,489	-	334,752	13,498,534
Cash and Investments with Trustees	-	-	-	-	-	-	-	-	2,700,000
Imprest Funds	-	-	-	-	-	-	-	-	64,020
Receivables									
Accounts (net of allowance for estimated uncollectible)	6,679	534	363	424,996	-	-	-	814	857,722
Assessments	-	-	-	-	-	-	-	-	18,640,409
Notes and Loans	-	-	-	-	-	3,300,697	120,015	3,727,730	7,408,906
Accrued Interest	1,340	441	-	-	2,593	19,182	758	100,831	147,515
Due from Other Funds	-	-	97,160	-	-	-	-	-	1,284,695
Due from Component Units	-	-	-	-	-	-	-	-	53,819
Due from Other Governmental Units	-	-	89,101	42,993	-	682,157	6,100,884	343,659	13,188,841
Land Held for Resale	-	-	-	-	-	2,974,533	5,387,759	-	8,362,292
<b>TOTAL ASSETS</b>	<b>825,631</b>	<b>241,028</b>	<b>1,653,380</b>	<b>1,446,165</b>	<b>442,485</b>	<b>7,091,058</b>	<b>11,609,416</b>	<b>4,507,786</b>	<b>66,206,753</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>									
<b>Liabilities</b>									
Accrued Salaries Payable	-	-	31,236	3,629	-	-	-	-	973,951
Accounts Payable	-	-	54,731	167,641	332	266,878	256,502	118,746	1,841,956
Due to Other Funds	-	53	36,682	-	-	529,768	2,855,962	15,346	13,230,319
Due to Component Units	-	-	-	-	-	-	-	-	2,148
Due to Other Governmental Units	-	-	-	-	-	-	30,071	-	101,672
Advance from Other Funds	-	-	-	-	-	-	1,750,000	-	1,933,223
Unearned Revenue	-	-	247,143	-	-	6,294,412	5,709,145	4,373,694	17,815,374
<b>Total Liabilities</b>	<b>-</b>	<b>53</b>	<b>369,792</b>	<b>171,270</b>	<b>332</b>	<b>7,091,058</b>	<b>10,601,680</b>	<b>4,507,786</b>	<b>35,898,643</b>
<b>Deferred Inflows of Resources</b>									
Unavailable Revenue	370	122	-	42,993	717	-	-	-	8,013,566
<b>Fund Balance</b>									
Restricted	825,261	-	1,055,089	-	-	-	1,007,736	-	8,520,531
Committed	-	-	228,499	24,290	-	-	-	-	1,468,347
Assigned	-	240,853	-	1,207,612	441,436	-	-	-	15,878,270
Unassigned	-	-	-	-	-	-	-	-	(3,572,604)
<b>Total Fund Balances</b>	<b>825,261</b>	<b>240,853</b>	<b>1,283,588</b>	<b>1,231,902</b>	<b>441,436</b>	<b>-</b>	<b>1,007,736</b>	<b>-</b>	<b>22,294,544</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>825,631</b>	<b>241,028</b>	<b>1,653,380</b>	<b>1,446,165</b>	<b>442,485</b>	<b>7,091,058</b>	<b>11,609,416</b>	<b>4,507,786</b>	<b>66,206,753</b>

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, 2012

Schedule 9

	Special Projects - General Government	Citywide Major Events	Media Services	Charitable Gambling Enforcement	Emergency Communications Center Consolidation	Special Projects Police	Fire Responsive Services	Right of Way Maintenance
<b>REVENUES</b>								
<b>Taxes</b>								
Hotel-Motel Tax	1,515,037	-	-	-	-	-	-	-
<b>Total Taxes</b>	<b>1,515,037</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Licenses and Permits	-	-	-	115,062	-	247,003	-	-
Intergovernmental Revenue	333,420	1,576	-	-	-	3,779,839	2,964,337	3,387,203
Fees, Sales and Services	-	-	-	-	5,451,242	1,864,069	197,857	2,110,866
Assessments	-	-	-	-	-	-	-	17,980,363
<b>Investment Income</b>								
Interest Earned on Investments	509,614	-	-	-	-	103,018	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	(13,458)	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-
<b>Miscellaneous Revenue</b>								
Program Income	-	-	-	-	-	-	-	-
Other	215,419	-	105,070	-	-	880,049	116,245	1,886
<b>Total Revenues</b>	<b>2,573,490</b>	<b>1,576</b>	<b>105,070</b>	<b>115,062</b>	<b>5,451,242</b>	<b>6,860,520</b>	<b>3,278,439</b>	<b>23,480,318</b>
<b>EXPENDITURES</b>								
<b>Current</b>								
General Government	2,751,263	1,576	137,936	87,985	-	-	-	-
Public Safety	-	-	-	-	5,436,874	7,054,293	2,839,718	-
Highways and Streets	-	-	-	-	-	-	-	21,229,562
Sanitation	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Housing and Economic Development	-	-	-	-	-	-	-	-
Capital Outlay	40,236	-	252,414	-	-	1,143,437	1,217,298	343,592
<b>Debt Service</b>								
Interest - Other Debt	-	-	-	-	-	-	-	92,773
<b>Total Expenditures</b>	<b>2,791,499</b>	<b>1,576</b>	<b>390,350</b>	<b>87,985</b>	<b>5,436,874</b>	<b>8,197,730</b>	<b>4,057,016</b>	<b>21,665,927</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(218,009)</b>	<b>-</b>	<b>(285,280)</b>	<b>27,077</b>	<b>14,368</b>	<b>(1,337,210)</b>	<b>(778,577)</b>	<b>1,814,391</b>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	-	-	-	-	634,852	-	1,004,490
Transfers Out	(3,987)	-	-	(11,599)	(14,368)	(182,558)	(3,910)	(2,001,414)
Sale of Capital Assets	-	-	-	-	-	-	-	3,123
Capital Lease	-	-	-	-	-	1,350,000	1,350,000	-
<b>Total Other Financing Sources (Uses)</b>	<b>(3,987)</b>	<b>-</b>	<b>-</b>	<b>(11,599)</b>	<b>(14,368)</b>	<b>1,802,294</b>	<b>1,346,090</b>	<b>(993,801)</b>
<b>Net Change in Fund Balances</b>	<b>(221,996)</b>	<b>-</b>	<b>(285,280)</b>	<b>15,478</b>	<b>-</b>	<b>465,084</b>	<b>567,513</b>	<b>820,590</b>
<b>FUND BALANCES, January 1 - Restated</b>	<b>575,741</b>	<b>-</b>	<b>567,912</b>	<b>82,238</b>	<b>(14,268)</b>	<b>3,081,836</b>	<b>1,667,396</b>	<b>11,156,474</b>
<b>FUND BALANCES, December 31</b>	<b>353,745</b>	<b>-</b>	<b>282,632</b>	<b>97,716</b>	<b>(14,268)</b>	<b>3,546,920</b>	<b>2,234,909</b>	<b>11,977,064</b>

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, 2012

Schedule 9

	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
<b>REVENUES</b>									
<b>Taxes</b>									
Hotel-Motel Tax	-	-	-	-	-	-	-	-	-
<b>Total Taxes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Licenses and Permits	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	600,383	-	-	5,958	246,705	-	-	-
Fees, Sales and Services	-	-	3,351,494	332,557	58,112	1,137,792	1,927,311	628,323	9,595
Assessments	278,413	3,651,234	-	-	4,006,855	-	-	-	-
<b>Investment Income</b>									
Interest Earned on Investments	-	-	-	-	-	-	-	13,246	5,481
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	1,867	(218)
Interest Earned - Other	-	18,939	-	-	-	-	-	-	-
<b>Miscellaneous Revenue</b>									
Program Income	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	1,977,704	19,838	8,096	-
<b>Total Revenues</b>	<b>278,413</b>	<b>4,270,556</b>	<b>3,351,494</b>	<b>332,557</b>	<b>4,070,925</b>	<b>3,362,201</b>	<b>1,947,149</b>	<b>651,532</b>	<b>14,858</b>
<b>EXPENDITURES</b>									
<b>Current</b>									
General Government	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-
Highways and Streets	234,073	-	-	-	-	-	-	-	-
Sanitation	-	4,139,070	-	-	-	-	-	-	-
Health	-	-	3,351,494	-	-	-	-	-	-
Culture and Recreation	-	-	-	457,848	4,497,504	4,280,656	1,961,333	582,693	56,259
Housing and Economic Development	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	48,309	-	-	-	-
<b>Debt Service</b>									
Interest - Other Debt	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>234,073</b>	<b>4,139,070</b>	<b>3,351,494</b>	<b>457,848</b>	<b>4,545,813</b>	<b>4,280,656</b>	<b>1,961,333</b>	<b>582,693</b>	<b>56,259</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>44,340</b>	<b>131,486</b>	<b>-</b>	<b>(125,291)</b>	<b>(474,888)</b>	<b>(918,455)</b>	<b>(14,184)</b>	<b>68,839</b>	<b>(41,401)</b>
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers In	-	7,191	-	43,261	64,042	407,489	-	-	-
Transfers Out	(1,645)	(276,000)	-	-	(21,380)	(106,832)	(33,095)	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-
Capital Lease	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(1,645)</b>	<b>(268,809)</b>	<b>-</b>	<b>43,261</b>	<b>42,662</b>	<b>300,657</b>	<b>(33,095)</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>42,695</b>	<b>(137,323)</b>	<b>-</b>	<b>(82,030)</b>	<b>(432,226)</b>	<b>(617,798)</b>	<b>(47,279)</b>	<b>68,839</b>	<b>(41,401)</b>
<b>FUND BALANCES, January 1 - Restated</b>	<b>238,928</b>	<b>1,318,539</b>	<b>53,497</b>	<b>(149,403)</b>	<b>(772,142)</b>	<b>(1,504,737)</b>	<b>171,190</b>	<b>501,170</b>	<b>174,531</b>
<b>FUND BALANCES, December 31</b>	<b>281,623</b>	<b>1,181,216</b>	<b>53,497</b>	<b>(231,433)</b>	<b>(1,204,368)</b>	<b>(2,122,535)</b>	<b>123,911</b>	<b>570,009</b>	<b>133,130</b>

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, 2012

	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	Total Nonmajor Special Revenue Funds
<b>REVENUES</b>									
<b>Taxes</b>									
Hotel-Motel Tax	-	-	-	-	-	-	-	-	1,515,037
<b>Total Taxes</b>	-	-	-	-	-	-	-	-	1,515,037
Licenses and Permits	267,630	-	-	-	-	-	-	-	629,695
Intergovernmental Revenue	-	-	2,755,963	183,365	-	10,308,097	13,515,255	5,284,609	43,366,710
Fees, Sales and Services	13,179	-	13,407	376,925	-	-	1,962,896	-	19,435,625
Assessments	-	-	-	-	-	-	-	-	25,916,865
<b>Investment Income</b>									
Interest Earned on Investments	7,236	2,438	-	-	14,067	-	4,204	-	659,304
Increase (Decrease) in Fair Value of Investments	176	(23)	-	-	(515)	-	(1,394)	-	(13,565)
Interest Earned - Other	-	-	-	-	-	-	-	28,766	47,705
<b>Miscellaneous Revenue</b>									
Program Income	-	-	-	-	-	466,908	-	-	466,908
Other	2,100	52,851	819,752	821,555	-	-	657,509	533,067	6,211,141
<b>Total Revenues</b>	<b>290,321</b>	<b>55,266</b>	<b>3,589,122</b>	<b>1,381,845</b>	<b>13,552</b>	<b>10,775,005</b>	<b>16,138,470</b>	<b>5,846,442</b>	<b>98,235,425</b>
<b>EXPENDITURES</b>									
<b>Current</b>									
General Government	-	-	-	-	-	-	-	-	2,978,760
Public Safety	-	-	-	-	-	-	-	-	15,330,885
Highways and Streets	-	-	-	-	-	-	-	-	21,463,635
Sanitation	-	-	-	-	-	-	-	-	4,139,070
Health	-	-	-	-	-	-	-	-	3,351,494
Culture and Recreation	-	113,780	2,700,348	1,533,606	16,652	-	-	-	16,200,679
Housing and Economic Development	-	-	-	-	-	9,659,714	16,256,070	5,855,768	31,771,552
Capital Outlay	-	-	464,783	217,988	-	-	-	-	3,728,057
<b>Debt Service</b>									
Interest - Other Debt	-	-	-	-	-	-	-	-	92,773
<b>Total Expenditures</b>	<b>-</b>	<b>113,780</b>	<b>3,165,131</b>	<b>1,751,594</b>	<b>16,652</b>	<b>9,659,714</b>	<b>16,256,070</b>	<b>5,855,768</b>	<b>99,056,905</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>290,321</b>	<b>(58,514)</b>	<b>423,991</b>	<b>(369,749)</b>	<b>(3,100)</b>	<b>1,115,291</b>	<b>(117,600)</b>	<b>(9,326)</b>	<b>(821,480)</b>
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers In	-	15,000	433,855	-	-	155,389	-	9,326	2,774,895
Transfers Out	-	-	(694,974)	-	-	(1,270,680)	-	-	(4,622,442)
Sale of Capital Assets	-	-	-	-	-	-	-	-	3,123
Capital Lease	-	-	-	-	-	-	-	-	2,700,000
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>15,000</b>	<b>(261,119)</b>	<b>-</b>	<b>-</b>	<b>(1,115,291)</b>	<b>-</b>	<b>9,326</b>	<b>855,576</b>
<b>Net Change in Fund Balances</b>	<b>290,321</b>	<b>(43,514)</b>	<b>162,872</b>	<b>(369,749)</b>	<b>(3,100)</b>	<b>-</b>	<b>(117,600)</b>	<b>-</b>	<b>34,096</b>
<b>FUND BALANCES, January 1 - Restated</b>	<b>534,940</b>	<b>284,367</b>	<b>1,120,716</b>	<b>1,601,651</b>	<b>444,536</b>	<b>-</b>	<b>1,125,336</b>	<b>-</b>	<b>22,260,448</b>
<b>FUND BALANCES, December 31</b>	<b>825,261</b>	<b>240,853</b>	<b>1,283,588</b>	<b>1,231,902</b>	<b>441,436</b>	<b>-</b>	<b>1,007,736</b>	<b>-</b>	<b>22,294,544</b>

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, 2012

Schedule 10

	Special Projects - General Government				Citywide Major Events				Media Services			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final			Original	Final		
<b>REVENUES</b>												
Taxes												
Hotel-Motel Tax	1,467,063	1,467,063	1,515,037	47,974	-	-	-	-	-	-	-	-
Total Taxes	1,467,063	1,467,063	1,515,037	47,974	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	317,598	317,598	333,420	15,822	-	-	1,576	1,576	-	-	-	-
Fees, Sales and Services	-	-	-	-	-	-	-	-	-	-	-	-
Assessments	-	-	-	-	-	-	-	-	-	-	-	-
Investment Income												
Interest Earned on Investments	450,000	450,000	509,614	59,614	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	219,464	224,464	215,419	(9,045)	-	-	-	-	103,500	103,500	105,070	1,570
<b>Total Revenues</b>	<b>2,454,125</b>	<b>2,459,125</b>	<b>2,573,490</b>	<b>114,365</b>	<b>-</b>	<b>-</b>	<b>1,576</b>	<b>1,576</b>	<b>103,500</b>	<b>103,500</b>	<b>105,070</b>	<b>1,570</b>
<b>EXPENDITURES</b>												
Current												
General Government	2,606,585	2,622,817	2,751,263	(128,446)	-	-	1,576	(1,576)	193,163	193,163	137,936	55,227
Public Safety	-	-	-	-	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-	-	-	-	-
Capital Outlay	62,283	62,283	40,236	22,047	-	-	-	-	215,500	243,500	252,414	(8,914)
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>2,668,868</b>	<b>2,685,100</b>	<b>2,791,499</b>	<b>(106,399)</b>	<b>-</b>	<b>-</b>	<b>1,576</b>	<b>(1,576)</b>	<b>408,663</b>	<b>436,663</b>	<b>390,350</b>	<b>46,313</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(214,743)	(225,975)	(218,009)	7,966	-	-	-	-	(305,163)	(333,163)	(285,280)	47,883
<b>OTHER FINANCING SOURCES (USES)</b>												
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	(2,488)	(2,488)	(3,987)	(1,499)	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-	-	-
Capital Lease	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(2,488)</b>	<b>(2,488)</b>	<b>(3,987)</b>	<b>(1,499)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(217,231)</b>	<b>(228,463)</b>	<b>(221,996)</b>	<b>6,467</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(305,163)</b>	<b>(333,163)</b>	<b>(285,280)</b>	<b>47,883</b>
<b>FUND BALANCES, January 1 - Restated</b>	<b>575,741</b>	<b>575,741</b>	<b>575,741</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>567,912</b>	<b>567,912</b>	<b>567,912</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>358,510</b>	<b>347,278</b>	<b>353,745</b>	<b>6,467</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>262,749</b>	<b>234,749</b>	<b>282,632</b>	<b>47,883</b>

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, 2012

Schedule 10

	Charitable Gambling Enforcement				Emergency Communications Center Consolidation				Special Projects Police			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final			Original	Final		
<b>REVENUES</b>												
Taxes												
Hotel-Motel Tax	-	-	-	-	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-	-	-	-	-
Licenses and Permits	112,200	112,200	115,062	2,862	-	-	-	-	210,000	210,000	247,003	37,003
Intergovernmental Revenue	-	-	-	-	-	-	-	-	5,095,984	5,984,166	3,779,839	(2,204,327)
Fees, Sales and Services	-	-	-	-	5,243,100	5,243,100	5,451,242	208,142	2,431,888	2,602,762	1,864,069	(738,693)
Assessments	-	-	-	-	-	-	-	-	-	-	-	-
Investment Income												
Interest Earned on Investments	-	-	-	-	-	-	-	-	56,000	56,000	103,018	47,018
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-	-	-	(13,458)	(13,458)
Interest Earned - Other	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	-	-	-	-	-	-	-	-	679,092	698,420	880,049	181,629
<b>Total Revenues</b>	<b>112,200</b>	<b>112,200</b>	<b>115,062</b>	<b>2,862</b>	<b>5,243,100</b>	<b>5,243,100</b>	<b>5,451,242</b>	<b>208,142</b>	<b>8,472,964</b>	<b>9,551,348</b>	<b>6,860,520</b>	<b>(2,690,828)</b>
<b>EXPENDITURES</b>												
Current												
General Government	100,618	100,618	87,985	12,633	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	5,243,100	5,243,100	5,436,874	(193,774)	8,924,941	9,914,575	7,054,293	2,860,282
Highways and Streets	-	-	-	-	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	1,391,800	1,659,200	1,143,437	515,763
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>100,618</b>	<b>100,618</b>	<b>87,985</b>	<b>12,633</b>	<b>5,243,100</b>	<b>5,243,100</b>	<b>5,436,874</b>	<b>(193,774)</b>	<b>10,316,741</b>	<b>11,573,775</b>	<b>8,197,730</b>	<b>3,376,045</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	11,582	11,582	27,077	15,495	-	-	14,368	14,368	(1,843,777)	(2,022,427)	(1,337,210)	685,217
<b>OTHER FINANCING SOURCES (USES)</b>												
Transfers In	-	-	-	-	-	-	-	-	720,438	772,688	634,852	(137,836)
Transfers Out	(11,582)	(11,582)	(11,599)	(17)	-	-	(14,368)	(14,368)	(326,252)	(326,252)	(182,558)	143,694
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-	-	-
Capital Lease	-	-	-	-	-	-	-	-	1,150,000	1,250,000	1,350,000	100,000
<b>Total Other Financing Sources (Uses)</b>	<b>(11,582)</b>	<b>(11,582)</b>	<b>(11,599)</b>	<b>(17)</b>	<b>-</b>	<b>-</b>	<b>(14,368)</b>	<b>(14,368)</b>	<b>1,544,186</b>	<b>1,696,436</b>	<b>1,802,294</b>	<b>105,858</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>15,478</b>	<b>15,478</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(299,591)</b>	<b>(325,991)</b>	<b>465,084</b>	<b>791,075</b>
<b>FUND BALANCES, January 1 - Restated</b>	<b>82,238</b>	<b>82,238</b>	<b>82,238</b>	<b>-</b>	<b>(14,268)</b>	<b>(14,268)</b>	<b>(14,268)</b>	<b>-</b>	<b>3,081,836</b>	<b>3,081,836</b>	<b>3,081,836</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>82,238</b>	<b>82,238</b>	<b>97,716</b>	<b>15,478</b>	<b>(14,268)</b>	<b>(14,268)</b>	<b>(14,268)</b>	<b>-</b>	<b>2,782,245</b>	<b>2,755,845</b>	<b>3,546,920</b>	<b>791,075</b>

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, 2012

Schedule 10

	Fire Responsive Services				Right of Way Maintenance				Lighting Maintenance Assessment Districts			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final			Original	Final		
<b>REVENUES</b>												
Taxes												
Hotel-Motel Tax	-	-	-	-	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	4,580,514	7,645,737	2,964,337	(4,681,400)	3,376,009	3,376,009	3,387,203	11,194	-	-	-	-
Fees, Sales and Services	32,000	32,800	197,857	165,057	1,888,000	1,888,000	2,110,866	222,866	-	-	-	-
Assessments	-	-	-	-	17,897,626	17,897,626	17,980,363	82,737	205,000	235,000	278,413	43,413
Investment Income												
Interest Earned on Investments	-	-	-	-	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	63,200	138,800	116,245	(22,555)	39,400	39,400	1,886	(37,514)	-	-	-	-
<b>Total Revenues</b>	<b>4,675,714</b>	<b>7,817,337</b>	<b>3,278,439</b>	<b>(4,538,898)</b>	<b>23,201,035</b>	<b>23,201,035</b>	<b>23,480,318</b>	<b>279,283</b>	<b>205,000</b>	<b>235,000</b>	<b>278,413</b>	<b>43,413</b>
<b>EXPENDITURES</b>												
Current												
General Government	-	-	-	-	-	-	-	-	-	-	-	-
Public Safety	3,451,621	6,528,801	2,839,718	3,689,083	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	21,594,232	21,594,232	21,229,562	364,670	204,907	234,907	234,073	834
Sanitation	-	-	-	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-	-	-	-	-
Capital Outlay	3,670,430	3,745,367	1,217,298	2,528,069	471,839	476,481	343,592	132,889	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	136,702	39,967	92,773	(52,806)	-	-	-	-
<b>Total Expenditures</b>	<b>7,122,051</b>	<b>10,274,168</b>	<b>4,057,016</b>	<b>6,217,152</b>	<b>22,202,773</b>	<b>22,110,680</b>	<b>21,665,927</b>	<b>444,753</b>	<b>204,907</b>	<b>234,907</b>	<b>234,073</b>	<b>834</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,446,337)	(2,456,831)	(778,577)	1,678,254	998,262	1,090,355	1,814,391	724,036	93	93	44,340	44,247
<b>OTHER FINANCING SOURCES (USES)</b>												
Transfers In	-	-	-	-	1,004,490	1,004,490	1,004,490	-	-	-	-	-
Transfers Out	(46,215)	(50,130)	(3,910)	46,220	(1,870,171)	(2,212,264)	(2,001,414)	210,850	(1,645)	(1,645)	(1,645)	-
Sale of Capital Assets	-	-	-	-	-	-	3,123	3,123	-	-	-	-
Capital Lease	1,350,000	1,350,000	1,350,000	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>1,303,785</b>	<b>1,299,870</b>	<b>1,346,090</b>	<b>46,220</b>	<b>(865,681)</b>	<b>(1,207,774)</b>	<b>(993,801)</b>	<b>213,973</b>	<b>(1,645)</b>	<b>(1,645)</b>	<b>(1,645)</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(1,142,552)</b>	<b>(1,156,961)</b>	<b>567,513</b>	<b>1,724,474</b>	<b>132,581</b>	<b>(117,419)</b>	<b>820,590</b>	<b>938,009</b>	<b>(1,552)</b>	<b>(1,552)</b>	<b>42,695</b>	<b>44,247</b>
<b>FUND BALANCES, January 1 - Restated</b>	<b>1,667,396</b>	<b>1,667,396</b>	<b>1,667,396</b>	<b>-</b>	<b>11,156,474</b>	<b>11,156,474</b>	<b>11,156,474</b>	<b>-</b>	<b>238,928</b>	<b>238,928</b>	<b>238,928</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>524,844</b>	<b>510,435</b>	<b>2,234,909</b>	<b>1,724,474</b>	<b>11,289,055</b>	<b>11,039,055</b>	<b>11,977,064</b>	<b>938,009</b>	<b>237,376</b>	<b>237,376</b>	<b>281,623</b>	<b>44,247</b>

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, 2012

Schedule 10

	Solid Waste and Recycling				Special Projects - Division of Health				Municipal Stadium			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final			Original	Final		
<b>REVENUES</b>												
Taxes												
Hotel-Motel Tax	-	-	-	-	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	591,359	701,359	600,383	(100,976)	-	-	-	-	-	-	-	-
Fees, Sales and Services	-	-	-	-	3,587,607	3,587,607	3,351,494	(236,113)	455,893	455,893	332,557	(123,336)
Assessments	3,644,241	3,644,241	3,651,234	6,993	-	-	-	-	-	-	-	-
Investment Income												
Interest Earned on Investments	-	-	-	-	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earned - Other	18,939	18,939	18,939	-	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>4,254,539</b>	<b>4,364,539</b>	<b>4,270,556</b>	<b>(93,983)</b>	<b>3,587,607</b>	<b>3,587,607</b>	<b>3,351,494</b>	<b>(236,113)</b>	<b>455,893</b>	<b>455,893</b>	<b>332,557</b>	<b>(123,336)</b>
<b>EXPENDITURES</b>												
Current												
General Government	-	-	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-	-	-	-	-
Sanitation	4,103,478	4,248,478	4,139,070	109,408	-	-	-	-	-	-	-	-
Health	-	-	-	-	3,587,607	3,587,607	3,351,494	236,113	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-	479,128	479,128	457,848	21,280
Capital Outlay	-	-	-	-	-	-	-	-	14,900	14,900	-	14,900
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>4,103,478</b>	<b>4,248,478</b>	<b>4,139,070</b>	<b>109,408</b>	<b>3,587,607</b>	<b>3,587,607</b>	<b>3,351,494</b>	<b>236,113</b>	<b>494,028</b>	<b>494,028</b>	<b>457,848</b>	<b>36,180</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	151,061	116,061	131,486	15,425	-	-	-	-	(38,135)	(38,135)	(125,291)	(87,156)
<b>OTHER FINANCING SOURCES (USES)</b>												
Transfers In	7,191	7,191	7,191	-	-	-	-	-	43,261	43,261	43,261	-
Transfers Out	(276,000)	(276,000)	(276,000)	-	-	-	-	-	(1,338)	(1,338)	-	1,338
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-	-	-
Capital Lease	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(268,809)</b>	<b>(268,809)</b>	<b>(268,809)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41,923</b>	<b>41,923</b>	<b>43,261</b>	<b>1,338</b>
<b>Net Change in Fund Balances</b>	<b>(117,748)</b>	<b>(152,748)</b>	<b>(137,323)</b>	<b>15,425</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,788</b>	<b>3,788</b>	<b>(82,030)</b>	<b>(85,818)</b>
<b>FUND BALANCES, January 1 - Restated</b>	<b>1,318,539</b>	<b>1,318,539</b>	<b>1,318,539</b>	<b>-</b>	<b>53,497</b>	<b>53,497</b>	<b>53,497</b>	<b>-</b>	<b>(149,403)</b>	<b>(149,403)</b>	<b>(149,403)</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>1,200,791</b>	<b>1,165,791</b>	<b>1,181,216</b>	<b>15,425</b>	<b>53,497</b>	<b>53,497</b>	<b>53,497</b>	<b>-</b>	<b>(145,615)</b>	<b>(145,615)</b>	<b>(231,433)</b>	<b>(85,818)</b>

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, 2012

	Forestry Special				Como Campus				Special Recreation Activities			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final			Original	Final		
<b>REVENUES</b>												
Taxes												
Hotel-Motel Tax	-	-	-	-	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	5,958	5,958	358,000	358,000	246,705	(111,295)	-	-	-	-
Fees, Sales and Services	-	-	58,112	58,112	1,630,905	1,630,905	1,137,792	(493,113)	1,722,795	1,722,795	1,927,311	204,516
Assessments	4,006,855	4,006,855	4,006,855	-	-	-	-	-	-	-	-	-
Investment Income												
Interest Earned on Investments	-	-	-	-	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	-	-	-	-	1,942,330	1,942,330	1,977,704	35,374	-	-	19,838	19,838
<b>Total Revenues</b>	<b>4,006,855</b>	<b>4,006,855</b>	<b>4,070,925</b>	<b>64,070</b>	<b>3,931,235</b>	<b>3,931,235</b>	<b>3,362,201</b>	<b>(569,034)</b>	<b>1,722,795</b>	<b>1,722,795</b>	<b>1,947,149</b>	<b>224,354</b>
<b>EXPENDITURES</b>												
Current												
General Government	-	-	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-	-	-	-
Culture and Recreation	4,547,358	4,547,358	4,497,504	49,854	4,235,294	4,235,294	4,280,656	(45,362)	1,737,896	1,737,896	1,961,333	(223,437)
Capital Outlay	-	-	48,309	(48,309)	21,321	21,321	-	21,321	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>4,547,358</b>	<b>4,547,358</b>	<b>4,545,813</b>	<b>1,545</b>	<b>4,256,615</b>	<b>4,256,615</b>	<b>4,280,656</b>	<b>(24,041)</b>	<b>1,737,896</b>	<b>1,737,896</b>	<b>1,961,333</b>	<b>(223,437)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(540,503)	(540,503)	(474,888)	65,615	(325,380)	(325,380)	(918,455)	(593,075)	(15,101)	(15,101)	(14,184)	917
<b>OTHER FINANCING SOURCES (USES)</b>												
Transfers In	482,174	482,174	64,042	(418,132)	407,489	407,489	407,489	-	-	-	-	-
Transfers Out	(21,380)	(21,380)	(21,380)	-	(106,832)	(106,832)	(106,832)	-	(33,095)	(33,095)	(33,095)	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-	-	-
Capital Lease	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>460,794</b>	<b>460,794</b>	<b>42,662</b>	<b>(418,132)</b>	<b>300,657</b>	<b>300,657</b>	<b>300,657</b>	<b>-</b>	<b>(33,095)</b>	<b>(33,095)</b>	<b>(33,095)</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(79,709)</b>	<b>(79,709)</b>	<b>(432,226)</b>	<b>(352,517)</b>	<b>(24,723)</b>	<b>(24,723)</b>	<b>(617,798)</b>	<b>(593,075)</b>	<b>(48,196)</b>	<b>(48,196)</b>	<b>(47,279)</b>	<b>917</b>
<b>FUND BALANCES, January 1 - Restated</b>	<b>(772,142)</b>	<b>(772,142)</b>	<b>(772,142)</b>	<b>-</b>	<b>(1,504,737)</b>	<b>(1,504,737)</b>	<b>(1,504,737)</b>	<b>-</b>	<b>171,190</b>	<b>171,190</b>	<b>171,190</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>(851,851)</b>	<b>(851,851)</b>	<b>(1,204,368)</b>	<b>(352,517)</b>	<b>(1,529,460)</b>	<b>(1,529,460)</b>	<b>(2,122,535)</b>	<b>(593,075)</b>	<b>122,994</b>	<b>122,994</b>	<b>123,911</b>	<b>917</b>

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, 2012

	Municipal Athletic Programming				Charitable Gambling				Debt - Capital Improvement			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final			Original	Final		
<b>REVENUES</b>												
Taxes												
Hotel-Motel Tax	-	-	-	-	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-	-	-	267,630	267,630
Intergovernmental Revenue	-	-	-	-	-	-	-	-	200,000	200,000	-	(200,000)
Fees, Sales and Services	577,292	577,292	628,323	51,031	20,000	20,000	9,595	(10,405)	-	-	13,179	13,179
Assessments	-	-	-	-	-	-	-	-	-	-	-	-
Investment Income												
Interest Earned on Investments	-	-	13,246	13,246	-	-	5,481	5,481	-	-	7,236	7,236
Increase (Decrease) in Fair Value of Investments	-	-	1,867	1,867	-	-	(218)	(218)	-	-	176	176
Interest Earned - Other	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	4,000	4,000	8,096	4,096	-	-	-	-	-	-	2,100	2,100
<b>Total Revenues</b>	<b>581,292</b>	<b>581,292</b>	<b>651,532</b>	<b>70,240</b>	<b>20,000</b>	<b>20,000</b>	<b>14,858</b>	<b>(5,142)</b>	<b>200,000</b>	<b>200,000</b>	<b>290,321</b>	<b>90,321</b>
<b>EXPENDITURES</b>												
Current												
General Government	-	-	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-	-	-	-
Culture and Recreation	527,033	527,033	582,693	(55,660)	25,000	25,000	56,259	(31,259)	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	200,000	200,000	-	200,000
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>527,033</b>	<b>527,033</b>	<b>582,693</b>	<b>(55,660)</b>	<b>25,000</b>	<b>25,000</b>	<b>56,259</b>	<b>(31,259)</b>	<b>200,000</b>	<b>200,000</b>	<b>-</b>	<b>200,000</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>54,259</b>	<b>54,259</b>	<b>68,839</b>	<b>14,580</b>	<b>(5,000)</b>	<b>(5,000)</b>	<b>(41,401)</b>	<b>(36,401)</b>	<b>-</b>	<b>-</b>	<b>290,321</b>	<b>290,321</b>
<b>OTHER FINANCING SOURCES (USES)</b>												
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-	-	-
Capital Lease	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>54,259</b>	<b>54,259</b>	<b>68,839</b>	<b>14,580</b>	<b>(5,000)</b>	<b>(5,000)</b>	<b>(41,401)</b>	<b>(36,401)</b>	<b>-</b>	<b>-</b>	<b>290,321</b>	<b>290,321</b>
<b>FUND BALANCES, January 1 - Restated</b>	<b>501,170</b>	<b>501,170</b>	<b>501,170</b>	<b>-</b>	<b>174,531</b>	<b>174,531</b>	<b>174,531</b>	<b>-</b>	<b>534,940</b>	<b>534,940</b>	<b>534,940</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>555,429</b>	<b>555,429</b>	<b>570,009</b>	<b>14,580</b>	<b>169,531</b>	<b>169,531</b>	<b>133,130</b>	<b>(36,401)</b>	<b>534,940</b>	<b>534,940</b>	<b>825,261</b>	<b>290,321</b>

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, 2012

	Parks and Recreation Opportunity				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	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final			Original	Final		
<b>REVENUES</b>												
Taxes												
Hotel-Motel Tax	-	-	-	-	-	-	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	3,029,167	3,534,633	2,755,963	(778,670)	153,955	220,696	183,365	(37,331)
Fees, Sales and Services	7,290	7,290	-	(7,290)	29,067	29,067	13,407	(15,660)	465,874	465,874	376,925	(88,949)
Assessments	-	-	-	-	-	-	-	-	-	-	-	-
Investment Income												
Interest Earned on Investments	-	-	2,438	2,438	-	-	-	-	-	-	-	-
Increase (Decrease) in Fair Value of Investments	-	-	(23)	(23)	-	-	-	-	-	-	-	-
Interest Earned - Other	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenue - Other	70,433	70,433	52,851	(17,582)	384,693	399,293	819,752	420,459	781,929	1,274,929	821,555	(453,374)
<b>Total Revenues</b>	<b>77,723</b>	<b>77,723</b>	<b>55,266</b>	<b>(22,457)</b>	<b>3,442,927</b>	<b>3,962,993</b>	<b>3,589,122</b>	<b>(373,871)</b>	<b>1,401,758</b>	<b>1,961,499</b>	<b>1,381,845</b>	<b>(579,654)</b>
<b>EXPENDITURES</b>												
Current												
General Government	-	-	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-	-	-	-
Culture and Recreation	92,724	92,724	113,780	(21,056)	2,548,977	3,087,543	2,700,348	387,195	1,352,870	1,817,611	1,533,606	284,005
Capital Outlay	10,000	10,000	-	10,000	616,500	616,500	464,783	151,717	292,000	472,000	217,988	254,012
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-
Interest - Other Debt	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>102,724</b>	<b>102,724</b>	<b>113,780</b>	<b>(11,056)</b>	<b>3,165,477</b>	<b>3,704,043</b>	<b>3,165,131</b>	<b>538,912</b>	<b>1,644,870</b>	<b>2,289,611</b>	<b>1,751,594</b>	<b>538,017</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(25,001)	(25,001)	(58,514)	(33,513)	277,450	258,950	423,991	165,041	(243,112)	(328,112)	(369,749)	(41,637)
<b>OTHER FINANCING SOURCES (USES)</b>												
Transfers In	-	-	15,000	15,000	476,465	476,465	433,855	(42,610)	-	-	-	-
Transfers Out	-	-	-	-	(762,710)	(762,710)	(694,974)	67,736	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-	-	-
Capital Lease	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>15,000</b>	<b>15,000</b>	<b>(286,245)</b>	<b>(286,245)</b>	<b>(261,119)</b>	<b>25,126</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(25,001)</b>	<b>(25,001)</b>	<b>(43,514)</b>	<b>(18,513)</b>	<b>(8,795)</b>	<b>(27,295)</b>	<b>162,872</b>	<b>190,167</b>	<b>(243,112)</b>	<b>(328,112)</b>	<b>(369,749)</b>	<b>(41,637)</b>
<b>FUND BALANCES, January 1 - Restated</b>	<b>284,367</b>	<b>284,367</b>	<b>284,367</b>	<b>-</b>	<b>1,120,716</b>	<b>1,120,716</b>	<b>1,120,716</b>	<b>-</b>	<b>1,601,651</b>	<b>1,601,651</b>	<b>1,601,651</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>259,366</b>	<b>259,366</b>	<b>240,853</b>	<b>(18,513)</b>	<b>1,111,921</b>	<b>1,093,421</b>	<b>1,283,588</b>	<b>190,167</b>	<b>1,358,539</b>	<b>1,273,539</b>	<b>1,231,902</b>	<b>(41,637)</b>

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, 2012

Schedule 10

	Rella Havens Memorial Fund				Total			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes								
Hotel-Motel Tax	-	-	-	-	1,467,063	1,467,063	1,515,037	47,974
Total Taxes	-	-	-	-	1,467,063	1,467,063	1,515,037	47,974
Licenses and Permits	-	-	-	-	322,200	322,200	629,695	307,495
Intergovernmental Revenue	-	-	-	-	17,702,586	22,338,198	14,258,749	(8,079,449)
Fees, Sales and Services	-	-	-	-	18,091,711	18,263,385	17,472,729	(790,656)
Assessments	-	-	-	-	25,753,722	25,783,722	25,916,865	133,143
Investment Income								
Interest Earned on Investments	20,016	20,016	14,067	(5,949)	526,016	526,016	655,100	129,084
Increase (Decrease) in Fair Value of Investments	-	-	(515)	(515)	-	-	(12,171)	(12,171)
Interest Earned - Other	-	-	-	-	18,939	18,939	18,939	-
Miscellaneous Revenue - Other	-	-	-	-	4,288,041	4,895,569	5,020,565	124,996
<b>Total Revenues</b>	<b>20,016</b>	<b>20,016</b>	<b>13,552</b>	<b>(6,464)</b>	<b>68,170,278</b>	<b>73,615,092</b>	<b>65,475,508</b>	<b>(8,139,584)</b>
<b>EXPENDITURES</b>								
Current								
General Government	-	-	-	-	2,900,366	2,916,598	2,978,760	(62,162)
Public Safety	-	-	-	-	17,619,662	21,686,476	15,330,885	6,355,591
Highways and Streets	-	-	-	-	21,799,139	21,829,139	21,463,635	365,504
Sanitation	-	-	-	-	4,103,478	4,248,478	4,139,070	109,408
Health	-	-	-	-	3,587,607	3,587,607	3,351,494	236,113
Culture and Recreation	20,016	20,016	16,652	3,364	15,566,296	16,569,603	16,200,679	368,924
Capital Outlay	-	-	-	-	6,966,573	7,521,552	3,728,057	3,793,495
Debt Service								
Interest - Other Debt	-	-	-	-	136,702	39,967	92,773	(52,806)
<b>Total Expenditures</b>	<b>20,016</b>	<b>20,016</b>	<b>16,652</b>	<b>3,364</b>	<b>72,679,823</b>	<b>78,399,420</b>	<b>67,285,353</b>	<b>11,114,067</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(3,100)	(3,100)	(4,509,545)	(4,784,328)	(1,809,845)	2,974,483
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	-	-	-	3,141,508	3,193,758	2,610,180	(583,578)
Transfers Out	-	-	-	-	(3,459,708)	(3,805,716)	(3,351,762)	453,954
Sale of Capital Assets	-	-	-	-	-	-	3,123	3,123
Capital Lease	-	-	-	-	2,500,000	2,600,000	2,700,000	100,000
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,181,800</b>	<b>1,988,042</b>	<b>1,961,541</b>	<b>(26,501)</b>
Net Change in Fund Balances	-	-	(3,100)	(3,100)	(2,327,745)	(2,796,286)	151,696	2,947,982
<b>FUND BALANCES, January 1 - Restated</b>	<b>444,536</b>	<b>444,536</b>	<b>444,536</b>	<b>-</b>	<b>21,135,112</b>	<b>21,135,112</b>	<b>21,135,112</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>444,536</b>	<b>444,536</b>	<b>441,436</b>	<b>(3,100)</b>	<b>18,807,367</b>	<b>18,338,826</b>	<b>21,286,808</b>	<b>2,947,982</b>
					<b>FUND BALANCES, Multi-Year Funds</b>	<b>1,007,736</b>		
					<b>FUND BALANCES, December 31</b>	<b>22,294,544</b>		

City of Saint Paul, Minnesota  
**COMBINING BALANCE SHEET**  
**NONMAJOR DEBT SERVICE FUNDS**  
December 31, 2012

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
<b>ASSETS</b>					
Cash and Investments with Treasurer	6,466,645	-	749,208	110,778	7,326,631
Cash and Investments with Trustees	-	6,007,937	-	-	6,007,937
Receivables					
Assessments	14,760,762	-	-	-	14,760,762
Accrued Interest	116,151	20,798	1,310	11	138,270
Due from Other Governmental Units	56,890	-	-	-	56,890
<b>TOTAL ASSETS</b>	<b>21,400,448</b>	<b>6,028,735</b>	<b>750,518</b>	<b>110,789</b>	<b>28,290,490</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Due to Other Funds	-	4,518	-	-	4,518
<b>Deferred Inflows of Resources</b>					
Unavailable Revenue	14,792,862	20,785	362	3	14,814,012
<b>Fund Balance</b>					
Restricted	6,607,586	6,003,432	750,156	110,786	13,471,960
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>21,400,448</b>	<b>6,028,735</b>	<b>750,518</b>	<b>110,789</b>	<b>28,290,490</b>

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, 2012

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
<b>REVENUES</b>					
<b>Taxes</b>					
<b>Property Taxes</b>					
Current Taxpayer	3,958,841	-	995,050	-	4,953,891
Hotel-Motel Tax	-	-	-	23,010	23,010
<b>Total Taxes</b>	<b>3,958,841</b>	<b>-</b>	<b>995,050</b>	<b>23,010</b>	<b>4,976,901</b>
Intergovernmental Revenue	184,934	-	-	-	184,934
Fees, Sales and Services	-	3,500,000	-	-	3,500,000
Assessments	3,483,502	-	-	-	3,483,502
<b>Investment Income</b>					
Interest Earned on Investments	759,315	99,309	6,561	(14,283)	850,902
Increase (Decrease) in Fair Value of Investments	72,383	-	5,778	-	78,161
Miscellaneous Revenue - Other	-	4,174,943	-	396,239	4,571,182
<b>Total Revenues</b>	<b>8,458,975</b>	<b>7,774,252</b>	<b>1,007,389</b>	<b>404,966</b>	<b>17,645,582</b>
<b>EXPENDITURES</b>					
<b>Current</b>					
General Government	-	1,278,586	-	-	1,278,586
<b>Debt Service</b>					
Bond Principal	8,880,000	3,230,000	400,000	-	12,510,000
Other Debt Principal	-	2,000,000	-	2,082,852	4,082,852
Interest - Bonds	3,220,995	4,454,296	495,050	-	8,170,341
Interest - Other Debt	-	370,423	-	293,751	664,174
<b>Total Expenditures</b>	<b>12,100,995</b>	<b>11,333,305</b>	<b>895,050</b>	<b>2,376,603</b>	<b>26,705,953</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(3,642,020)</b>	<b>(3,559,053)</b>	<b>112,339</b>	<b>(1,971,637)</b>	<b>(9,060,371)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	-	12,424,732	-	1,980,365	14,405,097
Transfers Out	-	(9,088,474)	-	-	(9,088,474)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>3,336,258</b>	<b>-</b>	<b>1,980,365</b>	<b>5,316,623</b>
<b>Net Change in Fund Balances</b>	<b>(3,642,020)</b>	<b>(222,795)</b>	<b>112,339</b>	<b>8,728</b>	<b>(3,743,748)</b>
<b>FUND BALANCES, January 1</b>	<b>10,249,606</b>	<b>6,226,227</b>	<b>637,817</b>	<b>102,058</b>	<b>17,215,708</b>
<b>FUND BALANCES, December 31</b>	<b>6,607,586</b>	<b>6,003,432</b>	<b>750,156</b>	<b>110,786</b>	<b>13,471,960</b>

City of Saint Paul, Minnesota  
 COMBINING SCHEDULE OF REVENUES,  
 EXPENDITURES AND CHANGES  
 IN FUND BALANCES

Schedule 13

BUDGET AND ACTUAL - ANNUALLY BUDGETED  
 DEBT SERVICE FUNDS

For the Fiscal Year Ended December 31, 2012

	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		
<b>REVENUES</b>								
Taxes								
Property Taxes								
Current Taxpayer	5,013,128	5,013,128	5,585,514	572,386	-	-	-	-
Current Tax Increment	-	-	-	-	11,160,051	11,160,051	10,711,066	(448,985)
Delinquent Taxpayer	100,000	100,000	(43,974)	(143,974)	-	-	-	-
Delinquent Tax Increment	-	-	-	-	-	-	45,869	45,869
City Sales Tax	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-
<b>Total Taxes</b>	<b>5,113,128</b>	<b>5,113,128</b>	<b>5,541,540</b>	<b>428,412</b>	<b>11,160,051</b>	<b>11,160,051</b>	<b>10,756,935</b>	<b>(403,116)</b>
Intergovernmental Revenue	74,082	74,082	508,419	434,337	-	-	-	-
Fees, Sales and Services	80,000	80,000	131,201	51,201	-	-	-	-
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	145,000	145,000	479,997	334,997	565,000	565,000	137,103	(427,897)
Increase (Decrease) in Fair Value of Investments	-	-	(192,014)	(192,014)	-	-	(402,537)	(402,537)
Miscellaneous Revenue - Other	1,360,981	1,360,981	7	(1,360,974)	848,600	848,600	1,174,546	325,946
<b>Total Revenues</b>	<b>6,773,191</b>	<b>6,773,191</b>	<b>6,469,150</b>	<b>(304,041)</b>	<b>12,573,651</b>	<b>12,573,651</b>	<b>11,666,047</b>	<b>(907,604)</b>
<b>EXPENDITURES</b>								
Current								
General Government	887,190	887,190	703,007	184,183	-	-	-	-
Housing and Economic Development	-	-	-	-	3,500,000	3,500,000	2,549,785	950,215
Debt Service								
Bond Principal	15,880,000	15,880,000	14,500,000	1,380,000	6,393,795	23,534,795	24,127,795	(593,000)
Other Debt Principal	785,000	785,000	1,500,000	(715,000)	250,000	250,000	444,746	(194,746)
Prepayment Penalty - Early Debt Retirement	5,000	5,000	-	5,000	-	-	-	-
Interest - Bonds	3,806,532	3,806,532	3,714,477	92,055	6,316,910	6,675,866	6,373,644	302,222
Interest - Other Debt	762,343	762,343	300,507	461,836	617,006	617,006	372,666	244,340
Bond Issuance Costs	-	-	-	-	-	610,221	297,017	313,204
<b>Total Expenditures</b>	<b>22,126,065</b>	<b>22,126,065</b>	<b>20,717,991</b>	<b>1,408,074</b>	<b>17,077,711</b>	<b>35,187,888</b>	<b>34,165,653</b>	<b>1,022,235</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(15,352,874)	(15,352,874)	(14,248,841)	1,104,033	(4,504,060)	(22,614,237)	(22,499,606)	114,631
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	12,995,718	12,995,718	13,928,900	933,182	20,851,426	20,851,426	21,605,233	753,807
Transfers Out	-	-	(507,199)	(507,199)	(12,203,080)	(12,203,080)	(18,006,329)	(5,803,249)
Bonds Issued	-	-	-	-	-	17,250,000	15,790,000	(1,460,000)
Premium on Bonds Issued	-	-	100,000	100,000	-	-	995,330	995,330
<b>Total Other Financing Sources (Uses)</b>	<b>12,995,718</b>	<b>12,995,718</b>	<b>13,521,701</b>	<b>525,983</b>	<b>8,648,346</b>	<b>25,898,346</b>	<b>20,384,234</b>	<b>(5,514,112)</b>
<b>Net Change in Fund Balances</b>	<b>(2,357,156)</b>	<b>(2,357,156)</b>	<b>(727,140)</b>	<b>1,630,016</b>	<b>4,144,286</b>	<b>3,284,109</b>	<b>(2,115,372)</b>	<b>(5,399,481)</b>
<b>FUND BALANCES, January 1</b>	<b>17,920,364</b>	<b>17,920,364</b>	<b>17,920,364</b>	<b>-</b>	<b>14,346,115</b>	<b>14,346,115</b>	<b>14,346,115</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>15,563,208</b>	<b>15,563,208</b>	<b>17,193,224</b>	<b>1,630,016</b>	<b>18,490,401</b>	<b>17,630,224</b>	<b>12,230,743</b>	<b>(5,399,481)</b>

continued

City of Saint Paul, Minnesota  
 COMBINING SCHEDULE OF REVENUES,  
 EXPENDITURES AND CHANGES  
 IN FUND BALANCES

Schedule 13

BUDGET AND ACTUAL - ANNUALLY BUDGETED  
 DEBT SERVICE FUNDS

For the Fiscal Year Ended December 31, 2012

	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		
<b>REVENUES</b>								
Taxes								
Property Taxes								
Current Taxpayer	4,416,139	4,416,139	3,958,841	(457,298)	-	-	-	-
Current Tax Increment	-	-	-	-	-	-	-	-
Delinquent Taxpayer	-	-	-	-	-	-	-	-
Delinquent Tax Increment	-	-	-	-	-	-	-	-
City Sales Tax	-	-	-	-	3,250,247	3,250,247	-	(3,250,247)
Hotel-Motel Tax	-	-	-	-	-	-	-	-
<b>Total Taxes</b>	<b>4,416,139</b>	<b>4,416,139</b>	<b>3,958,841</b>	<b>(457,298)</b>	<b>3,250,247</b>	<b>3,250,247</b>	<b>-</b>	<b>(3,250,247)</b>
Intergovernmental Revenue	184,934	184,934	184,934	-	-	-	-	-
Fees, Sales and Services	-	-	-	-	3,500,000	3,500,000	3,500,000	-
Assessments	3,391,116	7,086,226	3,483,502	(3,602,724)	-	-	-	-
Investment Income								
Interest Earned on Investments	500,000	500,000	759,315	259,315	-	-	99,309	99,309
Increase (Decrease) in Fair Value of Investments	-	-	72,383	72,383	-	-	-	-
Miscellaneous Revenue - Other	-	-	-	-	4,174,943	4,174,943	4,174,943	-
<b>Total Revenues</b>	<b>8,492,189</b>	<b>12,187,299</b>	<b>8,458,975</b>	<b>(3,728,324)</b>	<b>10,925,190</b>	<b>10,925,190</b>	<b>7,774,252</b>	<b>(3,150,938)</b>
<b>EXPENDITURES</b>								
Current								
General Government	-	-	-	-	-	-	1,278,586	(1,278,586)
Housing and Economic Development	-	-	-	-	-	-	-	-
Debt Service								
Bond Principal	5,200,000	8,880,000	8,880,000	-	3,230,000	3,230,000	3,230,000	-
Other Debt Principal	-	-	-	-	2,000,000	2,000,000	2,000,000	-
Prepayment Penalty - Early Debt Retirement	-	-	-	-	-	-	-	-
Interest - Bonds	3,383,585	3,398,695	3,220,995	177,700	5,695,190	5,695,190	4,454,296	1,240,894
Interest - Other Debt	-	-	-	-	-	-	370,423	(370,423)
Bond Issuance Costs	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>8,583,585</b>	<b>12,278,695</b>	<b>12,100,995</b>	<b>177,700</b>	<b>10,925,190</b>	<b>10,925,190</b>	<b>11,333,305</b>	<b>(408,115)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(91,396)	(91,396)	(3,642,020)	(3,550,624)	-	-	(3,559,053)	(3,559,053)
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	-	-	-	-	-	12,424,732	12,424,732
Transfers Out	-	-	-	-	-	-	(9,088,474)	(9,088,474)
Bonds Issued	-	-	-	-	-	-	-	-
Premium on Bonds Issued	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,336,258</b>	<b>3,336,258</b>
<b>Net Change in Fund Balances</b>	<b>(91,396)</b>	<b>(91,396)</b>	<b>(3,642,020)</b>	<b>(3,550,624)</b>	<b>-</b>	<b>-</b>	<b>(222,795)</b>	<b>(222,795)</b>
<b>FUND BALANCES, January 1</b>	<b>10,249,606</b>	<b>10,249,606</b>	<b>10,249,606</b>	<b>-</b>	<b>6,226,227</b>	<b>6,226,227</b>	<b>6,226,227</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>10,158,210</b>	<b>10,158,210</b>	<b>6,607,586</b>	<b>(3,550,624)</b>	<b>6,226,227</b>	<b>6,226,227</b>	<b>6,003,432</b>	<b>(222,795)</b>

continued

City of Saint Paul, Minnesota  
 COMBINING SCHEDULE OF REVENUES,  
 EXPENDITURES AND CHANGES  
 IN FUND BALANCES

Schedule 13

BUDGET AND ACTUAL - ANNUALLY BUDGETED  
 DEBT SERVICE FUNDS

For the Fiscal Year Ended December 31, 2012

	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		
<b>REVENUES</b>								
Taxes								
Property Taxes								
Current Taxpayer	995,050	995,050	995,050	-	-	-	-	-
Current Tax Increment	-	-	-	-	-	-	-	-
Delinquent Taxpayer	-	-	-	-	-	-	-	-
Delinquent Tax Increment	-	-	-	-	-	-	-	-
City Sales Tax	-	-	-	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	23,010	23,010
<b>Total Taxes</b>	<b>995,050</b>	<b>995,050</b>	<b>995,050</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,010</b>	<b>23,010</b>
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Fees, Sales and Services	-	-	-	-	-	-	-	-
Assessments	-	-	-	-	-	-	-	-
Investment Income								
Interest Earned on Investments	-	-	6,561	6,561	14,000	14,000	(14,283)	(28,283)
Increase (Decrease) in Fair Value of Investments	-	-	5,778	5,778	-	-	-	-
Miscellaneous Revenue - Other	-	-	-	-	346,265	346,265	396,239	49,974
<b>Total Revenues</b>	<b>995,050</b>	<b>995,050</b>	<b>1,007,389</b>	<b>12,339</b>	<b>360,265</b>	<b>360,265</b>	<b>404,966</b>	<b>44,701</b>
<b>EXPENDITURES</b>								
Current								
General Government	-	-	-	-	-	-	-	-
Housing and Economic Development	-	-	-	-	-	-	-	-
Debt Service								
Bond Principal	400,000	400,000	400,000	-	205,000	205,000	-	205,000
Other Debt Principal	-	-	-	-	1,433,987	1,959,378	2,082,852	(123,474)
Prepayment Penalty - Early Debt Retirement	-	-	-	-	-	-	-	-
Interest - Bonds	595,050	595,050	495,050	100,000	191,239	191,239	-	191,239
Interest - Other Debt	-	-	-	-	456,688	113,154	293,751	(180,597)
Bond Issuance Costs	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>995,050</b>	<b>995,050</b>	<b>895,050</b>	<b>100,000</b>	<b>2,286,914</b>	<b>2,468,771</b>	<b>2,376,603</b>	<b>92,168</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	112,339	112,339	(1,926,649)	(2,108,506)	(1,971,637)	136,869
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	-	-	-	1,890,675	2,072,532	1,980,365	(92,167)
Transfers Out	-	-	-	-	-	-	-	-
Bonds Issued	-	-	-	-	-	-	-	-
Premium on Bonds Issued	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,890,675</b>	<b>2,072,532</b>	<b>1,980,365</b>	<b>(92,167)</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>112,339</b>	<b>112,339</b>	<b>(35,974)</b>	<b>(35,974)</b>	<b>8,728</b>	<b>44,702</b>
<b>FUND BALANCES, January 1</b>	<b>637,817</b>	<b>637,817</b>	<b>637,817</b>	<b>-</b>	<b>102,058</b>	<b>102,058</b>	<b>102,058</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>637,817</b>	<b>637,817</b>	<b>750,156</b>	<b>112,339</b>	<b>66,084</b>	<b>66,084</b>	<b>110,786</b>	<b>44,702</b>

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, 2012

Schedule 13

	Total			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes				
Property Taxes				
Current Taxpayer	10,424,317	10,424,317	10,539,405	115,088
Current Tax Increment	11,160,051	11,160,051	10,711,066	(448,985)
Delinquent Taxpayer	100,000	100,000	(43,974)	(143,974)
Delinquent Tax Increment	-	-	45,869	45,869
City Sales Tax	3,250,247	3,250,247	-	(3,250,247)
Hotel-Motel Tax	-	-	23,010	23,010
<b>Total Taxes</b>	<b>24,934,615</b>	<b>24,934,615</b>	<b>21,275,376</b>	<b>(3,659,239)</b>
Intergovernmental Revenue	259,016	259,016	693,353	434,337
Fees, Sales and Services	3,580,000	3,580,000	3,631,201	51,201
Assessments	3,391,116	7,086,226	3,483,502	(3,602,724)
Investment Income				
Interest Earned on Investments	1,224,000	1,224,000	1,468,002	244,002
Increase (Decrease) in Fair Value of Investments	-	-	(516,390)	(516,390)
Miscellaneous Revenue - Other	6,730,789	6,730,789	5,745,735	(985,054)
<b>Total Revenues</b>	<b>40,119,536</b>	<b>43,814,646</b>	<b>35,780,779</b>	<b>(8,033,867)</b>
<b>EXPENDITURES</b>				
Current				
General Government	887,190	887,190	1,981,593	(1,094,403)
Housing and Economic Development	3,500,000	3,500,000	2,549,785	950,215
Debt Service				
Bond Principal	31,308,795	52,129,795	51,137,795	992,000
Other Debt Principal	4,468,987	4,994,378	6,027,598	(1,033,220)
Prepayment Penalty - Early Debt Retirement	5,000	5,000	-	5,000
Interest - Bonds	19,988,506	20,362,572	18,258,462	2,104,110
Interest - Other Debt	1,836,037	1,492,503	1,337,347	155,156
Bond Issuance Costs	-	610,221	297,017	313,204
<b>Total Expenditures</b>	<b>61,994,515</b>	<b>83,981,659</b>	<b>81,589,597</b>	<b>2,392,062</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(21,874,979)	(40,167,013)	(45,808,818)	(5,641,805)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	35,737,819	35,919,676	49,939,230	14,019,554
Transfers Out	(12,203,080)	(12,203,080)	(27,602,002)	(15,398,922)
Bonds Issued	-	17,250,000	15,790,000	(1,460,000)
Premium on Bonds Issued	-	-	1,095,330	1,095,330
<b>Total Other Financing Sources (Uses)</b>	<b>23,534,739</b>	<b>40,966,596</b>	<b>39,222,558</b>	<b>(1,744,038)</b>
<b>Net Change in Fund Balances</b>	<b>1,659,760</b>	<b>799,583</b>	<b>(6,586,260)</b>	<b>(7,385,843)</b>
<b>FUND BALANCES, January 1</b>	<b>49,482,187</b>	<b>49,482,187</b>	<b>49,482,187</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>51,141,947</b>	<b>50,281,770</b>	<b>42,895,927</b>	<b>(7,385,843)</b>

City of Saint Paul, Minnesota  
 COMBINING BALANCE SHEET  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 December 31, 2012

Schedule 14

	Capital Improvement Bonds	Library Capital Projects	City Sales Tax	HRA Development Capital Projects	HRA Tax Increment	Total Nonmajor Capital Projects Funds
<b>ASSETS</b>						
Cash and Investments with Treasurer	34,363,547	195,991	19,892,800	12,214,256	12,497,488	79,164,082
Cash and Investments with Trustees	-	-	-	1,414	-	1,414
Receivables						
Accounts Receivable	-	-	-	2,430	-	2,430
Property Taxes - Due from Ramsey County	-	-	-	-	200,450	200,450
Property Taxes - Delinquent	-	-	-	-	88,619	88,619
Notes and Loans	-	-	3,529,637	210,048	756,250	4,495,935
Accrued Interest	198,251	281	134,345	10	41,809	374,696
Due from Other Funds	-	-	39,969	-	-	39,969
Due from Other Governmental Units	-	-	1,776,103	-	-	1,776,103
Advance to Other Funds	-	-	-	2,612,190	2,709,828	5,322,018
Land Held for Resale	-	-	-	1,898,708	1,352,328	3,251,036
<b>TOTAL ASSETS</b>	<b>34,561,798</b>	<b>196,272</b>	<b>25,372,854</b>	<b>16,939,056</b>	<b>17,646,772</b>	<b>94,716,752</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
Liabilities						
Accounts Payable	-	-	-	92,581	41,611	134,192
Due to Other Funds	180,197	-	456,109	65,156	165,664	867,126
Due to Other Governmental Units	-	-	-	-	3,143,478	3,143,478
Advance from Other Funds	-	-	-	-	3,211,490	3,211,490
Unearned Revenue	-	-	-	2,769,930	-	2,769,930
<b>Total Liabilities</b>	<b>180,197</b>	<b>-</b>	<b>456,109</b>	<b>2,927,667</b>	<b>6,562,243</b>	<b>10,126,216</b>
Deferred Inflow of Resources						
Deferred Revenue	54,789	78	3,596,601	2,108,766	2,208,743	7,968,977
Fund Balances						
Restricted	34,326,812	-	-	11,340,274	8,875,786	54,542,872
Committed	-	-	16,408,619	562,349	-	16,970,968
Assigned	-	196,194	4,911,525	-	-	5,107,719
<b>Total Fund Balances</b>	<b>34,326,812</b>	<b>196,194</b>	<b>21,320,144</b>	<b>11,902,623</b>	<b>8,875,786</b>	<b>76,621,559</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>34,561,798</b>	<b>196,272</b>	<b>25,372,854</b>	<b>16,939,056</b>	<b>17,646,772</b>	<b>94,716,752</b>

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, 2012

	<u>Capital Improvement Bonds</u>	<u>Library Capital Projects</u>	<u>City Sales Tax</u>	<u>HRA Development Capital Projects</u>	<u>HRA Tax Increment</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>REVENUES</b>						
<b>Taxes</b>						
<b>Property Taxes</b>						
Current Tax Increment	-	-	-	-	10,295,025	10,295,025
Delinquent Tax Increment	-	-	-	-	484,599	484,599
<b>Total Property Taxes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,779,624</b>	<b>10,779,624</b>
City Sales Tax	-	-	15,940,712	-	-	15,940,712
<b>Total Taxes</b>	<b>-</b>	<b>-</b>	<b>15,940,712</b>	<b>-</b>	<b>10,779,624</b>	<b>26,720,336</b>
Fees, Sales and Services	-	-	5,168	650,131	-	655,299
<b>Investment Income</b>						
Interest Earned on Investments	1,119,897	1,515	590,815	-	306,223	2,018,450
Increase (Decrease) in Fair Value of Investments	(101,505)	13	(88,426)	-	29,204	(160,714)
Interest Earned - Other	-	-	200,078	364	1,924	202,366
Miscellaneous Revenue - Other	-	-	1,043,541	558,037	72,830	1,674,408
<b>Total Revenues</b>	<b>1,018,392</b>	<b>1,528</b>	<b>17,691,888</b>	<b>1,208,532</b>	<b>11,189,805</b>	<b>31,110,145</b>
<b>EXPENDITURES</b>						
<b>Current</b>						
Culture and Recreation	-	59,491	-	-	-	59,491
Housing and Economic Development	-	-	4,131,342	2,062,814	10,254,026	16,448,182
<b>Debt Service</b>						
Other Debt Principal	-	-	-	-	156,768	156,768
Interest - Other Debt	-	-	-	-	2,747,638	2,747,638
Bond Issuance Costs	88,859	-	-	-	-	88,859
<b>Total Expenditures</b>	<b>88,859</b>	<b>59,491</b>	<b>4,131,342</b>	<b>2,062,814</b>	<b>13,158,432</b>	<b>19,500,938</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>929,533</b>	<b>(57,963)</b>	<b>13,560,546</b>	<b>(854,282)</b>	<b>(1,968,627)</b>	<b>11,609,207</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	-	-	7,930,507	159,665	5,625,597	13,715,769
Transfers Out	(11,324,884)	-	(23,859,709)	-	(13,096,875)	(48,281,468)
Bonds Issued	5,735,000	-	-	-	-	5,735,000
Premium on Bonds Issued	449,329	-	-	-	-	449,329
<b>Total Other Financing Sources (Uses)</b>	<b>(5,140,555)</b>	<b>-</b>	<b>(15,929,202)</b>	<b>159,665</b>	<b>(7,471,278)</b>	<b>(28,381,370)</b>
<b>Net Change in Fund Balances</b>	<b>(4,211,022)</b>	<b>(57,963)</b>	<b>(2,368,656)</b>	<b>(694,617)</b>	<b>(9,439,905)</b>	<b>(16,772,163)</b>
<b>FUND BALANCES, January 1</b>	<b>38,537,834</b>	<b>254,157</b>	<b>23,688,800</b>	<b>12,597,240</b>	<b>18,315,691</b>	<b>93,393,722</b>
<b>FUND BALANCES, December 31</b>	<b>34,326,812</b>	<b>196,194</b>	<b>21,320,144</b>	<b>11,902,623</b>	<b>8,875,786</b>	<b>76,621,559</b>

City of Saint Paul, Minnesota  
**COMBINING BALANCE SHEET**  
**NONMAJOR PERMANENT FUNDS**  
 December 31, 2012

Schedule 16

	<u>Japanese Gardens</u>	<u>Hoffman Memorial</u>	<u>Total Nonmajor Permanent Funds</u>
<b>ASSETS</b>			
Cash and Investments with Treasurer	69,602	13,268	82,870
Receivables			
Accrued Interest	401	76	477
<b>TOTAL ASSETS</b>	<u><u>70,003</u></u>	<u><u>13,344</u></u>	<u><u>83,347</u></u>
<b>DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
Deferred Inflow of Resources			
Unavailable Revenue	110	21	131
<b>Fund Balances</b>			
Nonspendable Permanent Fund Principal	30,000	5,000	35,000
Restricted For Permanent Activities	39,893	8,323	48,216
<b>Total Fund Balances</b>	<u>69,893</u>	<u>13,323</u>	<u>83,216</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u><u>70,003</u></u>	<u><u>13,344</u></u>	<u><u>83,347</u></u>

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, 2012**

Schedule 17

	<u>Japanese Gardens</u>	<u>Hoffman Memorial</u>	<u>Total Nonmajor Permanent Funds</u>
<b>REVENUES</b>			
Investment Income			
Interest Earned on Investments	2,169	413	2,582
Increase (Decrease) in Fair Value of Investments	48	9	57
	<u>2,217</u>	<u>422</u>	<u>2,639</u>
<b>Total Revenues</b>			
	<u>2,217</u>	<u>422</u>	<u>2,639</u>
<b>Net Change in Fund Balances</b>			
	<u>2,217</u>	<u>422</u>	<u>2,639</u>
<b>FUND BALANCES, January 1</b>	<u>67,676</u>	<u>12,901</u>	<u>80,577</u>
<b>FUND BALANCES, December 31</b>	<u><u>69,893</u></u>	<u><u>13,323</u></u>	<u><u>83,216</u></u>

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, 2012

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		
<b>REVENUES</b>								
Investment Income								
Interest Earned on Investments	1,700	1,700	2,169	469	300	300	413	113
Increase (Decrease) in Fair Value of Investments	-	-	48	48	-	-	9	9
<b>Total Revenues</b>	<b>1,700</b>	<b>1,700</b>	<b>2,217</b>	<b>517</b>	<b>300</b>	<b>300</b>	<b>422</b>	<b>122</b>
<b>EXPENDITURES</b>								
Current								
Culture and Recreation	1,700	1,700	-	1,700	300	300	-	300
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>2,217</b>	<b>2,217</b>	<b>-</b>	<b>-</b>	<b>422</b>	<b>422</b>
<b>FUND BALANCES, January 1</b>	<b>67,676</b>	<b>67,676</b>	<b>67,676</b>	<b>-</b>	<b>12,901</b>	<b>12,901</b>	<b>12,901</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>67,676</b>	<b>67,676</b>	<b>69,893</b>	<b>2,217</b>	<b>12,901</b>	<b>12,901</b>	<b>13,323</b>	<b>422</b>

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, 2012

Schedule 18

	<b>Total</b>			
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance With Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Investment Income				
Interest Earned on Investments	2,000	2,000	2,582	582
Increase (Decrease) in Fair Value of Investments	-	-	57	57
<b>Total Revenues</b>	<b>2,000</b>	<b>2,000</b>	<b>2,639</b>	<b>639</b>
<b>EXPENDITURES</b>				
Current				
Culture and Recreation	2,000	2,000	-	2,000
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>2,639</b>	<b>2,639</b>
<b>FUND BALANCES, January 1</b>	<b>80,577</b>	<b>80,577</b>	<b>80,577</b>	<b>-</b>
<b>FUND BALANCES, December 31</b>	<b>80,577</b>	<b>80,577</b>	<b>83,216</b>	<b>2,639</b>

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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 POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
December 31, 2012

Schedule 19

	Special Services	Watergate Marina	Impounding Lot	River Print Saint Paul/ Ramsey County	Total
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and Investments with Treasurer	-	-	3,382	-	3,382
Imprest Funds	600	-	1,000	-	1,600
<b>Receivables</b>					
Accounts (net of allowance for estimated uncollectibles)	23,439	923	17,905	6,325	48,592
Accrued Interest	9,558	-	-	-	9,558
Due from Other Funds	127,151	-	1,200	20,270	148,621
Due from Component Units	250	-	-	-	250
Due from Other Governmental Units	100	-	-	471,566	471,666
<b>Inventories</b>					
Materials and Supplies	30,951	-	-	75,342	106,293
Impounded Cars	-	-	161,952	-	161,952
<b>Total Current Assets</b>	<b>192,049</b>	<b>923</b>	<b>185,439</b>	<b>573,503</b>	<b>951,914</b>
<b>Noncurrent Assets</b>					
<b>Restricted Assets</b>					
Investment for Revenue Bond Construction	666,750	-	-	-	666,750
<b>Capital Assets</b>					
Land	3,511,808	-	-	-	3,511,808
Buildings and Structures	2,396,984	332,293	13,395	-	2,742,672
Less: Accumulated Depreciation	(1,274,872)	(294,892)	(13,395)	-	(1,583,159)
Equipment	2,055,881	61,283	74,097	506,410	2,697,671
Less: Accumulated Depreciation	(1,804,546)	(61,283)	(61,748)	(485,745)	(2,413,322)
<b>Total Capital Assets</b>	<b>4,885,255</b>	<b>37,401</b>	<b>12,349</b>	<b>20,665</b>	<b>4,955,670</b>
<b>Total Noncurrent Assets</b>	<b>5,552,005</b>	<b>37,401</b>	<b>12,349</b>	<b>20,665</b>	<b>5,622,420</b>
<b>TOTAL ASSETS</b>	<b>5,744,054</b>	<b>38,324</b>	<b>197,788</b>	<b>594,168</b>	<b>6,574,334</b>

continued

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
December 31, 2012

Schedule 19

	Special Services	Watergate Marina	Impounding Lot	River Print Saint Paul/ Ramsey County	Total
<b>LIABILITIES</b>					
<b>Current Liabilities (Payable from Current Assets)</b>					
Accrued Salaries Payable	45,974	-	47,453	10,146	103,573
Accounts Payable	49,389	-	131,335	40,651	221,375
Due to Other Funds	5,871,603	154,776	47,139	413,276	6,486,794
Due to Other Governmental Units	-	-	12,951	-	12,951
Compensated Absences Payable	8,987	-	4,823	1,597	15,407
Revenue Bonds Payable	295,000	-	-	-	295,000
Accrued Interest Payable					
Revenue Bonds	68,238	-	-	-	68,238
<b>Total Current Liabilities (Payable from Current Assets)</b>	<b>6,339,191</b>	<b>154,776</b>	<b>243,701</b>	<b>465,670</b>	<b>7,203,338</b>
<b>Noncurrent Liabilities</b>					
Revenue Bonds Payable (net of Unamortized Premium)	5,493,987	-	-	-	5,493,987
Compensated Absences Payable	255,689	-	143,031	54,461	453,181
Net Other Postemployment Benefits Obligation	486,892	-	121,544	30,037	638,473
<b>Total Noncurrent Liabilities</b>	<b>6,236,568</b>	<b>-</b>	<b>264,575</b>	<b>84,498</b>	<b>6,585,641</b>
<b>TOTAL LIABILITIES</b>	<b>12,575,759</b>	<b>154,776</b>	<b>508,276</b>	<b>550,168</b>	<b>13,788,979</b>
<b>NET POSITION</b>					
Net Investment in Capital Assets	(903,732)	37,401	12,349	20,665	(833,317)
Unrestricted	(5,927,973)	(153,853)	(322,837)	23,335	(6,381,328)
<b>TOTAL NET POSITION</b>	<b>(6,831,705)</b>	<b>(116,452)</b>	<b>(310,488)</b>	<b>44,000</b>	<b>(7,214,645)</b>

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET POSITION  
NONMAJOR ENTERPRISE FUNDS**  
For the Fiscal Year Ended December 31, 2012

Schedule 20

	<u>Special Services</u>	<u>Watergate Marina</u>	<u>Impounding Lot</u>	<u>River Print Saint Paul/ Ramsey County</u>	<u>Total</u>
<b>OPERATING REVENUES</b>					
Fees, Sales and Services	3,156,114	5,500	2,456,393	1,210,644	6,828,651
Rents and Leases	818,638	28,032	-	-	846,670
Miscellaneous	171,551	-	-	-	171,551
<b>Total Operating Revenues</b>	<b>4,146,303</b>	<b>33,532</b>	<b>2,456,393</b>	<b>1,210,644</b>	<b>7,846,872</b>
<b>OPERATING EXPENSES</b>					
Cost of Merchandise Sold	228,476	-	-	-	228,476
Salaries	1,914,225	-	1,119,946	274,298	3,308,469
Employee Fringe Benefits	833,741	-	358,544	152,128	1,344,413
Services	679,117	4	1,024,038	485,262	2,188,421
Materials and Supplies	787,512	2,127	28,419	466,222	1,284,280
Depreciation	212,045	4,425	4,940	17,713	239,123
Miscellaneous	2,920	-	-	-	2,920
<b>Total Operating Expenses</b>	<b>4,658,036</b>	<b>6,556</b>	<b>2,535,887</b>	<b>1,395,623</b>	<b>8,596,102</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(511,733)</b>	<b>26,976</b>	<b>(79,494)</b>	<b>(184,979)</b>	<b>(749,230)</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Gain on Sale of Capital Assets	389	-	-	-	389
Investment Income					
Interest Earned on Investments	39,221	-	-	-	39,221
Increase (Decrease) in Fair Value of Investments	1,621	-	-	-	1,621
Interest Expense on Revenue Bonds	(270,130)	-	-	-	(270,130)
Bond Issuance Costs	(78,627)	-	-	-	(78,627)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(307,526)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(307,526)</b>
<b>Income (Loss) Before Capital Contributions and Transfers</b>	<b>(819,259)</b>	<b>26,976</b>	<b>(79,494)</b>	<b>(184,979)</b>	<b>(1,056,756)</b>
Transfers In	230,000	-	-	-	230,000
Transfers Out	(252,387)	-	(2,724)	(624)	(255,735)
<b>Change in Position</b>	<b>(841,646)</b>	<b>26,976</b>	<b>(82,218)</b>	<b>(185,603)</b>	<b>(1,082,491)</b>
<b>NET POSITION, January 1</b>	<b>(5,990,059)</b>	<b>(143,428)</b>	<b>(228,270)</b>	<b>229,603</b>	<b>(6,132,154)</b>
<b>NET POSITION, December 31</b>	<b>(6,831,705)</b>	<b>(116,452)</b>	<b>(310,488)</b>	<b>44,000</b>	<b>(7,214,645)</b>

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR ENTERPRISE FUNDS**  
For the Fiscal Year Ended December 31, 2012

Schedule 21

	Special Services	Watergate Marina	Impounding Lot	River Print Saint Paul/ Ramsey County	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from Customers	4,013,082	38,204	2,541,710	782,247	7,375,243
Receipts from Other Funds for Services Provided	987,038	-	22,286	349,604	1,358,928
Other Operating Receipts	-	-	-	206	206
Payment to Suppliers	(900,425)	(2,486)	(591,629)	(955,371)	(2,449,911)
Payment to Employees	(1,909,316)	-	(1,113,910)	(274,867)	(3,298,093)
Payment for Fringe Benefits and Payroll Taxes	(768,916)	-	(339,128)	(135,094)	(1,243,138)
Payment to Other Funds for Services Used	(875,787)	-	(324,430)	(63,219)	(1,263,436)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>545,676</b>	<b>35,718</b>	<b>194,899</b>	<b>(296,494)</b>	<b>479,799</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Transfers In from Other Funds	230,000	-	-	-	230,000
Transfers Out to Other Funds	(252,387)	-	(2,724)	(624)	(255,735)
Advance Received	-	-	-	297,118	297,118
Repayment of Advance Received	-	(35,718)	(188,793)	-	(224,511)
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<b>(22,387)</b>	<b>(35,718)</b>	<b>(191,517)</b>	<b>296,494</b>	<b>46,872</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Proceeds from Sale of Capital Assets					
Equipment	389	-	-	-	389
Principal Paid on Revenue Bonds	(280,000)	-	-	-	(280,000)
Interest Paid on Revenue Bonds	(284,150)	-	-	-	(284,150)
<b>NET CASH PROVIDED (USED) IN CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(563,761)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(563,761)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest and Dividends Received	38,851	-	-	-	38,851
Increase in Fair Value of Investments	1,621	-	-	-	1,621
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<b>40,472</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40,472</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>-</b>	<b>-</b>	<b>3,382</b>	<b>-</b>	<b>3,382</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>600</b>	<b>-</b>	<b>1,000</b>	<b>-</b>	<b>1,600</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>600</b>	<b>-</b>	<b>4,382</b>	<b>-</b>	<b>4,982</b>

continued

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR ENTERPRISE FUNDS**  
For the Fiscal Year Ended December 31, 2012

Schedule 21

	Special Services	Watergate Marina	Impounding Lot	River Print Saint Paul/ Ramsey County	Total
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>					
Operating Income (Loss)	(511,733)	26,976	(79,494)	(184,979)	(749,230)
<b>Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities</b>					
Depreciation	212,045	4,425	4,940	17,713	239,123
Increase (Decrease) in Allowance for Uncollectible Accounts/Loans	(34,879)	-	-	-	(34,879)
<b>Changes in Assets and Liabilities</b>					
<b>(Increase) Decrease in</b>					
Accounts Receivable	28,944	4,672	(8,081)	324	25,859
Due from Other Funds	196,630	-	115,686	45,290	357,606
Due from Component Units	1,250	-	-	43,152	44,402
Due from Other Governmental Units	(100)	-	-	(167,352)	(167,452)
Inventories	(4,149)	-	1,902	2,314	67
<b>Increase (Decrease) in</b>					
Accrued Salaries Payable	4,909	-	6,035	(570)	10,374
Accounts Payable	(15,171)	(355)	89,793	(59,148)	15,119
Due to Other Funds	603,105	-	41,615	(10,272)	634,448
Due to Other Governmental Units	-	-	278	-	278
Compensated Absences Payable	(8,884)	-	-	5,382	(3,502)
Net Other Postemployment Benefits Obligation	73,709	-	22,225	11,652	107,586
<b>Total Adjustments</b>	<b>1,057,409</b>	<b>8,742</b>	<b>274,393</b>	<b>(111,515)</b>	<b>1,229,029</b>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>545,676</b>	<b>35,718</b>	<b>194,899</b>	<b>(296,494)</b>	<b>479,799</b>
<b>DETAILS OF CASH AND CASH EQUIVALENTS</b>					
Cash and Investments with Treasurer	-	-	3,382	-	3,382
Imprest Funds	600	-	1,000	-	1,600
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>600</b>	<b>-</b>	<b>4,382</b>	<b>-</b>	<b>4,982</b>

## **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.

**Real Estate Management** - to account for rents from occupants of the City Hall Annex and to pay all expenses incurred in operating and maintaining the building.

**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.

**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 and improvement measures city-wide.

**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.

continued

**Public Works Administration** - to account for the costs of administrative services provided for the divisions of the Department of Public Works.

**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 of Saint Paul, Minnesota  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
 December 31, 2012

	City Attorney- Outside Services	Risk Management Retention	Internal Borrowing	Real Estate Management	Purchasing's Value Added Services	Information Systems	Equipment Services Fire-Police	Public Works Engineering	Energy Conservation Investment
<b>ASSETS</b>									
<b>Current Assets</b>									
Cash and Investments with Treasurer	45,784	1,642,831	2,698,708	-	-	174,675	-	337,325	93,104
Cash and Investments with Trustee	-	-	-	-	-	-	-	-	-
Imprest Funds	-	-	-	-	150	-	100	150	-
Receivables									
Accounts (net of allowance for estimated uncollectibles)	-	133,418	20,833	120	215,374	-	56	63,798	-
Accrued Interest	-	-	10,033	-	-	-	-	-	4
Due from Other Funds	143,743	110,569	183,223	30,155	-	343,096	286,347	82,275	-
Due from Component Units	-	184,715	-	-	29,862	-	-	-	-
Due from Other Governmental Units	168,216	-	-	-	387,467	-	22,132	25,555	-
Inventories - Materials and Supplies	-	-	-	-	-	-	434,082	-	-
Prepaid Items	-	344,711	-	16,916	-	-	-	4,698,145	-
<b>Total Current Assets</b>	<b>357,743</b>	<b>2,416,244</b>	<b>2,912,797</b>	<b>47,191</b>	<b>632,853</b>	<b>517,771</b>	<b>742,717</b>	<b>5,207,248</b>	<b>93,108</b>
<b>Non-Current Assets</b>									
<b>Other Assets</b>									
Advance to Other Funds	-	-	183,223	-	-	-	-	-	962,664
Other Long-Term Loans Receivable	-	-	2,674,742	-	-	-	-	-	130,034
<b>Total Other Assets</b>	<b>-</b>	<b>-</b>	<b>2,857,965</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,092,698</b>
<b>Capital Assets</b>									
Land	-	-	-	-	-	-	-	32,000	-
Buildings and Structures	-	-	-	9,906,733	-	-	1,140,446	-	-
Less: Accumulated Depreciation	-	-	-	(5,412,148)	-	-	(849,747)	-	-
Equipment	17,624	-	-	272,722	10,353	75,099	307,608	1,031,495	-
Less: Accumulated Depreciation	(17,624)	-	-	(261,027)	(10,353)	(72,422)	(284,710)	(955,578)	-
<b>Total Capital Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,506,280</b>	<b>-</b>	<b>2,677</b>	<b>313,597</b>	<b>107,917</b>	<b>-</b>
<b>Total Noncurrent Assets</b>	<b>-</b>	<b>-</b>	<b>2,857,965</b>	<b>4,506,280</b>	<b>-</b>	<b>2,677</b>	<b>313,597</b>	<b>107,917</b>	<b>1,092,698</b>
<b>TOTAL ASSETS</b>	<b>357,743</b>	<b>2,416,244</b>	<b>5,770,762</b>	<b>4,553,471</b>	<b>632,853</b>	<b>520,448</b>	<b>1,056,314</b>	<b>5,315,165</b>	<b>1,185,806</b>
<b>LIABILITIES</b>									
<b>Current Liabilities (Payable from Current Assets)</b>									
Accrued Salaries Payable	30,150	-	-	41,238	29,120	31,671	36,135	157,682	3,176
Accounts Payable	731	100,144	-	46,775	30,576	3,212	194,456	24,695	6,500
Due to Other Funds	-	-	-	83,644	373,346	-	289,970	16,607	1,011
Due to Other Governmental Units	-	130,260	-	-	633	-	-	1,983	-
Unearned Revenue	-	-	934,760	-	25,428	-	-	2,770,844	-
Compensated Absences Payable	4,149	-	-	4,558	440	-	5,051	24,440	-
Capital Lease Payable	-	-	-	410,134	-	-	-	-	-
Accrued Interest Payable	-	-	-	-	-	-	-	-	-
Capital Lease	-	-	-	31,591	-	-	-	-	-
<b>Total Current Liabilities (Payable from Current Assets)</b>	<b>35,030</b>	<b>230,404</b>	<b>934,760</b>	<b>617,940</b>	<b>459,543</b>	<b>34,883</b>	<b>525,612</b>	<b>2,996,251</b>	<b>10,687</b>
<b>Noncurrent Liabilities</b>									
Capital Lease Payable	-	-	-	2,353,353	-	-	-	-	-
Advance from Other Funds	-	-	703,636	307,320	-	-	-	-	-
Compensated Absences Payable	79,250	-	-	168,140	18,174	-	89,561	436,387	5,700
Net Other Postemployment Benefits Obligation	46,608	-	-	426,097	109,724	-	133,749	768,834	-
<b>Total Noncurrent Liabilities</b>	<b>125,858</b>	<b>-</b>	<b>703,636</b>	<b>3,254,910</b>	<b>127,898</b>	<b>-</b>	<b>223,310</b>	<b>1,205,221</b>	<b>5,700</b>
<b>TOTAL LIABILITIES</b>	<b>160,888</b>	<b>230,404</b>	<b>1,638,396</b>	<b>3,872,850</b>	<b>587,441</b>	<b>34,883</b>	<b>748,922</b>	<b>4,201,472</b>	<b>16,387</b>
<b>NET POSITION</b>									
<b>Net Investment in Capital Assets</b>									
Unrestricted	196,855	2,185,840	4,132,366	1,742,793 (1,062,172)	45,412	2,677 482,888	313,597 (6,205)	107,917 1,005,776	- 1,169,419
<b>TOTAL NET POSITION</b>	<b>196,855</b>	<b>2,185,840</b>	<b>4,132,366</b>	<b>680,621</b>	<b>45,412</b>	<b>485,565</b>	<b>307,392</b>	<b>1,113,693</b>	<b>1,169,419</b>

continued

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
 December 31, 2012

Schedule 22

	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
<b>ASSETS</b>								
<b>Current Assets</b>								
Cash and Investments with Treasurer	817,324	1,495,609	69,113	669,856	124,117	238,434	-	8,406,880
Cash and Investments with Trustee	-	-	1,210,000	-	-	-	-	1,210,000
Imprest Funds	325	100	-	200	-	-	200	1,225
Receivables								
Accounts (net of allowance for estimated uncollectibles)	245,563	30,682	637	-	-	9,235	-	719,716
Accrued Interest	-	-	-	-	-	-	-	10,037
Due from Other Funds	1,698,712	60	882,808	135	527,712	288,269	2,655,750	7,232,854
Due from Component Units	96,971	-	-	-	-	-	-	311,548
Due from Other Governmental Units	101,483	38,324	22,433	-	-	2,354	-	767,964
Inventories - Materials and Supplies	1,115,915	347,673	796,993	-	-	160,693	-	2,855,356
Prepaid Items	-	-	5,414	-	-	-	-	5,065,186
<b>Total Current Assets</b>	<b>4,076,293</b>	<b>1,912,448</b>	<b>2,987,398</b>	<b>670,191</b>	<b>651,829</b>	<b>698,985</b>	<b>2,655,950</b>	<b>26,580,766</b>
<b>Non-Current Assets</b>								
<b>Other Assets</b>								
Advance to Other Funds	-	-	-	-	-	-	-	1,145,887
Other Long-Term Loans Receivable	-	-	-	-	-	-	-	2,804,776
<b>Total Other Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,950,663</b>
<b>Capital Assets</b>								
Land	-	23,664	25,243	-	-	-	-	80,907
Buildings and Structures	59,649	817,401	2,108,782	-	-	15,608	184,202	14,232,821
Less: Accumulated Depreciation	(48,253)	(682,718)	(1,409,233)	-	-	(8,498)	-	(8,410,597)
Equipment	803,476	343,947	23,388,239	354,931	15,387	1,259,740	125,358	28,005,979
Less: Accumulated Depreciation	(661,213)	(296,015)	(18,347,432)	(339,224)	(15,387)	(720,935)	(112,930)	(22,094,850)
<b>Total Capital Assets</b>	<b>153,659</b>	<b>206,279</b>	<b>5,765,599</b>	<b>15,707</b>	<b>-</b>	<b>545,915</b>	<b>196,630</b>	<b>11,814,260</b>
<b>Total Noncurrent Assets</b>	<b>153,659</b>	<b>206,279</b>	<b>5,765,599</b>	<b>15,707</b>	<b>-</b>	<b>545,915</b>	<b>196,630</b>	<b>15,764,923</b>
<b>TOTAL ASSETS</b>	<b>4,229,952</b>	<b>2,118,727</b>	<b>8,752,997</b>	<b>685,898</b>	<b>651,829</b>	<b>1,244,900</b>	<b>2,852,580</b>	<b>42,345,689</b>
<b>LIABILITIES</b>								
<b>Current Liabilities (Payable from Current Assets)</b>								
Accrued Salaries Payable	158,777	8,568	56,752	49,119	46,950	24,355	215,096	888,789
Accounts Payable	358,273	4,328	697,493	5,490	463	21,159	175,581	1,669,876
Due to Other Funds	367,537	896	160,480	17	886	6,683	423,790	1,724,867
Due to Other Governmental Units	-	516	-	-	-	373	149	133,914
Unearned Revenue	-	-	-	-	-	-	-	3,731,032
Compensated Absences Payable	13,004	1,334	7,481	6,808	6,717	4,786	24,492	103,260
Capital Lease Payable	-	-	165,459	-	-	-	-	575,593
Accrued Interest Payable	-	-	-	-	-	-	-	-
Capital Lease	-	-	3,238	-	-	-	-	34,829
<b>Total Current Liabilities (Payable from Current Assets)</b>	<b>897,591</b>	<b>15,642</b>	<b>1,090,903</b>	<b>61,434</b>	<b>55,016</b>	<b>57,356</b>	<b>839,108</b>	<b>8,862,160</b>
<b>Noncurrent Liabilities</b>								
Capital Lease Payable	-	-	962,524	-	-	-	-	3,315,877
Advance from Other Funds	81,866	-	85,125	-	-	-	-	1,177,947
Compensated Absences Payable	286,487	15,439	162,328	156,919	128,219	77,088	609,552	2,233,244
Net Other Postemployment Benefits Obligation	615,047	136,946	616,160	299,021	157,956	233,932	1,110,963	4,655,037
<b>Total Noncurrent Liabilities</b>	<b>983,400</b>	<b>152,385</b>	<b>1,826,137</b>	<b>455,940</b>	<b>286,175</b>	<b>311,020</b>	<b>1,720,515</b>	<b>11,382,105</b>
<b>TOTAL LIABILITIES</b>	<b>1,880,991</b>	<b>168,027</b>	<b>2,917,040</b>	<b>517,374</b>	<b>341,191</b>	<b>368,376</b>	<b>2,559,623</b>	<b>20,244,265</b>
<b>NET POSITION</b>								
Net Investment in Capital Assets	153,659	206,279	4,634,378	15,707	-	545,915	196,630	7,919,552
Unrestricted	2,195,302	1,744,421	1,201,579	152,817	310,638	330,609	96,327	14,181,872
<b>TOTAL NET POSITION</b>	<b>2,348,961</b>	<b>1,950,700</b>	<b>5,835,957</b>	<b>168,524</b>	<b>310,638</b>	<b>876,524</b>	<b>292,957</b>	<b>22,101,424</b>

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF REVENUES,  
EXPENSES AND CHANGES IN FUND NET POSITION  
INTERNAL SERVICE FUNDS**  
For the Fiscal Year Ended December 31, 2012

Schedule 23

	City Attorney- Outside Services	Risk Management Retention	Internal Borrowing	Real Estate Management	Purchasing's Value Added Services	Information Systems	Equipment Services Fire-Police	Public Works Engineering	Energy Conservation Investment
<b>OPERATING REVENUES</b>									
Intergovernmental Revenue	-	-	-	-	-	-	-	-	247,719
Fees, Sales and Services	1,069,310	2,583,467	-	781,739	1,221,921	3,329,790	3,466,598	6,306,318	169,677
Rents and Leases	-	-	-	1,845,058	-	-	-	-	-
Interest Earned on Loans	-	-	494,686	-	-	-	-	-	-
Miscellaneous	-	982,725	-	-	-	-	-	570	-
<b>Total Operating Revenues</b>	<b>1,069,310</b>	<b>3,566,192</b>	<b>494,686</b>	<b>2,626,797</b>	<b>1,221,921</b>	<b>3,329,790</b>	<b>3,466,598</b>	<b>6,306,888</b>	<b>417,396</b>
<b>OPERATING EXPENSES</b>									
Cost of Merchandise Sold	-	-	-	-	-	-	-	-	-
Salaries	733,117	-	-	865,923	722,010	692,838	854,451	3,902,030	81,295
Employee Fringe Benefits	248,846	1,412,751	-	450,346	235,977	231,448	403,542	1,752,545	36,077
Services	46,275	1,052,804	-	650,477	265,991	289,058	199,532	1,672,708	52,983
Materials and Supplies	9,940	35	-	341,805	18,974	12,526	2,165,712	285,926	344
Depreciation	-	-	-	582,738	1,726	1,606	36,998	43,888	-
Bad Debts	-	-	-	-	-	-	-	-	137,658
Miscellaneous	-	-	118,389	39,408	166	109	-	7,200	38,783
<b>Total Operating Expenses</b>	<b>1,038,178</b>	<b>2,465,590</b>	<b>118,389</b>	<b>2,930,697</b>	<b>1,244,844</b>	<b>1,227,585</b>	<b>3,660,235</b>	<b>7,664,297</b>	<b>347,140</b>
<b>OPERATING INCOME (LOSS)</b>	<b>31,132</b>	<b>1,100,602</b>	<b>376,297</b>	<b>(303,900)</b>	<b>(22,923)</b>	<b>2,102,205</b>	<b>(193,637)</b>	<b>(1,357,409)</b>	<b>70,256</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>									
Intergovernmental Revenue	-	-	-	-	-	-	-	-	860,802
Operating Grants	-	-	-	-	-	-	-	-	-
Gain on Sale of Capital Assets	-	-	-	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-	-	-	-
Interest Earned on Investments	-	-	-	-	-	-	-	-	8,063
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	-	(492)
Miscellaneous Other Revenue (Expense)	-	-	-	-	-	-	-	-	180,730
Loss on Retirement of Assets	-	-	-	-	-	-	(2,070)	-	-
Contribution to Other Governmental Units	-	-	-	-	-	-	-	-	(301,095)
Interest Expense on Capital Lease	-	-	-	(135,377)	-	-	-	-	-
<b>Total Non-Operating Revenues (Expenses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(135,377)</b>	<b>-</b>	<b>-</b>	<b>(2,070)</b>	<b>-</b>	<b>748,008</b>
<b>Income (Loss) Before Capital Contributions and Transfers</b>	<b>31,132</b>	<b>1,100,602</b>	<b>376,297</b>	<b>(439,277)</b>	<b>(22,923)</b>	<b>2,102,205</b>	<b>(195,707)</b>	<b>(1,357,409)</b>	<b>818,264</b>
<b>Capital Contributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Transfers In	-	-	-	676,186	-	-	-	-	130,008
Transfers Out	(18,433)	-	(25,000)	(1,202)	(2,496)	(1,850,151)	(17,528)	(54,654)	(760,673)
<b>Change in Net Position</b>	<b>12,699</b>	<b>1,100,602</b>	<b>351,297</b>	<b>235,707</b>	<b>(25,419)</b>	<b>252,054</b>	<b>(213,235)</b>	<b>(1,412,063)</b>	<b>187,599</b>
<b>NET POSITION, January 1</b>	<b>184,156</b>	<b>1,085,238</b>	<b>3,781,069</b>	<b>444,914</b>	<b>70,831</b>	<b>233,511</b>	<b>520,627</b>	<b>2,525,756</b>	<b>981,820</b>
<b>NET POSITION, December 31</b>	<b>196,855</b>	<b>2,185,840</b>	<b>4,132,366</b>	<b>680,621</b>	<b>45,412</b>	<b>485,565</b>	<b>307,392</b>	<b>1,113,693</b>	<b>1,169,419</b>

continued

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF REVENUES,  
EXPENSES AND CHANGES IN FUND NET POSITION  
INTERNAL SERVICE FUNDS**  
For the Fiscal Year Ended December 31, 2012

Schedule 23

	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
<b>OPERATING REVENUES</b>								
Intergovernmental Revenue	2,721,449	-	-	-	-	-	-	2,969,168
Fees, Sales and Services	11,230,775	2,612,780	6,918,979	2,491,704	1,813,566	2,600,775	7,803,895	54,401,294
Rents and Leases	-	-	8,500	-	-	-	-	1,853,558
Interest Earned on Loans	-	-	-	-	-	-	-	494,686
Miscellaneous	359,455	-	10,926	34,019	4,330	-	10,000	1,402,025
<b>Total Operating Revenues</b>	<b>14,311,679</b>	<b>2,612,780</b>	<b>6,938,405</b>	<b>2,525,723</b>	<b>1,817,896</b>	<b>2,600,775</b>	<b>7,813,895</b>	<b>61,120,731</b>
<b>OPERATING EXPENSES</b>								
Cost of Merchandise Sold	-	-	-	-	-	802,119	-	802,119
Salaries	3,777,712	218,793	1,301,586	1,218,308	1,128,455	718,613	4,787,962	21,003,093
Employee Fringe Benefits	2,321,367	133,411	717,540	547,356	445,414	519,005	1,990,942	11,446,567
Services	2,542,940	154,763	1,110,268	332,495	207,043	389,865	1,311,083	10,278,285
Materials and Supplies	5,499,530	2,061,051	2,841,477	20,634	19,716	156,102	42,395	13,476,167
Depreciation	30,831	17,747	909,909	3,095	-	87,155	7,654	1,723,347
Bad Debts	-	-	-	-	-	-	-	137,658
Miscellaneous	201,278	-	-	1,306	-	-	2,329	408,968
<b>Total Operating Expenses</b>	<b>14,373,658</b>	<b>2,585,765</b>	<b>6,880,780</b>	<b>2,123,194</b>	<b>1,800,628</b>	<b>2,672,859</b>	<b>8,142,365</b>	<b>59,276,204</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(61,979)</b>	<b>27,015</b>	<b>57,625</b>	<b>402,529</b>	<b>17,268</b>	<b>(72,084)</b>	<b>(328,470)</b>	<b>1,844,527</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>								
Intergovernmental Revenue	-	-	-	-	-	-	-	860,802
Operating Grants	-	-	-	-	-	-	1,300	1,300
Gain on Sale of Capital Assets	445	-	26,574	-	-	351	-	27,370
Investment Income	-	-	-	-	-	-	-	8,063
Interest Earned on Investments	-	-	-	-	-	-	-	(492)
Increase (Decrease) in Fair Value of Investments	-	-	-	-	-	-	-	180,730
Miscellaneous Other Revenue (Expense)	-	-	-	-	-	-	-	(21,224)
Loss on Retirement of Assets	-	-	(2,394)	-	-	(16,760)	-	(301,095)
Contribution to Other Governmental Units	-	-	-	-	-	-	-	(148,685)
Interest Expense on Capital Lease	-	-	(13,308)	-	-	-	-	
<b>Total Non-Operating Revenues (Expenses)</b>	<b>445</b>	<b>-</b>	<b>10,872</b>	<b>-</b>	<b>-</b>	<b>(16,409)</b>	<b>1,300</b>	<b>606,769</b>
<b>Income (Loss) Before Capital Contributions and Transfers</b>	<b>(61,534)</b>	<b>27,015</b>	<b>68,497</b>	<b>402,529</b>	<b>17,268</b>	<b>(88,493)</b>	<b>(327,170)</b>	<b>2,451,296</b>
Capital Contributions	-	-	340,815	-	-	-	-	340,815
Transfers In	-	-	254,427	-	-	-	832,565	1,893,186
Transfers Out	(40,043)	(880)	(3,227)	(207,848)	-	(14,100)	(212,438)	(3,208,673)
<b>Change in Net Position</b>	<b>(101,577)</b>	<b>26,135</b>	<b>660,512</b>	<b>194,681</b>	<b>17,268</b>	<b>(102,593)</b>	<b>292,957</b>	<b>1,476,624</b>
<b>NET POSITION, January 1</b>	<b>2,450,538</b>	<b>1,924,565</b>	<b>5,175,445</b>	<b>(26,157)</b>	<b>293,370</b>	<b>979,117</b>	<b>-</b>	<b>20,624,800</b>
<b>NET POSITION, December 31</b>	<b>2,348,961</b>	<b>1,950,700</b>	<b>5,835,957</b>	<b>168,524</b>	<b>310,638</b>	<b>876,524</b>	<b>292,957</b>	<b>22,101,424</b>

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
For the Fiscal Year Ended December 31, 2012

Schedule 24

	City Attorney- Outside Services	Risk Management Retention	Internal Borrowing	Real Estate Management	Purchasing's Value Added Services	Information Systems	Equipment Services Fire-Police	Public Works Engineering	Energy Conservation Investment
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>									
Receipts from Loan Recipients and Other Customers	524,093	507,467	1,391,331	55,890	633,336	220,739	419,844	111,481	1,027,172
Receipts from Other Funds for Services Provided	531,417	2,281,954	69,448	2,463,935	344,929	3,016,725	3,150,341	7,809,666	169,677
Other Operating Receipts	-	367,281	-	160,702	-	-	4,288	-	-
Payments to Suppliers	(108,780)	(1,089,701)	-	(1,043,298)	(273,408)	(298,928)	(2,314,143)	(600,757)	(55,662)
Payments to Employees	(729,146)	-	-	(855,575)	(715,521)	(682,729)	(856,672)	(3,888,781)	(80,990)
Payments for Fringe Benefits and Payroll Taxes	(217,081)	(1,412,751)	-	(326,531)	(272,609)	(283,972)	(383,674)	(1,580,433)	(34,918)
Payments to Other Funds for Services Used	(36,390)	-	(31,407)	(26,080)	(9,908)	(8)	(20,260)	(1,379,810)	(52,983)
Other Operating Payments	-	-	-	-	-	-	-	-	(344)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>(35,887)</b>	<b>654,250</b>	<b>1,429,372</b>	<b>429,043</b>	<b>(293,181)</b>	<b>1,971,827</b>	<b>(276)</b>	<b>471,366</b>	<b>971,952</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>									
Transfers In from Other Funds	-	-	-	550,028	-	-	-	-	130,008
Transfers Out to Other Funds	23,472	-	(25,000)	(1,202)	(2,496)	(1,850,151)	(17,528)	(92,355)	-
Operating Grants Received	-	-	-	-	-	-	-	-	-
Advance Received from Other Funds	-	-	-	307,320	295,677	-	17,804	-	-
Advance Made to Other Funds	-	-	-	-	-	-	-	-	(962,664)
Collection of an Advance to Other Funds	-	-	987,004	-	-	-	-	-	-
Repayment of Advance Received from Other Funds	-	-	(78,182)	(50,216)	-	-	-	(22,020)	(181,373)
Interest Paid on Advance Received from Other Funds	-	-	-	-	-	-	-	-	-
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<b>23,472</b>	<b>-</b>	<b>883,822</b>	<b>805,930</b>	<b>293,181</b>	<b>(1,850,151)</b>	<b>276</b>	<b>(114,375)</b>	<b>(1,014,029)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>									
<b>Proceeds from Sale of Capital Assets</b>									
Equipment	-	-	-	-	-	-	-	-	-
Cash Received for Capital Acquisition	-	-	-	-	-	-	-	-	860,802
From Grants	-	-	-	-	-	-	-	-	-
Cash Proceeds from Issuance of Capital Lease	-	-	-	-	-	-	-	-	-
Principal Paid on Capital Lease	-	-	-	(392,005)	-	-	-	-	-
<b>Payments for Acquisition and Construction of Capital Assets</b>									
Buildings and Structures	-	-	-	(703,110)	-	-	-	-	(900,363)
Improvements Other than Buildings	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	(19,666)	(161,405)
Interest Paid on Capital Lease	-	-	-	(139,858)	-	-	-	-	-
<b>NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,234,973)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(19,666)</b>	<b>(200,966)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
Interest and Dividends on Investments Received	-	-	-	-	-	-	-	-	7,881
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(12,415)</b>	<b>654,250</b>	<b>2,313,194</b>	<b>-</b>	<b>-</b>	<b>121,676</b>	<b>-</b>	<b>337,325</b>	<b>(235,162)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>58,199</b>	<b>988,581</b>	<b>385,514</b>	<b>-</b>	<b>150</b>	<b>52,999</b>	<b>100</b>	<b>150</b>	<b>328,266</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>45,784</b>	<b>1,642,831</b>	<b>2,698,708</b>	<b>-</b>	<b>150</b>	<b>174,675</b>	<b>100</b>	<b>337,475</b>	<b>93,104</b>

continued

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
For the Fiscal Year Ended December 31, 2012

Schedule 24

	City Attorney- Outside Services	Risk Management Retention	Internal Borrowing	Real Estate Management	Purchasing's Value Added Services	Information Systems	Equipment Services Fire-Police	Public Works Engineering	Energy Conservation Investment
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO</b>									
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>									
Operating Income (Loss)	31,132	1,100,602	376,297	(303,900)	(22,923)	2,102,205	(193,637)	(1,357,409)	70,256
Adjustments to Reconcile Operating Income to									
Net Cash Provided (Used) by Operating Activities									
Depreciation	-	-	-	582,738	1,726	1,606	36,998	43,888	-
Increase (Decrease) in Allowance for Uncollectible Accounts	-	-	(72,677)	-	-	-	-	-	137,658
Non-Operating Miscellaneous Revenue (Expense)	-	-	-	-	-	-	-	-	180,730
Changes in Assets and Liabilities									
(Increase) Decrease in									
Accounts Receivable	-	(133,418)	(20,832)	150	(133,921)	-	22	(567)	365,019
Notes and Loans Receivable	-	-	1,423,469	-	-	-	-	-	-
Accrued Interest Receivable	-	-	29,226	-	-	-	-	-	-
Due from Other Funds	(4,361)	(110,569)	-	53,579	-	(92,326)	108,228	1,021,065	14,392
Due from Component Units	-	(165,503)	-	-	(29,861)	-	-	-	-
Due from Other Governmental Units	(9,439)	-	-	-	79,876	-	(375)	(55)	219,312
Inventories	-	-	-	-	-	-	(35,609)	-	-
Prepaid Items	-	203,334	-	754	-	-	-	75,846	-
Increase (Decrease) in									
Accrued Salaries Payable	3,971	-	-	10,348	7,813	10,108	(2,146)	13,249	305
Accounts Payable	(1,548)	(193,382)	-	(5,347)	8,965	2,877	69,303	13,015	(15,290)
Due to Other Funds	(87,408)	-	-	(33,094)	1,081	(119)	(2,928)	(1,983)	(1,337)
Due to Other Governmental Units	-	(46,814)	-	-	(1,490)	-	-	1,955	-
Unearned Revenue	-	-	(306,111)	-	(166,491)	-	-	546,584	-
Compensated Absences Payable	17,142	-	-	7,539	(38,288)	(52,524)	9,358	(67,554)	907
Net Other Postemployment Benefits Obligation	14,624	-	-	116,276	332	-	10,510	183,332	-
<b>Total Adjustments</b>	<b>(67,019)</b>	<b>(446,352)</b>	<b>1,053,075</b>	<b>732,943</b>	<b>(270,258)</b>	<b>(130,378)</b>	<b>193,361</b>	<b>1,828,775</b>	<b>901,696</b>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>(35,887)</b>	<b>654,250</b>	<b>1,429,372</b>	<b>429,043</b>	<b>(293,181)</b>	<b>1,971,827</b>	<b>(276)</b>	<b>471,366</b>	<b>971,952</b>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE</b>									
<b>STATEMENT OF NET ASSETS</b>									
Cash and Investments with Treasurer	45,784	1,642,831	2,698,708	-	-	174,675	-	337,325	93,104
Cash and Investments with Trustee	-	-	-	-	-	-	-	-	-
Imprest Funds	-	-	-	-	150	-	100	150	-
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>45,784</b>	<b>1,642,831</b>	<b>2,698,708</b>	<b>-</b>	<b>150</b>	<b>174,675</b>	<b>100</b>	<b>337,475</b>	<b>93,104</b>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>									
Loss on Disposition of Capital Assets	-	-	-	-	-	-	(2,070)	-	-
Contributions of Capital Assets									
Improvements Other Than Buildings	-	-	-	-	-	-	-	-	(501,592)
Equipment	-	-	-	-	-	-	-	-	(55,713)
Buildings and Structures	-	-	-	126,158	-	-	-	-	-
Capital Assets Purchased on Account:									
Equipment	-	-	-	-	-	-	-	-	-
Buildings and Structures	-	-	-	-	-	-	-	-	-
Contributions to Governmental Activities Capital Assets:									
Improvements Other Than Buildings	-	-	-	-	-	-	-	-	(398,771)
Equipment	-	-	-	-	-	-	-	-	(105,692)

continued

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
For the Fiscal Year Ended December 31, 2012

Schedule 24

	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
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>								
Receipts from Loan Recipients and Other Customers	9,250,962	1,453,690	123,619	30,302	4,330	52,446	326,691	16,133,393
Receipts from Other Funds for Services Provided	4,417,519	1,158,438	6,911,742	2,491,704	1,767,630	2,439,867	7,788,838	46,813,830
Other Operating Receipts	-	-	11,656	34,019	-	-	-	577,946
Payments to Suppliers	(4,936,515)	(2,128,564)	(3,245,551)	(69,063)	(621)	(784,275)	(360,554)	(17,309,820)
Payments to Employees	(3,757,804)	(217,455)	(1,294,631)	(1,217,938)	(1,124,416)	(723,967)	(4,753,622)	(20,899,247)
Payments for Fringe Benefits and Payroll Taxes	(2,037,157)	(104,508)	(577,283)	(471,898)	(413,100)	(511,072)	(1,791,285)	(10,418,272)
Payments to Other Funds for Services Used	(3,424,540)	(104,099)	(613,027)	(290,005)	(185,679)	(528,614)	(1,010,962)	(7,713,772)
Other Operating Payments	-	-	-	(1,305)	(41,081)	-	-	(42,730)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>(487,535)</b>	<b>57,502</b>	<b>1,316,525</b>	<b>505,816</b>	<b>7,063</b>	<b>(55,615)</b>	<b>199,106</b>	<b>7,141,328</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>								
Transfers In from Other Funds	-	-	92,088	-	-	-	208,934	981,058
Transfers Out to Other Funds	(40,043)	(880)	(1,759)	(335,581)	-	(14,100)	(212,438)	(2,570,061)
Operating Grants Received	-	-	-	-	-	-	1,300	1,300
Advance Received from Other Funds	81,866	-	85,125	-	-	-	-	787,792
Advance Made to Other Funds	-	-	-	-	-	-	-	(962,664)
Collection of an Advance to Other Funds	-	-	-	-	-	-	-	987,004
Repayment of Advance Received from Other Funds	(114,392)	-	(70,327)	-	-	-	(182,622)	(699,132)
Interest Paid on Advance Received from Other Funds	-	-	-	-	-	-	-	-
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<b>(72,569)</b>	<b>(880)</b>	<b>105,127</b>	<b>(335,581)</b>	<b>-</b>	<b>(14,100)</b>	<b>(184,826)</b>	<b>(1,474,703)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>								
Proceeds from Sale of Capital Assets								
Equipment	444	-	29,356	-	-	9,001	-	38,801
Cash Received for Capital Acquisition								
From Grants	-	-	-	-	-	-	-	860,802
Cash Proceeds from Issuance of Capital Lease	-	-	1,210,000	-	-	-	-	1,210,000
Principal Paid on Capital Lease	-	-	(82,017)	-	-	-	-	(474,022)
Payments for Acquisition and Construction of Capital Assets								
Buildings and Structures	-	(119,471)	(15,011)	-	-	-	-	(1,737,955)
Improvements Other than Buildings	-	-	-	-	-	-	(14,280)	(14,280)
Equipment	-	(5,888)	(1,274,797)	(12,700)	-	(7,894)	-	(1,482,350)
Interest Paid on Capital Lease	-	-	(10,070)	-	-	-	-	(149,928)
<b>NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>444</b>	<b>(125,359)</b>	<b>(142,539)</b>	<b>(12,700)</b>	<b>-</b>	<b>1,107</b>	<b>(14,280)</b>	<b>(1,748,932)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>								
Interest and Dividends on Investments Received	-	-	-	-	-	-	-	7,881
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(559,660)</b>	<b>(68,737)</b>	<b>1,279,113</b>	<b>157,535</b>	<b>7,063</b>	<b>(68,608)</b>	<b>-</b>	<b>3,925,574</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>1,377,309</b>	<b>1,564,446</b>	<b>-</b>	<b>512,521</b>	<b>117,054</b>	<b>307,042</b>	<b>200</b>	<b>5,692,531</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>817,649</b>	<b>1,495,709</b>	<b>1,279,113</b>	<b>670,056</b>	<b>124,117</b>	<b>238,434</b>	<b>200</b>	<b>9,618,105</b>

continued

City of Saint Paul, Minnesota  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
For the Fiscal Year Ended December 31, 2012

Schedule 24

	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
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO</b>								
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>								
Operating Income (Loss)	(61,979)	27,015	57,625	402,529	17,268	(72,084)	(328,470)	1,844,527
Adjustments to Reconcile Operating Income to								
Net Cash Provided (Used) by Operating Activities								
Depreciation	30,831	17,747	909,909	3,095	-	87,155	7,654	1,723,347
Increase (Decrease) in Allowance for Uncollectible Accounts	(178,896)	2,165	(2,880)	-	-	-	-	(114,630)
Non-Operating Miscellaneous Revenue (Expense)	-	-	-	-	-	-	-	180,730
Changes in Assets and Liabilities								
(Increase) Decrease in								
Accounts Receivable	170,428	16,739	8,885	56	-	(384)	-	272,177
Notes and Loans Receivable	-	-	-	-	-	-	-	1,423,469
Accrued Interest Receivable	-	-	-	-	-	-	-	29,226
Due from Other Funds	(688,606)	(38)	72,086	30,246	(45,937)	(105,726)	301,634	553,667
Due from Component Units	3,420	-	2,834	-	-	-	-	(189,110)
Due from Other Governmental Units	50,456	(19,519)	27,686	-	-	(2,354)	-	345,588
Inventories	(114,985)	(10,044)	(38,929)	-	-	35,864	-	(163,703)
Prepaid Items	-	-	4,227	-	-	-	-	284,161
Increase (Decrease) in								
Accrued Salaries Payable	19,908	1,338	6,955	370	4,040	(5,354)	34,340	105,245
Accounts Payable	1,862	(7,856)	31,655	2,306	(207)	2,978	(5,167)	(95,836)
Due to Other Funds	197,080	665	96,216	(8,231)	(414)	(3,235)	(6,489)	149,804
Due to Other Governmental Units	-	386	-	(13)	-	(408)	(4,054)	(50,438)
Unearned Revenue	-	-	-	-	-	-	-	73,982
Compensated Absences Payable	5,208	(6,110)	3,975	(4,358)	2,814	(42,337)	(26,235)	(190,463)
Net Other Postemployment Benefits Obligation	77,738	35,014	136,281	79,816	29,499	50,270	225,893	959,585
Total Adjustments	(425,556)	30,487	1,258,900	103,287	(10,205)	16,469	527,576	5,296,801
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>(487,535)</b>	<b>57,502</b>	<b>1,316,525</b>	<b>505,816</b>	<b>7,063</b>	<b>(55,615)</b>	<b>199,106</b>	<b>7,141,328</b>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE</b>								
<b>STATEMENT OF NET ASSETS</b>								
Cash and Investments with Treasurer	817,324	1,495,609	69,113	669,856	124,117	238,434	-	8,406,880
Cash and Investments with Trustee	-	-	1,210,000	-	-	-	-	1,210,000
Imprest Funds	325	100	-	200	-	-	200	1,225
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>817,649</b>	<b>1,495,709</b>	<b>1,279,113</b>	<b>670,056</b>	<b>124,117</b>	<b>238,434</b>	<b>200</b>	<b>9,618,105</b>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>								
Loss on Disposition of Capital Assets	-	-	-	-	-	(16,409)	-	(18,479)
Contributions of Capital Assets								
Improvements Other Than Buildings	-	-	415,154	-	-	-	-	(86,438)
Equipment	-	-	(40,000)	-	-	-	-	(95,713)
Buildings and Structures	-	-	-	-	-	-	-	126,158
Capital Assets Purchased on Account:								
Equipment	-	-	558,747	-	-	-	-	558,747
Buildings and Structures	-	-	-	-	-	-	169,923	169,923
Contributions to Governmental Activities Capital Assets:								
Improvements Other Than Buildings	-	-	-	-	-	-	-	(398,771)
Equipment	-	-	-	-	-	-	-	(105,692)

## **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 POSITION**  
**ALL AGENCY FUNDS**  
December 31, 2012

Schedule 25

	Employee Withholding	Miscellaneous	Unclaimed Property	Suspense	Minnesota Selective Excise Tax Collection	Building Permits State Surcharge	Confiscated and Unclaimed Monies	Arbitrage Rebate	Total
<b>ASSETS</b>									
Cash and Investments with Treasurer	959,273	982,710	50,562	22,474	36,912	31,565	1,500,699	1,493,375	5,077,570
Receivables									
Property Taxes - Due from Ramsey County	-	22,083	-	-	-	-	-	-	22,083
Accounts (net of allowance for estimated uncollectibles)	390	110,250	-	-	1,165	-	-	-	111,805
Accrued Interest	-	-	-	-	-	-	-	4,147	4,147
Due from Other Funds	-	-	-	250	7,316	-	-	-	7,566
Due from Other Governmental Units	-	-	-	-	1,080	-	-	-	1,080
<b>TOTAL ASSETS</b>	<b>959,663</b>	<b>1,115,043</b>	<b>50,562</b>	<b>22,724</b>	<b>46,473</b>	<b>31,565</b>	<b>1,500,699</b>	<b>1,497,522</b>	<b>5,224,251</b>
<b>LIABILITIES</b>									
Accounts Payable	413,542	1,094,241	-	21,981	-	-	1,499,447	-	3,029,211
Due to Other Governmental Units	546,121	20,802	50,562	347	46,473	31,565	1,252	1,497,522	2,194,644
Due to Component Unit	-	-	-	396	-	-	-	-	396
<b>TOTAL LIABILITIES</b>	<b>959,663</b>	<b>1,115,043</b>	<b>50,562</b>	<b>22,724</b>	<b>46,473</b>	<b>31,565</b>	<b>1,500,699</b>	<b>1,497,522</b>	<b>5,224,251</b>

STATEMENT OF CHANGES IN ASSETS  
AND LIABILITIES - ALL AGENCY FUNDS  
For the Fiscal Year Ended December 31, 2012

	Employee Withholding				Miscellaneous				Unclaimed Property			
	01/01/12	Additions	Deductions	12/31/12	01/01/12	Additions	Deductions	12/31/12	01/01/12	Additions	Deductions	12/31/12
<b>ASSETS</b>												
Cash and Investments with Treasurer	1,200,119	49,825,561	50,066,407	959,273	67,318	4,074,622	3,159,230	982,710	31,121	53,747	34,306	50,562
Receivables												
Property Taxes - Due from Ramsey County	-	-	-	-	-	22,083	-	22,083	-	-	-	-
Accounts (net of allowance for estimated uncollectibles)	-	390	-	390	-	110,250	-	110,250	-	-	-	-
Accrued Interest	-	-	-	-	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-	-	-	-	-
Due from Other Governmental Units	-	-	-	-	-	-	-	-	14,590	-	14,590	-
<b>TOTAL ASSETS</b>	<u>1,200,119</u>	<u>49,825,951</u>	<u>50,066,407</u>	<u>959,663</u>	<u>67,318</u>	<u>4,206,955</u>	<u>3,159,230</u>	<u>1,115,043</u>	<u>45,711</u>	<u>53,747</u>	<u>48,896</u>	<u>50,562</u>
<b>LIABILITIES</b>												
Accounts Payable	658,284	13,109,070	13,353,812	413,542	-	5,645,069	4,550,828	1,094,241	-	29,670	29,670	-
Due to Other Governmental Units	541,835	43,073,713	43,069,427	546,121	67,318	2,793,456	2,839,972	20,802	45,711	39,157	34,306	50,562
Due to Component Unit	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<u>1,200,119</u>	<u>56,182,783</u>	<u>56,423,239</u>	<u>959,663</u>	<u>67,318</u>	<u>8,438,525</u>	<u>7,390,800</u>	<u>1,115,043</u>	<u>45,711</u>	<u>68,827</u>	<u>63,976</u>	<u>50,562</u>

continued

City of Saint Paul, Minnesota  
**STATEMENT OF CHANGES IN ASSETS  
AND LIABILITIES - ALL AGENCY FUNDS**  
For the Fiscal Year Ended December 31, 2012

Schedule 26

	Suspense				Minnesota Selective Excise Tax Collection				Building Permits State Surcharge			
	01/01/12	Additions	Deductions	12/31/12	01/01/12	Additions	Deductions	12/31/12	01/01/12	Additions	Deductions	12/31/12
<b>ASSETS</b>												
Cash and Investments with Treasurer	576,921	327,008	881,455	22,474	-	905,713	868,801	36,912	16,479	226,919	211,833	31,565
Receivables												
Property Taxes - Due from Ramsey County	-	-	-	-	-	-	-	-	-	-	-	-
Accounts (net of allowance for estimated uncollectibles)	-	-	-	-	29,047	26,946	54,828	1,165	-	-	-	-
Accrued Interest	-	-	-	-	-	-	-	-	-	-	-	-
Due from Other Funds	-	250	-	250	182,975	7,316	182,975	7,316	-	-	-	-
Due from Other Governmental Units	-	-	-	-	1,184	1,080	1,184	1,080	-	-	-	-
<b>TOTAL ASSETS</b>	<u>576,921</u>	<u>327,258</u>	<u>881,455</u>	<u>22,724</u>	<u>213,206</u>	<u>941,055</u>	<u>1,107,788</u>	<u>46,473</u>	<u>16,479</u>	<u>226,919</u>	<u>211,833</u>	<u>31,565</u>
<b>LIABILITIES</b>												
Accounts Payable	576,921	345,175	900,115	21,981	150,749	-	150,749	-	5	377	382	-
Due to Other Governmental Units	-	347	-	347	62,457	941,055	957,039	46,473	16,474	226,542	211,451	31,565
Due to Component Unit	-	396	-	396	-	-	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<u>576,921</u>	<u>345,918</u>	<u>900,115</u>	<u>22,724</u>	<u>213,206</u>	<u>941,055</u>	<u>1,107,788</u>	<u>46,473</u>	<u>16,479</u>	<u>226,919</u>	<u>211,833</u>	<u>31,565</u>

continued

City of Saint Paul, Minnesota  
**STATEMENT OF CHANGES IN ASSETS  
AND LIABILITIES - ALL AGENCY FUNDS**  
For the Fiscal Year Ended December 31, 2012

Schedule 26

	Confiscated and Unclaimed Monies				Arbitrage Rebate				Total			
	01/01/12	Additions	Deductions	12/31/12	01/01/12	Additions	Deductions	12/31/12	01/01/12	Additions	Deductions	12/31/12
<b>ASSETS</b>												
Cash and Investments with Treasurer	1,742,728	964,625	1,206,654	1,500,699	1,278,721	319,034	104,380	1,493,375	4,913,407	56,697,229	56,533,066	5,077,570
Receivables												
Property Taxes - Due from Ramsey County	-	-	-	-	-	-	-	-	-	22,083	-	22,083
Accounts (net of allowance for estimated uncollectibles)	191	-	191	-	-	-	-	-	29,238	137,586	55,019	111,805
Accrued Interest	-	-	-	-	6,089	4,147	6,089	4,147	6,089	4,147	6,089	4,147
Due from Other Funds	-	-	-	-	-	-	-	-	182,975	7,566	182,975	7,566
Due from Other Governmental Units	5,308	-	5,308	-	-	-	-	-	21,082	1,080	21,082	1,080
<b>TOTAL ASSETS</b>	<u>1,748,227</u>	<u>964,625</u>	<u>1,212,153</u>	<u>1,500,699</u>	<u>1,284,810</u>	<u>323,181</u>	<u>110,469</u>	<u>1,497,522</u>	<u>5,152,791</u>	<u>56,869,691</u>	<u>56,798,231</u>	<u>5,224,251</u>
<b>LIABILITIES</b>												
Accounts Payable	1,739,101	2,025,921	2,265,575	1,499,447	-	-	-	-	3,125,060	21,155,282	21,251,131	3,029,211
Due to Other Governmental Units	9,126	233,969	241,843	1,252	1,284,810	323,181	110,469	1,497,522	2,027,731	47,631,420	47,464,507	2,194,644
Due to Component Unit	-	-	-	-	-	-	-	-	-	396	-	396
<b>TOTAL LIABILITIES</b>	<u>1,748,227</u>	<u>2,259,890</u>	<u>2,507,418</u>	<u>1,500,699</u>	<u>1,284,810</u>	<u>323,181</u>	<u>110,469</u>	<u>1,497,522</u>	<u>5,152,791</u>	<u>68,787,098</u>	<u>68,715,638</u>	<u>5,224,251</u>

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## CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

## COMPARATIVE SCHEDULES BY SOURCE

December 31, 2012 and December 31, 2011

	<u>2012</u>	<u>2011</u>
<b>Governmental Funds Capital Assets:</b>		
Land	151,978,008	149,008,533
Buildings and Structures	601,146,716	592,680,755
Improvements Other than Buildings	145,666,544	138,777,651
Equipment	76,710,858	75,092,803
Infrastructure	728,378,673	699,392,799
Construction in Progress	<u>82,307,459</u>	<u>87,923,115</u>
<b>Total Governmental Funds Capital Assets</b>	<u><u>1,786,188,258</u></u>	<u><u>1,742,875,656</u></u>
<b>Investment in Governmental Funds Capital Assets by Source:</b>		
Investment in Property Acquired Prior to January 1, 1976		
- Source Unidentified	46,301,785	46,301,785
Investment in Infrastructure Prior to January 1, 2002	574,324,669	577,243,064
General Obligation Bonds	281,694,489	253,731,535
Federal Grants	85,032,368	84,779,089
State Grants	157,626,079	143,823,085
County	35,878,097	35,048,809
Metro Grants	59,807,140	55,864,818
Expenditures from General Fund	23,936,270	23,696,120
Expenditures from Special Revenue Funds	31,507,527	29,750,599
Expenditures from Capital Projects Funds	308,759,106	317,523,016
Expenditures from Trust Funds	6,343,850	6,339,517
Other	<u>174,976,878</u>	<u>168,774,219</u>
<b>Total Governmental Funds Capital Assets</b>	<u><u>1,786,188,258</u></u>	<u><u>1,742,875,656</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, 2012

Schedule 28

Function and Activity	Total	Land	Buildings and Structures	Improvements Other than Buildings	Equipment	Infrastructure	Construction in Progress
<b>General Government</b>							
Control							
Legislative	34,164	-	-	-	34,164	-	-
Executive	333,730	-	-	-	333,730	-	-
<b>Total Control</b>	<b>367,894</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>367,894</b>	<b>-</b>	<b>-</b>
<b>Staff Agencies</b>							
City Clerk	690,439	-	-	-	690,439	-	-
Technology and Management Services	2,249,556	-	-	-	2,249,556	-	-
City Attorney	284,003	-	-	-	284,003	-	-
General Government Buildings	57,284,908	483,516	40,693,163	101,429	-	-	16,006,800
<b>Total Staff Agencies</b>	<b>60,508,906</b>	<b>483,516</b>	<b>40,693,163</b>	<b>101,429</b>	<b>3,223,998</b>	<b>-</b>	<b>16,006,800</b>
<b>Total General Government</b>	<b>60,876,800</b>	<b>483,516</b>	<b>40,693,163</b>	<b>101,429</b>	<b>3,591,892</b>	<b>-</b>	<b>16,006,800</b>
<b>Public Safety</b>							
Police Protection	49,090,139	3,037,986	28,202,290	185,315	17,650,234	-	14,314
Fire Protection	50,566,418	1,876,058	23,448,204	300,433	24,000,320	-	941,403
Safety and Inspection	802,185	-	413,701	-	388,484	-	-
Emergency Management	111,160	-	-	-	111,160	-	-
<b>Total Public Safety</b>	<b>100,569,902</b>	<b>4,914,044</b>	<b>52,064,195</b>	<b>485,748</b>	<b>42,150,198</b>	<b>-</b>	<b>955,717</b>
<b>Highways and Streets</b>	<b>804,397,220</b>	<b>32,890,510</b>	<b>6,890,337</b>	<b>1,951,886</b>	<b>4,933,798</b>	<b>728,378,673</b>	<b>29,352,016</b>
<b>Culture and Recreation</b>							
Office of Financial Services	10,410,590	9,448,195	554,145	408,250	-	-	-
Parks and Recreation	427,745,570	97,877,402	172,290,783	115,211,747	6,372,712	-	35,992,926
Library	50,781,085	1,325,285	43,567,682	7,804	5,880,314	-	-
RiverCentre	286,788,509	1,748,508	270,699,563	606,288	13,734,150	-	-
<b>Total Culture and Recreation</b>	<b>775,725,754</b>	<b>110,399,390</b>	<b>487,112,173</b>	<b>116,234,089</b>	<b>25,987,176</b>	<b>-</b>	<b>35,992,926</b>
<b>Economic Development</b>	<b>44,618,582</b>	<b>3,290,548</b>	<b>14,386,848</b>	<b>26,893,392</b>	<b>47,794</b>	<b>-</b>	<b>-</b>
<b>Total Governmental Funds Capital Assets</b>	<b>1,786,188,258</b>	<b>151,978,008</b>	<b>601,146,716</b>	<b>145,666,544</b>	<b>76,710,858</b>	<b>728,378,673</b>	<b>82,307,459</b>

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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, 2012

Schedule 29

<u>Function and Activity</u>	<u>Balance 01/01/12</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 12/31/12</u>
<b>General Government Control</b>				
Legislative	42,654	-	8,490	34,164
Executive	309,221	360,643	336,134	333,730
<b>Total Control</b>	<b>351,875</b>	<b>360,643</b>	<b>344,624</b>	<b>367,894</b>
<b>Staff Agencies</b>				
City Clerk	690,439	-	-	690,439
Technology and Management Services	1,997,143	252,413	-	2,249,556
City Attorney	284,003	-	-	284,003
General Government Buildings	52,756,337	4,528,571	-	57,284,908
<b>Total Staff Agencies</b>	<b>55,727,922</b>	<b>4,780,984</b>	<b>-</b>	<b>60,508,906</b>
<b>Total General Government</b>	<b>56,079,797</b>	<b>5,141,627</b>	<b>344,624</b>	<b>60,876,800</b>
<b>Public Safety</b>				
Police Protection	49,789,919	1,565,561	2,265,341	49,090,139
Fire Protection	48,567,258	2,441,552	442,392	50,566,418
Safety and Inspection	767,716	34,469	-	802,185
Emergency Management	111,160	-	-	111,160
<b>Total Public Safety</b>	<b>99,236,053</b>	<b>4,041,582</b>	<b>2,707,733</b>	<b>100,569,902</b>
<b>Highways and Streets</b>	<b>791,888,220</b>	<b>75,466,298</b>	<b>62,957,298</b>	<b>804,397,220</b>
<b>Culture and Recreation</b>				
Office of Financial Services	10,101,818	308,772	-	10,410,590
Parks and Recreation	403,722,532	24,140,416	117,378	427,745,570
Library	50,440,145	340,940	-	50,781,085
RiverCentre	286,788,509	-	-	286,788,509
<b>Total Culture and Recreation</b>	<b>751,053,004</b>	<b>24,790,128</b>	<b>117,378</b>	<b>775,725,754</b>
<b>Economic Development</b>	<b>44,618,582</b>	<b>-</b>	<b>-</b>	<b>44,618,582</b>
<b>Total Governmental Funds Capital Assets</b>	<b>1,742,875,656</b>	<b>109,439,635</b>	<b>66,127,033</b>	<b>1,786,188,258</b>

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, 2012

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
<b>Delinquent Taxes Receivable by Year</b>								
<b>Delinquent Taxes</b>								
2012	1,666,078	1,054,682	248,403	46,483	142,521	93,722	76,323	3,944
2011	558,815	348,894	88,134	15,234	48,449	29,045	9,367	19,692
2010	416,012	265,895	66,687	13,388	38,469	10,823	2,456	18,294
2009 and Prior	338,087	222,830	40,455	4,040	-	15,360	473	54,929
<b>Total Delinquent Taxes Receivable</b>	<b>2,978,992</b>	<b>1,892,301</b>	<b>443,679</b>	<b>79,145</b>	<b>229,439</b>	<b>148,950</b>	<b>88,619</b>	<b>96,859</b>

City of Saint Paul, Minnesota  
**SCHEDULE OF CHANGES IN BONDS PAYABLE**  
For the Fiscal Year Ended December 31, 2012

**Schedule 31**

	<u>Balance 01/01/12</u>	<u>Issued</u>	<u>Retired/ Defeased</u>	<u>Balance 12/31/12</u>
<b>General Long-Term Debt</b>				
<b>General Obligation Bonds</b>				
Property Tax Supported	164,099,811	12,706,774	17,329,965	159,476,620
Special Assessment Debt with Governmental Commitment	23,340,189	2,318,226	6,450,035	19,208,380
HRA Tax Increment	18,625,000	-	2,555,000	16,070,000
<b>Total General Obligation Bonds</b>	<u>206,065,000</u>	<u>15,025,000</u>	<u>26,335,000</u>	<u>194,755,000</u>
<b>Revenue Bonds</b>				
Sales Tax Revenue Bonds	84,800,000	-	3,230,000	81,570,000
HRA Tax Increment Revenue Bonds	36,911,657	15,790,000	19,007,795	33,693,862
HRA Sales Tax Revenue Bonds	35,520,000	-	1,975,000	33,545,000
HRA Lease Revenue Bonds	13,080,000	-	590,000	12,490,000
<b>Total Revenue Bonds</b>	<u>170,311,657</u>	<u>15,790,000</u>	<u>24,802,795</u>	<u>161,298,862</u>
<b>Total Bonds</b>	<u>376,376,657</u>	<u>30,815,000</u>	<u>51,137,795</u>	<u>356,053,862</u>
<b>Sewer Utility Enterprise Fund</b>				
Revenue Bonds	57,150,000	8,815,000	3,060,000	62,905,000
<b>Special Services Enterprise Fund</b>				
Revenue Bonds	5,925,000	-	280,000	5,645,000
<b>HRA Loan Enterprise Fund</b>				
Limited Tax Bonds	7,855,000	-	-	7,855,000
<b>HRA Parking Enterprise Fund</b>				
General Obligation Bonds - Self Supporting	26,480,000	-	1,605,000	24,875,000
Revenue Bonds	41,235,000	-	1,670,000	39,565,000
	<u>67,715,000</u>	<u>-</u>	<u>3,275,000</u>	<u>64,440,000</u>
<b>Total</b>	<u>515,021,657</u>	<u>39,630,000</u>	<u>57,752,795</u>	<u>496,898,862</u>

DEBT SERVICE REQUIREMENTS TO MATURITY - GENERAL OBLIGATION BONDS

December 31, 2012

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
2013	17,096,160	6,128,711	23,224,871	1,053,841	785,682	1,839,523	1,305,000	520,454	1,825,454
2014	13,154,780	5,647,798	18,802,578	1,010,220	751,178	1,761,398	1,340,000	481,039	1,821,039
2015	12,357,755	5,196,534	17,554,289	1,032,245	715,222	1,747,467	1,380,000	439,996	1,819,996
2016	10,864,785	4,798,808	15,663,593	1,945,215	660,693	2,605,908	1,190,000	396,822	1,586,822
2017	10,040,131	4,446,305	14,486,436	1,834,869	589,356	2,424,225	1,220,000	356,284	1,576,284
2018	9,506,732	4,104,625	13,611,357	898,267	536,590	1,434,857	710,000	322,564	1,032,564
2019	9,073,295	3,768,578	12,841,873	921,705	501,027	1,422,732	725,000	301,621	1,026,621
2020	8,845,159	3,427,550	12,272,709	954,842	461,494	1,416,336	750,000	279,991	1,029,991
2021	8,255,839	3,091,120	11,346,959	999,161	420,579	1,419,740	775,000	257,474	1,032,474
2022	7,471,546	2,774,357	10,245,903	1,038,454	378,389	1,416,843	800,000	234,086	1,034,086
2023	7,216,612	2,467,765	9,684,377	1,078,388	333,773	1,412,161	825,000	209,819	1,034,819
2024	6,180,934	2,168,854	8,349,788	1,114,066	286,491	1,400,557	845,000	183,006	1,028,006
2025	5,784,345	1,896,803	7,681,148	1,155,657	235,923	1,391,580	875,000	154,435	1,029,435
2026	5,684,173	1,621,232	7,305,405	1,100,826	182,242	1,283,068	910,000	123,790	1,033,790
2027	5,267,066	1,349,948	6,617,014	932,934	132,573	1,065,507	945,000	90,728	1,035,728
2028	4,829,415	1,094,114	5,923,529	765,586	90,118	855,704	980,000	55,348	1,035,348
2029	4,353,129	860,744	5,213,873	591,871	55,453	647,324	160,000	16,440	176,440
2030	3,898,116	646,907	4,545,023	431,884	29,221	461,105	165,000	10,100	175,100
2031	2,916,492	465,154	3,381,646	263,508	11,502	275,010	170,000	3,400	173,400
2032	2,420,156	324,660	2,744,816	84,841	1,909	86,750	-	-	-
2033	1,900,000	203,798	2,103,798	-	-	-	-	-	-
2034	1,615,000	107,443	1,722,443	-	-	-	-	-	-
2035	745,000	29,098	774,098	-	-	-	-	-	-
	<u>159,476,620</u>	<u>56,620,905</u>	<u>216,097,525</u>	<u>19,208,380</u>	<u>7,159,412</u>	<u>26,367,792</u>	<u>16,070,000</u>	<u>4,437,396</u>	<u>20,507,396</u>

continued

Fiscal Year	TOTAL GOVERNMENTAL ACTIVITIES			GENERAL OBLIGATION BONDS - SELF-SUPPORTING HRA PARKING ENTERPRISE FUND (Business-Type Activity)			TOTAL BUSINESS-TYPE ACTIVITIES		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2013	19,455,001	7,434,846	26,889,847	1,640,000	835,541	2,475,541	1,640,000	835,541	2,475,541
2014	15,505,000	6,880,015	22,385,015	1,710,000	783,616	2,493,616	1,710,000	783,616	2,493,616
2015	14,770,000	6,351,752	21,121,752	1,650,000	727,846	2,377,846	1,650,000	727,846	2,377,846
2016	14,000,000	5,856,323	19,856,323	1,725,000	664,081	2,389,081	1,725,000	664,081	2,389,081
2017	13,095,000	5,391,945	18,486,945	1,800,000	593,581	2,393,581	1,800,000	593,581	2,393,581
2018	11,114,999	4,963,778	16,078,777	1,850,000	520,581	2,370,581	1,850,000	520,581	2,370,581
2019	10,720,000	4,571,226	15,291,226	1,855,000	455,756	2,310,756	1,855,000	455,756	2,310,756
2020	10,550,001	4,169,035	14,719,036	1,920,000	397,931	2,317,931	1,920,000	397,931	2,317,931
2021	10,030,000	3,769,173	13,799,173	1,985,000	336,916	2,321,916	1,985,000	336,916	2,321,916
2022	9,310,000	3,386,832	12,696,832	2,055,000	269,938	2,324,938	2,055,000	269,938	2,324,938
2023	9,120,000	3,011,357	12,131,357	2,125,000	196,788	2,321,788	2,125,000	196,788	2,321,788
2024	8,140,000	2,638,351	10,778,351	2,225,000	120,663	2,345,663	2,225,000	120,663	2,345,663
2025	7,815,002	2,287,160	10,102,162	2,335,000	40,863	2,375,863	2,335,000	40,863	2,375,863
2026	7,694,999	1,927,264	9,622,263	-	-	-	-	-	-
2027	7,145,000	1,573,248	8,718,248	-	-	-	-	-	-
2028	6,575,001	1,239,579	7,814,580	-	-	-	-	-	-
2029	5,105,000	932,637	6,037,637	-	-	-	-	-	-
2030	4,495,000	686,228	5,181,228	-	-	-	-	-	-
2031	3,350,000	480,056	3,830,056	-	-	-	-	-	-
2032	2,504,997	326,569	2,831,566	-	-	-	-	-	-
2033	1,900,000	203,798	2,103,798	-	-	-	-	-	-
2034	1,615,000	107,443	1,722,443	-	-	-	-	-	-
2035	745,000	29,098	774,098	-	-	-	-	-	-
	<u>194,755,000</u>	<u>68,217,714</u>	<u>262,972,714</u>	<u>24,875,000</u>	<u>5,944,101</u>	<u>30,819,101</u>	<u>24,875,000</u>	<u>5,944,101</u>	<u>30,819,101</u>

continued

City of Saint Paul, Minnesota  
DEBT SERVICE REQUIREMENTS TO MATURITY - GENERAL OBLIGATION BONDS  
December 31, 2012

Schedule 32

Fiscal Year	TOTAL ALL ACTIVITIES		
	Principal	Interest	Total Requirements
2013	21,095,001	8,270,387	29,365,388
2014	17,215,000	7,663,631	24,878,631
2015	16,420,000	7,079,598	23,499,598
2016	15,725,000	6,520,404	22,245,404
2017	14,895,000	5,985,526	20,880,526
2018	12,964,999	5,484,359	18,449,358
2019	12,575,000	5,026,982	17,601,982
2020	12,470,001	4,566,966	17,036,967
2021	12,015,000	4,106,089	16,121,089
2022	11,365,000	3,656,770	15,021,770
2023	11,245,000	3,208,145	14,453,145
2024	10,365,000	2,759,014	13,124,014
2025	10,150,002	2,328,023	12,478,025
2026	7,694,999	1,927,264	9,622,263
2027	7,145,000	1,573,248	8,718,248
2028	6,575,001	1,239,579	7,814,580
2029	5,105,000	932,637	6,037,637
2030	4,495,000	686,228	5,181,228
2031	3,350,000	480,056	3,830,056
2032	2,504,997	326,569	2,831,566
2033	1,900,000	203,798	2,103,798
2034	1,615,000	107,443	1,722,443
2035	745,000	29,098	774,098
	<u>219,630,000</u>	<u>74,161,814</u>	<u>293,791,814</u>

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
2013	3,410,000	4,347,402	7,757,402	1,245,862	1,637,325	2,883,187	2,115,000	2,381,695	4,496,695
2014	3,595,000	4,165,615	7,760,615	1,893,000	1,791,329	3,684,329	2,265,000	2,231,530	4,496,530
2015	3,805,000	3,973,963	7,778,963	1,738,000	1,695,879	3,433,879	2,425,000	2,070,715	4,495,715
2016	4,010,000	3,771,118	7,781,118	1,829,000	1,600,465	3,429,465	2,595,000	1,898,540	4,493,540
2017	4,235,000	3,557,343	7,792,343	2,320,000	1,477,793	3,797,793	2,780,000	1,714,295	4,494,295
2018	4,470,000	3,331,568	7,801,568	1,279,000	1,379,442	2,658,442	2,980,000	1,516,915	4,496,915
2019	4,725,000	3,088,166	7,813,166	1,358,000	1,307,377	2,665,377	3,190,000	1,305,335	4,495,335
2020	4,995,000	2,830,801	7,825,801	1,498,000	1,230,782	2,728,782	3,420,000	1,078,845	4,498,845
2021	5,280,000	2,558,688	7,838,688	1,651,000	1,143,976	2,794,976	3,660,000	836,025	4,496,025
2022	5,575,000	2,270,998	7,845,998	1,752,000	1,048,975	2,800,975	3,920,000	576,165	4,496,165
2023	5,890,000	1,967,209	7,857,209	1,855,000	948,289	2,803,289	4,195,000	297,845	4,492,845
2024	10,730,000	1,646,185	12,376,185	1,974,000	841,298	2,815,298	-	-	-
2025	11,330,000	1,071,222	12,401,222	2,090,000	727,461	2,817,461	-	-	-
2026	1,720,000	476,000	2,196,000	2,219,000	606,049	2,825,049	-	-	-
2027	1,810,000	390,000	2,200,000	2,355,000	476,356	2,831,356	-	-	-
2028	1,900,000	299,500	2,199,500	3,819,000	288,422	4,107,422	-	-	-
2029	1,995,000	204,500	2,199,500	2,818,000	75,451	2,893,451	-	-	-
2030	2,095,000	104,750	2,199,750	-	-	-	-	-	-
2031	-	-	-	-	-	-	-	-	-
2032	-	-	-	-	-	-	-	-	-
2033	-	-	-	-	-	-	-	-	-
2034	-	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-	-
	<u>81,570,000</u>	<u>40,055,028</u>	<u>121,625,028</u>	<u>33,693,862</u>	<u>18,276,669</u>	<u>51,970,531</u>	<u>33,545,000</u>	<u>15,907,905</u>	<u>49,452,905</u>

continued

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
2013	610,000	527,038	1,137,038	7,380,862	8,893,460	16,274,322	3,500,000	2,351,524	5,851,524
2014	630,000	506,313	1,136,313	8,383,000	8,694,787	17,077,787	3,595,000	2,252,235	5,847,235
2015	650,000	485,013	1,135,013	8,618,000	8,225,570	16,843,570	3,695,000	2,142,223	5,837,223
2016	670,000	462,481	1,132,481	9,104,000	7,732,604	16,836,604	3,815,000	2,018,610	5,833,610
2017	695,000	438,319	1,133,319	10,030,000	7,187,750	17,217,750	3,920,000	1,890,023	5,810,023
2018	720,000	411,231	1,131,231	9,449,000	6,639,156	16,088,156	4,340,000	1,750,723	6,090,723
2019	755,000	381,038	1,136,038	10,028,000	6,081,916	16,109,916	3,900,000	1,580,773	5,480,773
2020	785,000	349,037	1,134,037	10,698,000	5,489,465	16,187,465	4,040,000	1,419,233	5,459,233
2021	815,000	315,888	1,130,888	11,406,000	4,854,577	16,260,577	3,565,000	1,252,173	4,817,173
2022	855,000	280,499	1,135,499	12,102,000	4,176,637	16,278,637	3,685,000	1,105,873	4,790,873
2023	890,000	242,806	1,132,806	12,830,000	3,456,149	16,286,149	3,830,000	960,421	4,790,421
2024	930,000	202,050	1,132,050	13,634,000	2,689,533	16,323,533	3,540,000	807,505	4,347,505
2025	365,000	172,375	537,375	13,785,000	1,971,058	15,756,058	3,690,000	666,972	4,356,972
2026	385,000	155,037	540,037	4,324,000	1,237,086	5,561,086	3,835,000	518,848	4,353,848
2027	400,000	136,750	536,750	4,565,000	1,003,106	5,568,106	3,970,000	363,923	4,333,923
2028	420,000	116,750	536,750	6,139,000	704,672	6,843,672	2,365,000	219,980	2,584,980
2029	445,000	95,750	540,750	5,258,000	375,701	5,633,701	1,785,000	129,825	1,914,825
2030	465,000	73,500	538,500	2,560,000	178,250	2,738,250	1,220,000	62,494	1,282,494
2031	490,000	50,250	540,250	490,000	50,250	540,250	615,000	18,500	633,500
2032	515,000	25,750	540,750	515,000	25,750	540,750	-	-	-
2033	-	-	-	-	-	-	-	-	-
2034	-	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-	-
	<u>12,490,000</u>	<u>5,427,875</u>	<u>17,917,875</u>	<u>161,298,862</u>	<u>79,667,477</u>	<u>240,966,339</u>	<u>62,905,000</u>	<u>21,511,858</u>	<u>84,416,858</u>

continued

City of Saint Paul, Minnesota  
DEBT SERVICE REQUIREMENTS TO MATURITY - REVENUE BONDS  
December 31, 2012

Schedule 33

Fiscal Year	SPECIAL SERVICES ENTERPRISE FUND RECREATION FACILITY REVENUE BONDS (Business-Type Activity)			HRA PARKING ENTERPRISE FUND REVENUE BONDS (Business-Type Activity)			TOTAL BUSINESS-TYPE ACTIVITIES			TOTAL ALL ACTIVITIES		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2013	295,000	272,950	567,950	1,750,000	1,846,327	3,596,327	5,545,000	4,470,801	10,015,801	12,925,862	13,364,261	26,290,123
2014	310,000	261,150	571,150	1,830,000	1,764,762	3,594,762	5,735,000	4,278,147	10,013,147	14,118,000	12,972,934	27,090,934
2015	325,000	248,750	573,750	1,915,000	1,678,924	3,593,924	5,935,000	4,069,897	10,004,897	14,553,000	12,295,467	26,848,467
2016	350,000	235,750	585,750	2,010,000	1,588,476	3,598,476	6,175,000	3,842,836	10,017,836	15,279,000	11,575,440	26,854,440
2017	375,000	218,250	593,250	2,105,000	1,492,925	3,597,925	6,400,000	3,601,198	10,001,198	16,430,000	10,788,948	27,218,948
2018	400,000	199,500	599,500	1,140,000	1,384,456	2,524,456	5,880,000	3,334,679	9,214,679	15,329,000	9,973,835	25,302,835
2019	425,000	179,500	604,500	1,175,000	1,346,419	2,521,419	5,500,000	3,106,692	8,606,692	15,528,000	9,188,608	24,716,608
2020	450,000	158,250	608,250	1,225,000	1,300,443	2,525,443	5,715,000	2,877,926	8,592,926	16,413,000	8,367,391	24,780,391
2021	475,000	135,750	610,750	1,270,000	1,251,444	2,521,444	5,310,000	2,639,367	7,949,367	16,716,000	7,493,944	24,209,944
2022	505,000	112,000	617,000	1,325,000	1,200,643	2,525,643	5,515,000	2,418,516	7,933,516	17,617,000	6,595,153	24,212,153
2023	535,000	86,750	621,750	1,375,000	1,147,069	2,522,069	5,740,000	2,194,240	7,934,240	18,570,000	5,650,389	24,220,389
2024	565,000	60,000	625,000	1,435,000	1,089,750	2,524,750	5,540,000	1,957,255	7,497,255	19,174,000	4,646,788	23,820,788
2025	635,000	31,750	666,750	1,495,000	1,028,763	2,523,763	5,820,000	1,727,485	7,547,485	19,605,000	3,698,543	23,303,543
2026	-	-	-	1,560,000	964,575	2,524,575	5,395,000	1,483,423	6,878,423	9,719,000	2,720,509	12,439,509
2027	-	-	-	1,635,000	888,619	2,523,619	5,605,000	1,252,542	6,857,542	10,170,000	2,255,648	12,425,648
2028	-	-	-	1,715,000	809,006	2,524,006	4,080,000	1,028,986	5,108,986	10,219,000	1,733,658	11,952,658
2029	-	-	-	1,795,000	725,487	2,520,487	3,580,000	855,312	4,435,312	8,838,000	1,231,013	10,069,013
2030	-	-	-	1,885,000	638,062	2,523,062	3,105,000	700,556	3,805,556	5,665,000	878,806	6,543,806
2031	-	-	-	1,975,000	546,250	2,521,250	2,590,000	564,750	3,154,750	3,080,000	615,000	3,695,000
2032	-	-	-	2,075,000	447,500	2,522,500	2,075,000	447,500	2,522,500	2,590,000	473,250	3,063,250
2033	-	-	-	2,180,000	343,750	2,523,750	2,180,000	343,750	2,523,750	2,180,000	343,750	2,523,750
2034	-	-	-	2,290,000	234,750	2,524,750	2,290,000	234,750	2,524,750	2,290,000	234,750	2,524,750
2035	-	-	-	2,405,000	120,250	2,525,250	2,405,000	120,250	2,525,250	2,405,000	120,250	2,525,250
	<u>5,645,000</u>	<u>2,200,350</u>	<u>7,845,350</u>	<u>39,565,000</u>	<u>23,838,650</u>	<u>63,403,650</u>	<u>108,115,000</u>	<u>47,550,858</u>	<u>155,665,858</u>	<u>269,413,862</u>	<u>127,218,335</u>	<u>396,632,197</u>

**DEBT SERVICE REQUIREMENTS TO MATURITY - LIMITED TAX BONDS**

December 31, 2012

Fiscal Year	HRA LOAN ENTERPRISE FUND LIMITED TAX BONDS		Total Requirements
	Principal	Interest	
2013	-	514,092.50	514,092.50
2014	100,000	511,917.50	611,917.50
2015	110,000	507,350.00	617,350.00
2016	120,000	502,347.50	622,347.50
2017	135,000	496,801.25	631,801.25
2018	145,000	490,711.25	635,711.25
2019	160,000	484,077.50	644,077.50
2020	165,000	476,802.50	641,802.50
2021	170,000	468,970.00	638,970.00
2022	180,000	460,522.50	640,522.50
2023	205,000	450,987.50	655,987.50
2024	220,000	440,087.50	660,087.50
2025	235,000	427,262.50	662,262.50
2026	255,000	412,562.50	667,562.50
2027	270,000	396,475.00	666,475.00
2028	290,000	378,975.00	668,975.00
2029	310,000	360,225.00	670,225.00
2030	335,000	340,068.75	675,068.75
2031	355,000	316,731.25	671,731.25
2032	380,000	290,087.50	670,087.50
2033	405,000	261,631.25	666,631.25
2034	255,000	237,706.25	492,706.25
2035	265,000	218,856.25	483,856.25
2036	275,000	198,937.50	473,937.50
2037	290,000	177,750.00	467,750.00
2038	605,000	144,187.50	749,187.50
2039	655,000	96,937.50	751,937.50
2040	965,000	36,187.50	1,001,187.50
	<u>7,855,000</u>	<u>10,099,248.75</u>	<u>17,954,248.75</u>

**ANNUAL PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	General Obligation Bond Requirements	Revenue Bond Requirements	Limited Tax Bond Requirements	Total Requirements
2013	29,365,388.00	26,290,123.00	514,092.50	56,169,603.50
2014	24,878,631.00	27,090,934.00	611,917.50	52,581,482.50
2015	23,499,598.00	26,848,467.00	617,350.00	50,965,415.00
2016	22,245,404.00	26,854,440.00	622,347.50	49,722,191.50
2017	20,880,526.00	27,218,948.00	631,801.25	48,731,275.25
2018	18,449,358.00	25,302,835.00	635,711.25	44,387,904.25
2019	17,601,982.00	24,716,608.00	644,077.50	42,962,667.50
2020	17,036,967.00	24,780,391.00	641,802.50	42,459,160.50
2021	16,121,089.00	24,209,944.00	638,970.00	40,970,003.00
2022	15,021,770.00	24,212,153.00	640,522.50	39,874,445.50
2023	14,453,145.00	24,220,389.00	655,987.50	39,329,521.50
2024	13,124,014.00	23,820,788.00	660,087.50	37,604,889.50
2025	12,478,025.00	23,303,543.00	662,262.50	36,443,830.50
2026	9,622,263.00	12,439,509.00	667,562.50	22,729,334.50
2027	8,718,248.00	12,425,648.00	666,475.00	21,810,371.00
2028	7,814,580.00	11,952,658.00	668,975.00	20,436,213.00
2029	6,037,637.00	10,069,013.00	670,225.00	16,776,875.00
2030	5,181,228.00	6,543,806.00	675,068.75	12,400,102.75
2031	3,830,056.00	3,695,000.00	671,731.25	8,196,787.25
2032	2,831,566.00	3,063,250.00	670,087.50	6,564,903.50
2033	2,103,798.00	2,523,750.00	666,631.25	5,294,179.25
2034	1,722,443.00	2,524,750.00	492,706.25	4,739,899.25
2035	774,098.00	2,525,250.00	483,856.25	3,783,204.25
2036	-	-	473,937.50	473,937.50
2037	-	-	467,750.00	467,750.00
2038	-	-	749,187.50	749,187.50
2039	-	-	751,937.50	751,937.50
2040	-	-	1,001,187.50	1,001,187.50
	293,791,814.00	396,632,197.00	17,954,248.75	708,378,259.75

City of Saint Paul, Minnesota  
**SCHEDULE OF GENERAL OBLIGATION BOND ANNUAL CHARGES FOR  
 PRINCIPAL AND INTEREST - PROPERTY TAX SUPPORTED BONDS**  
 December 31, 2012

**Schedule 36**

	Capital Improvement		Library Agency		Public Safety		Street Improvement		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2013	9,855,000.00	1,833,177.12	700,000.00	668,052.00	3,800,000.00	1,380,336.96	2,741,160.00	2,247,144.75	17,096,160.00	6,128,710.83
2014	8,010,000.00	1,552,664.61	1,000,000.00	635,802.00	1,530,000.00	1,299,661.96	2,614,781.00	2,159,669.91	13,154,781.00	5,647,798.48
2015	7,090,000.00	1,281,608.36	1,000,000.00	593,302.00	1,580,000.00	1,254,086.96	2,687,755.00	2,067,537.06	12,357,755.00	5,196,534.38
2016	5,430,000.00	1,074,249.79	1,000,000.00	548,302.00	1,640,000.00	1,207,061.96	2,794,786.00	1,969,194.57	10,864,786.00	4,798,808.32
2017	4,485,000.00	921,274.49	1,000,000.00	503,302.00	1,710,000.00	1,155,836.96	2,845,132.00	1,865,891.57	10,040,132.00	4,446,305.02
2018	3,815,000.00	789,425.36	1,000,000.00	458,302.00	1,785,000.00	1,100,486.96	2,906,733.00	1,756,410.19	9,506,733.00	4,104,624.51
2019	3,255,000.00	672,568.31	1,000,000.00	413,302.00	1,835,000.00	1,042,174.46	2,983,295.00	1,640,533.07	9,073,295.00	3,768,577.84
2020	2,885,000.00	567,460.76	975,000.00	367,645.75	1,895,000.00	980,424.46	3,090,159.00	1,512,018.55	8,845,159.00	3,427,549.52
2021	2,160,000.00	472,732.75	925,000.00	322,520.75	1,940,000.00	916,536.96	3,230,839.00	1,379,329.92	8,255,839.00	3,091,120.38
2022	1,210,000.00	404,441.80	900,000.00	279,177.00	2,005,000.00	848,391.56	3,356,546.00	1,242,347.01	7,471,546.00	2,774,357.37
2023	885,000.00	360,813.60	780,000.00	239,277.00	2,065,000.00	770,176.36	3,486,612.00	1,097,498.48	7,216,612.00	2,467,765.44
2024	905,000.00	321,440.00	600,000.00	206,502.00	1,070,000.00	697,081.46	3,605,934.00	943,830.26	6,180,934.00	2,168,853.72
2025	930,000.00	281,181.60	-	192,252.00	1,115,000.00	643,788.06	3,739,345.00	779,580.92	5,784,345.00	1,896,802.58
2026	955,000.00	238,110.60	-	192,252.00	1,160,000.00	585,784.06	3,569,173.00	605,085.36	5,684,173.00	1,621,232.02
2027	985,000.00	189,189.00	-	192,252.00	1,205,000.00	525,617.86	3,077,066.00	442,888.66	5,267,066.00	1,349,947.52
2028	1,020,000.00	138,229.00	-	192,252.00	1,260,000.00	462,891.61	2,549,415.00	300,741.51	4,829,415.00	1,094,114.12
2029	1,045,000.00	86,122.40	-	192,252.00	1,310,000.00	397,360.48	1,998,129.00	185,009.08	4,353,129.00	860,743.96
2030	905,000.00	32,359.60	175,000.00	192,252.00	1,365,000.00	328,344.30	1,453,116.00	93,951.31	3,898,116.00	646,907.21
2031	-	-	665,000.00	174,585.60	1,425,000.00	255,251.82	826,492.00	35,316.50	2,916,492.00	465,153.92
2032	-	-	685,000.00	139,772.40	1,480,000.00	179,146.62	255,156.00	5,741.00	2,420,156.00	324,660.02
2033	-	-	705,000.00	103,920.00	1,195,000.00	99,877.90	-	-	1,900,000.00	203,797.90
2034	-	-	725,000.00	67,028.40	890,000.00	40,414.40	-	-	1,615,000.00	107,442.80
2035	-	-	745,000.00	29,097.60	-	-	-	-	745,000.00	29,097.60
	<u>55,825,000.00</u>	<u>11,217,049.15</u>	<u>14,580,000.00</u>	<u>6,903,402.50</u>	<u>35,260,000.00</u>	<u>16,170,734.13</u>	<u>53,811,624.00</u>	<u>22,329,719.68</u>	<u>159,476,624.00</u>	<u>56,620,905.46</u>

City of Saint Paul, Minnesota  
SCHEDULE OF INTERGOVERNMENTAL REVENUE  
ALL FUNDS  
For the Fiscal Year Ended December 31, 2012

Schedule 37

	Federal	State	County	Other	Total
<b>GOVERNMENTAL FUNDS</b>					
<b>Major Governmental Funds</b>					
<b>General Fund</b>					
Fire Pension Amortization and Insurance Premium Aid	-	2,117,580	-	-	2,117,580
Local Government Aid	-	50,345,128	-	-	50,345,128
Police/Fire Disability Benefit Act	-	340,738	-	-	340,738
Police Pension Amortization Aid	-	3,703,365	-	-	3,703,365
Public Employees Retirement Association - Pension Aid	-	517,512	-	-	517,512
City Share of State Highway Rent	-	-	49,534	-	49,534
City Share of County Court Fines	-	2,928,922	-	-	2,928,922
Saint Paul Foundation - Central Corridor Collaborative Grant	-	-	-	20,000	20,000
City Share of State Highway Funds	-	13,180	-	-	13,180
	-	59,966,425	49,534	20,000	60,035,959
<b>Library Agency</b>					
City Share of State Highway Rent	-	-	11,889	-	11,889
<b>General Debt Service</b>					
Government Acquired Property Rent	-	-	6,539	-	6,539
Build America Bonds Interest Subsidy	-	-	-	501,880	501,880
	-	-	6,539	501,880	508,419
<b>Capital Improvement Projects</b>					
Federal Highway Administration - State Administered	4,154,579	-	-	-	4,154,579
New Freedom Program - Metropolitan Council Administered	48,437	-	-	-	48,437
Municipal State Aid - Construction	-	9,300,887	-	-	9,300,887
State Department of Natural Resources	-	629,320	-	-	629,320
Congressionally Recommended Awards - DOJ	462,408	-	-	-	462,408
Ramsey County Aid	-	-	91,408	-	91,408
Metropolitan Council	-	-	-	9,397,070	9,397,070
	4,665,424	9,930,207	91,408	9,397,070	24,084,109
<b>Total Major Governmental Funds</b>	<b>4,665,424</b>	<b>69,896,632</b>	<b>159,370</b>	<b>9,918,950</b>	<b>84,640,376</b>
<b>Non Major Governmental Funds</b>					
<b>Special Revenue Funds</b>					
<b>Special Projects - General Government</b>					
AmeriCorps*VISTA - CNCS	267,747	-	-	-	267,747
Minnesota Electric Vehicle Charging Stations Grant	-	48,273	-	-	48,273
Saint Paul Public Schools - AmeriCorps*VISTA Cost Share	-	-	-	17,400	17,400
	267,747	48,273	-	17,400	333,420
<b>Citywide Major Events</b>					
Disaster Grants - Public Assistance - State Administered	1,181	395	-	-	1,576

continued

Note: ARRA denotes the American Recovery and Reinvestment Act of 2009.

City of Saint Paul, Minnesota  
SCHEDULE OF INTERGOVERNMENTAL REVENUE  
ALL FUNDS  
For the Fiscal Year Ended December 31, 2012

Schedule 37

	Federal	State	County	Other	Total
<b>Special Projects Police</b>					
Bullet Proof Vest Partnership - DOJ	8,914	-	-	-	8,914
Public Safety Partnership and Community Policing Grants (COPS) - DOJ (ARRA)	1,377,342	-	-	-	1,377,342
Grants to Encourage Arrest Policies and Enforcement of Protection Orders - First Light, Accountability, Response, and Enforcement (FLARE) - DOJ	113,742	-	-	-	113,742
Homeland Security Grant Program - State Administered	101,979	-	-	-	101,979
Services for Trafficking Victims - DOJ	36,910	-	-	-	36,910
Postal Model for Medical Counter Measures Delivery and Distribution - State Administered	8,304	-	-	-	8,304
Internet Crimes Against Children Task Force Program - DOJ (ARRA)	218,219	-	-	-	218,219
Edward Byrne Memorial Justice Assistance Grant Program - DOJ	392,332	-	-	-	392,332
Edward Byrne Memorial Justice Assistance Grant Program/Grants To Units Of Local Government - DOJ (ARRA)	617,745	-	-	-	617,745
Juvenile Accountability Block Grants - State Administered	74,248	-	-	-	74,248
Edward Byrne Memorial Justice Assistance Grant Program - Narcotics Control Program-Surveillance - Ramsey County Administered	114,727	-	-	-	114,727
Edward Byrne Memorial Competitive Grant Program - Comprehensive Community Based Approaches to Preventing and Reducing Violent Crime - DOJ (ARRA)	152,925	-	-	-	152,925
Juvenile Mentoring Program - National PAL Mentoring Initiative - Police Athletic League Administered	21,142	-	-	-	21,142
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants - State Administered	109,379	-	-	-	109,379
Child Sexual Predator Program - Office of Community Oriented Policing Services - State Administered	6,885	-	-	-	6,885
National PAL Recovery Act Mentoring Day 2012 - Police Athletic League Administered (ARRA)	4,534	-	-	-	4,534
Minnesota Auto Theft Prevention Program	-	213,283	-	-	213,283
Real Time Officer-State and Community Highway Safety - State Administered	11,067	-	-	-	11,067
Peace Officers Standards Board	-	193,608	-	-	193,608
Community Crime Prevention 2012 Program - Breaking Free	-	2,554	-	-	2,554
	<u>3,370,394</u>	<u>409,445</u>	<u>-</u>	<u>-</u>	<u>3,779,839</u>
<b>Fire Responsive Services</b>					
2008 Homeland Security Grant - MN JAC - State Administered	4,812	-	-	-	4,812
2008 SAFER Grant - DHS	371,317	-	-	-	371,317
2008 Metropolitan Medical Response System Grant - State Administered	4,586	-	-	-	4,586
2009 UASI Grant - State Administered	362,754	-	-	-	362,754
2009 UASI Hazard Analysis Grant - State Administered	7,654	-	-	-	7,654
2009 Metropolitan Medical Response System Grant - State Administered	155,620	-	-	-	155,620
2009 Assistance to Firefighters Grant - DHS	15,537	-	-	-	15,537
2009 Port Security Grant - State Administered	195,840	-	-	-	195,840
2010 Pre-Disaster Mitigation Grant - State Administered	61,871	-	-	-	61,871
2010 Metropolitan Medical Response System Grant - State Administered	56,713	-	-	-	56,713
2010 Homeland Security Grant - MN JAC - State Administered	24,566	-	-	-	24,566
2010 UASI Hazard Analysis Grant - State Administered	91,577	-	-	-	91,577
2010 Homeland Security Grant - Collapse - State Administered	41,144	-	-	-	41,144
2010 Homeland Security Grant - Haz Mat - State Administered	54,052	-	-	-	54,052
2010 UASI Grant - State Administered	488,347	-	-	-	488,347
2010 Assistance to Firefighters Grant - DHS	403,323	-	-	-	403,323
2010 Port Security Grant - State Administered	173,391	-	-	-	173,391
Decontamination Trailer Grant - MN Dept. of Public Safety	-	10,731	-	-	10,731
2011 UASI Grant - State Administered	118,669	-	-	-	118,669
2011 Assistance to Firefighter Regional Grant - DHS	268,369	-	-	-	268,369
2011 Metropolitan Medical Response System Grant - State Administered	23,464	-	-	-	23,464
2012 Emergency Management Performance Grant - State Administered	30,000	-	-	-	30,000
	<u>2,953,606</u>	<u>10,731</u>	<u>-</u>	<u>-</u>	<u>2,964,337</u>
<b>Right of Way Maintenance</b>					
Municipal State Aid - Maintenance	-	2,007,944	-	-	2,007,944
State Trunk Highway	-	621,518	-	-	621,518
Ramsey County Aid	-	-	757,741	-	757,741
	<u>-</u>	<u>2,629,462</u>	<u>757,741</u>	<u>-</u>	<u>3,387,203</u>
<b>Forestry Special</b>					
Community Forest Bonding Grant - Minnesota Department of Natural Resources	-	5,958	-	-	5,958

continued

Note: ARRA denotes the American Recovery and Reinvestment Act of 2009.

City of Saint Paul, Minnesota  
SCHEDULE OF INTERGOVERNMENTAL REVENUE  
ALL FUNDS  
For the Fiscal Year Ended December 31, 2012

Schedule 37

	Federal	State	County	Other	Total
<b>Solid Waste and Recycling</b>					
Project No Waste - Minnesota Pollution Control Agency	-	10,000	-	-	10,000
Ramsey County Recycling Program	-	-	590,383	-	590,383
	-	10,000	590,383	-	600,383
<b>Como Campus</b>					
Legacy Grant Funding - Minnesota Office of Grants Management	-	126,705	-	-	126,705
Minnesota Department of Natural Resources Como Zoo Grant	-	120,000	-	-	120,000
	-	246,705	-	-	246,705
<b>Parks and Recreation Grants and Aids</b>					
Federal Transit Capital Investment Grants - Metropolitan Council	256,209	-	-	-	256,209
Arts and Learning Grant	-	143,538	-	-	143,538
Youth Job Corp Grant	-	600,637	-	-	600,637
Como Shuttle Operation Grant	-	-	-	52,159	52,159
Community Forest Bonding Grant	-	31,926	-	-	31,926
Fish and Wildlife - Como Lakeside Restoration	-	74,420	-	-	74,420
State Legacy Grant Funding - Environmental	-	89,101	-	-	89,101
Regional Parks Maintenance	-	-	-	1,507,973	1,507,973
	256,209	939,622	-	1,560,132	2,755,963
<b>Library Agency Revenues and Grants</b>					
Legacy - Metropolitan Library Service Agency (MELSA)	-	5,880	-	-	5,880
Metropolitan Library Service Agency (MELSA)	-	177,485	-	-	177,485
	-	183,365	-	-	183,365
<b>Community Development Block Grant</b>					
Community Development Block Grants/Entitlement Grants - HUD	8,796,892	-	-	-	8,796,892
Emergency Solution Grant Program - HUD	355,390	-	-	-	355,390
Homeless Prevention and Rapid Re-Housing Program - HUD	310,079	-	-	-	310,079
Community Development Block Grants/Entitlement Grants - HUD (ARRA)	845,736	-	-	-	845,736
	10,308,097	-	-	-	10,308,097
<b>State Grant Programs</b>					
Environmental Protection Agency Coalition Assessment - EPA	438,656	-	-	-	438,656
Neighborhood Stabilization Program - NSP1 - HUD	356,124	-	-	-	356,124
Neighborhood Stabilization Program - NSP2 - HUD (ARRA)	6,909,316	-	-	-	6,909,316
Neighborhood Stabilization Program - NSP3 - HUD	1,100,823	-	-	-	1,100,823
Neighborhood Stabilization Program - NSP1 - State Administered	1,212,940	-	-	-	1,212,940
Neighborhood Stabilization Program - NSP3 - State Administered	477,000	-	-	-	477,000
Non-Motorized Transportation Pilot Grant - State Administered	157,376	-	-	-	157,376
Sustainable Communities Regional Planning - State Administered	123,333	-	-	-	123,333
Sustainable Building Policy Training Grant - State Administered	13,578	-	-	-	13,578
National Infrastructure Investment - State Administered	45,300	-	-	-	45,300
State of Minnesota - Special Projects	-	373,078	-	-	373,078
Metropolitan Council Grant - Special Projects	-	-	-	2,244,200	2,244,200
McKnight Foundation	-	-	-	63,531	63,531
	10,834,446	373,078	-	2,307,731	13,515,255
<b>HRA Federal and State Programs</b>					
Home Investment Partnerships Program - HUD	3,047,072	-	-	-	3,047,072
Shelter Plus Care Grants - HUD	18,450	-	-	-	18,450
Metropolitan Council Ready4Rail Loans	-	-	-	1,511,034	1,511,034
Metropolitan Council Central Corridor Marketing Research	-	-	-	614,985	614,985
Minnesota Housing Finance Agency (MHFA) - Loan and Grant Program	-	93,068	-	-	93,068
	3,065,522	93,068	-	2,126,019	5,284,609
<b>Total Special Revenue Funds</b>	<b>31,057,202</b>	<b>4,950,102</b>	<b>1,348,124</b>	<b>6,011,282</b>	<b>43,366,710</b>

continued

Note: ARRA denotes the American Recovery and Reinvestment Act of 2009.

City of Saint Paul, Minnesota  
SCHEDULE OF INTERGOVERNMENTAL REVENUE  
ALL FUNDS  
For the Fiscal Year Ended December 31, 2012

Schedule 37

	Federal	State	County	Other	Total
<b>Debt Service Funds</b>					
G.O. Special Assessments - Streets					
Build America Bonds Interest Subsidy	-	-	-	184,934	184,934
<b>Total Debt Service Funds</b>	-	-	-	184,934	184,934
<b>Total Nonmajor Governmental Funds</b>	31,057,202	4,950,102	1,348,124	6,196,216	43,551,644
<b>Total Governmental Funds</b>	35,722,626	74,846,734	1,507,494	16,115,166	128,192,020
<b>PROPRIETARY FUNDS</b>					
<b>Major Enterprise Funds</b>					
<b>Sewer Utility</b>					
Metropolitan Council Environmental Services Inflow & Infiltration Match Grant	-	-	-	69,219	69,219
Ramsey County Aid	-	-	73,340	-	73,340
	-	-	73,340	69,219	142,559
<b>HRA Loan Enterprise</b>					
Housing Counseling Assistance Grant - HUD	30,516	-	-	-	30,516
Mortgage Foreclosure Prevention Assistance Program - State Administered	58,627	15,000	-	-	73,627
Minnesota Housing Finance Agency - CRV Loans	-	407,637	-	-	407,637
Build America Bond Interest Subsidy	-	-	-	169,504	169,504
	89,143	422,637	-	169,504	681,284
<b>Total Major Enterprise Funds</b>	89,143	422,637	73,340	238,723	823,843
<b>Internal Service Funds</b>					
<b>Energy Conservation Investment</b>					
State Energy Program - State Administered (ARRA)	377,516	-	-	-	377,516
Energy Efficiency and Conservation Block Grant - DOE (ARRA)	731,005	-	-	-	731,005
	1,108,521	-	-	-	1,108,521
<b>Public Works Traffic, Signal and Lighting Maintenance</b>					
Municipal State Aid	-	1,524,191	-	-	1,524,191
State Trunk Highway	-	207,173	-	-	207,173
Ramsey County Aid	-	-	990,085	-	990,085
	-	1,731,364	990,085	-	2,721,449
<b>Total Internal Service Funds</b>	1,108,521	1,731,364	990,085	-	3,829,970
<b>Total Proprietary Funds</b>	1,197,664	2,154,001	1,063,425	238,723	4,653,813
<b>TOTAL ALL FUNDS</b>	36,920,290	77,000,735	2,570,919	16,353,889	132,845,833

Note: ARRA denotes the American Recovery and Reinvestment Act of 2009.

City of Saint Paul, Minnesota  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 ALL FUND TYPES  
 For the Fiscal Year Ended December 31, 2012

Schedule 38

Federal Grantor Pass-Through Agency Grant Program Title	Federal CFDA Number	Expenditures	Passed Through to Subrecipients
<b>U.S. Department of Housing and Urban Development</b>			
<b>Direct Grants</b>			
Community Development Block Grants (CDBG)/Entitlement Grants Cluster Community Development Block Grants/Entitlement Grants	14.218	10,253,839	3,907,475
Community Development Block Grants/Entitlement Grants -- ARRA	14.253	845,736	550,000
Emergency Solutions Grants Program	14.231	355,390	332,741
Neighborhood Stabilization Program -- ARRA	14.256	6,909,316	-
Homelessness Prevention and Rapid Re-Housing Program	14.257	310,079	297,624
<b>Passed Through Minnesota Housing Finance Agency</b>			
Community Development Block Grants State's Program and Non-Entitlement Grants in Hawaii	14.228	1,689,940	-
Sustainable Communities Regional Planning Grant Program	14.703	123,333	-
<b>Total U. S. Department of Housing and Urban Development</b>		<b>20,487,633</b>	<b>5,087,840</b>
<b>U.S. Department of Justice</b>			
<b>Direct Grants</b>			
Services for Trafficking Victims	16.320	36,910	-
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	113,742	-
Bulletproof Vest Partnership Program	16.607	8,914	-
Public Safety Partnership and Community Policing Grants Cluster Public Safety Partnership and Community Policing Grants -- ARRA	16.710	1,377,342	-
Congressionally Recommended Awards	16.753	462,408	-
<b>JAG Program Cluster</b>			
Edward Byrne Memorial Justice Assistance Grant Program (Total Edward Byrne Memorial Justice Assistance Grant CFDA 16.738 \$537,564)	16.738	422,694	149,373
Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to Units of Local Government -- ARRA	16.804	617,745	44,851
Internet Crimes Against Children Task Force Program (ICAC) -- ARRA	16.800	218,219	172,247
Edward Byrne Memorial Competitive Grant Program -- ARRA (Total Edward Byrne Memorial Competitive Grant Program - ARRA CFDA 16.808 \$157,459)	16.808	152,925	46,026
<b>Passed Through Minnesota Department of Public Safety</b>			
Juvenile Accountability Block Grants	16.523	74,248	35,000
Public Safety Partnership and Community Policing Grants Cluster Public Safety Partnership and Community Policing Grants	16.710	6,885	-
<b>Passed Through Ramsey County</b>			
<b>JAG Program Cluster</b>			
Edward Byrne Memorial Justice Assistance Grant Program (Total Edward Byrne Memorial Justice Assistance Grant Program CFDA 16.738 \$537,564)	16.738	114,870	-
<b>Passed Through National Association of Police Athletic/Activities League</b>			
Juvenile Mentoring Program	16.726	21,142	-
Edward Byrne Memorial Competitive Grant Program -- ARRA (Total Edward Byrne Memorial Competitive Grant Program - ARRA CFDA 16.808 \$157,459)	16.808	4,534	-
<b>Total U. S. Department of Justice</b>		<b>3,632,578</b>	<b>447,497</b>
<b>U.S. Department of Labor</b>			
<b>Passed Through Minnesota Department of Employment and Economic Development</b>			
Program of Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry Sectors	17.275	13,578	-

continued

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

City of Saint Paul, Minnesota  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
ALL FUND TYPES  
For the Fiscal Year Ended December 31, 2012

Schedule 38

Federal Grantor Pass-Through Agency Grant Program Title	Federal CFDA Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Transportation Passed Through Minnesota Department of Transportation Highway Planning and Construction	20.205	4,311,955	157,376
National Infrastructure Investments	20.933	45,300	-
Passed Through Metropolitan Council Federal Transit Capital Investment Grants	20.500	256,209	-
New Freedom Program	20.521	48,437	-
Passed Through Minnesota Department of Public Safety Highway Safety Cluster State and Community Highway Safety	20.600	41,895	-
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	51,151	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	27,400	-
<b>Total U.S. Department of Transportation</b>		<u>4,782,347</u>	<u>157,376</u>
Institute of Museum and Library Services Laura Bush 21st Century Librarian Program	45.313	42,993	-
U.S. Environmental Protection Agency Direct Grant Brownfields Assessment and Cleanup Cooperative Agreements	66.818	438,656	-
U.S. Department of Energy Direct Grant Energy Efficiency and Conservation Block Grant (EECBG) -- ARRA	81.128	731,005	-
Passed Through Minnesota Department of Commerce - Minnesota Office of Energy Security State Energy Program -- ARRA	81.041	377,516	-
<b>Total U.S. Department of Energy</b>		<u>1,108,521</u>	<u>-</u>
U.S. Department of Health and Human Services Passed Through Minnesota Department of Health Postal Model for Medical Countermeasures Delivery and Distribution	93.016	8,304	-
Corporation for National and Community Service Direct Grant Volunteers in Service to America	94.013	267,747	-
U.S. Department of Homeland Security Direct Grants Assistance to Firefighters Grant	97.044	687,229	-
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	371,317	-
Passed Through Minnesota Department of Public Safety Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	1,181	-
Emergency Management Performance Grants	97.042	30,000	-
Pre-Disaster Mitigation	97.047	61,871	-
Port Security Grant Program	97.056	369,231	-
Homeland Security Grant Program	97.067	1,535,937	-
<b>Total U.S. Department of Homeland Security</b>		<u>3,056,766</u>	<u>-</u>
<b>Total Federal Awards</b>		<u><u>33,839,123</u></u>	<u><u>5,692,713</u></u>

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

City of Saint Paul, Minnesota  
Notes to the Schedule of Expenditures of Federal Awards  
For the Fiscal Year Ended December 31, 2012

1. Reporting Entity

The Schedule of Expenditures of Federal Awards presents the activities of federal award programs expended by the City of Saint Paul. The City's reporting entity is defined in Note II to the basic financial statements. This schedule does not include \$3,154,665, \$11,323,988, and \$2,934,945 in federal awards expended by the Housing and Redevelopment Authority (HRA) of the City of Saint Paul, the Saint Paul Regional Water Services, and the Port Authority of the City of Saint Paul, respectively, component units of the City, which had separate single audits.

2. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Saint Paul under programs of the federal government for the year ended December 31, 2012. The information in this schedule is presented in accordance with the requirements of Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the City of Saint Paul, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of Saint Paul.

3. Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported 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 of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through grant numbers were not assigned by the pass-through agencies.

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City of Saint Paul, Minnesota  
Notes to the Schedule of Expenditures of Federal Awards  
For the Fiscal Year Ended December 31, 2012

4. Clusters

Clusters of programs are groupings of closely related programs that share common compliance requirements. Total expenditures by cluster are:

Community Development Block Grants (CDBG)/Entitlement Grants Cluster	\$ 11,099,575
Public Safety Partnership and Community Policing Grants Cluster	1,384,227
JAG Program Cluster	1,155,309
Highway Safety Cluster	93,046

5. Reconciliation to Schedule of Intergovernmental Revenue

Federal grant revenue per Schedule of Intergovernmental Revenue	\$ 36,920,290
Expenditures of Program Income	
Edward Byrne Memorial Justice Assistance Grant Program	30,362
Expenditures occurring in 2012, but revenue recognized in 2011	
Edward Byrne Memorial Justice Assistance Grant Program	143
Expenditures occurring in 2012, but revenue deferred until 2013	
Learning Labs Grant	42,993
Grants received by blended component unit not included:	
Home Investment Partnerships Program	(3,047,072)
Shelter Plus Care Grants	(18,450)
Housing Counseling Assistance Grant Program	(30,516)
Mortgage Foreclosure Mitigation Counseling Program	(58,627)
	<hr/>
Expenditures Per Schedule of Expenditures of Federal Awards	<u>\$ 33,839,123</u>

6. American Recovery and Reinvestment Act

The American Recovery and Reinvestment Act of 2009 (ARRA) requires recipients to clearly distinguish ARRA funds from non-ARRA funding. In the schedule, ARRA funds are denoted by the addition of ARRA to the program name.

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## 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.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These tables contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	<b>240-245</b>
<b>Revenue Capacity</b> These tables contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.	<b>246-251</b>
<b>Debt Capacity</b> 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.	<b>252-263</b>
<b>Demographic and Economic Information</b> 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.	<b>264-265</b>
<b>Operating Information</b> 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.	<b>266-268</b>

**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. 54 in 2011; beginning in 2011, information in the table's present the new fund classifications and new fund balance classifications.

**City of Saint Paul, Minnesota**  
**NET POSITION BY COMPONENT**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

**Table 1**

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 795,317,632	\$ 828,644,882	\$ 844,290,032	\$ 873,832,717	\$ 876,864,683	\$ 830,322,656	\$ 845,478,082	\$ 870,207,402	\$ 897,144,181	\$ 914,831,518
Restricted	13,558,684	15,834,269	16,618,146	13,395,398	14,398,465	12,098,432	14,382,290	10,840,072	126,716,782	104,248,218
Unrestricted	110,149,300	76,428,755	40,137,785	10,774,044	28,472,609	61,063,557	79,548,174	65,908,623	(70,428,738)	(70,857,529)
Total Governmental Activities Net Position	<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>	<u>903,484,645</u>	<u>939,408,546</u>	<u>946,956,097</u>	<u>953,432,225</u>	<u>948,222,207</u>
<b>Business-Type Activities</b>										
Net Investment in Capital Assets	245,187,836	238,808,414	239,912,873	242,732,729	259,106,106	237,900,645	232,402,369	230,341,576	229,596,222	228,206,967
Restricted	10,195,968	16,105,185	22,966,596	17,621,141	17,066,554	9,894,269	11,941,383	17,257,081	13,808,890	14,927,767
Unrestricted	66,940,134	81,087,008	82,190,294	85,135,530	57,645,856	82,854,646	78,582,035	75,358,398	73,495,906	65,783,952
Total Business-Type Activities Net Position	<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>	<u>330,649,560</u>	<u>322,925,787</u>	<u>322,957,055</u>	<u>316,901,018</u>	<u>308,918,686</u>
<b>Primary Government</b>										
Net Investment in Capital Assets	1,040,505,468	1,067,453,296	1,084,202,905	1,116,565,446	1,135,970,789	1,068,223,301	1,077,880,451	1,100,548,978	1,126,740,403	1,143,038,485
Restricted	23,754,652	31,939,454	39,584,742	31,016,539	31,465,019	21,992,701	26,323,673	28,097,153	140,525,672	119,175,985
Unrestricted	177,089,434	157,515,763	122,328,079	95,909,574	86,118,465	143,918,203	158,130,209	141,267,021	3,067,168	(5,073,577)
Total Primary Government Net Position	<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>	<u>\$ 1,234,134,205</u>	<u>\$ 1,262,334,333</u>	<u>\$ 1,269,913,152</u>	<u>\$ 1,270,333,243</u>	<u>\$ 1,257,140,893</u>

Source: Office of Financial Services, City of St. Paul

unaudited

**City of Saint Paul, Minnesota**  
**CHANGES IN NET POSITION**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

**Table 2**

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Expenses</b>										
Governmental Activities:										
General Government	\$ 39,528,689	\$ 33,153,322	\$ 32,568,766	\$ 32,449,114	\$ 35,161,482	\$ 36,157,432	\$ 38,193,787	\$ 41,026,366	\$ 45,904,559	\$ 36,960,488
Public Safety	114,228,654	119,288,009	126,072,685	132,378,948	146,989,216	197,450,400	158,802,550	169,630,318	167,319,484	168,819,155
Highways and Streets	45,361,789	50,951,082	52,527,297	50,495,027	57,723,703	50,888,724	47,107,428	53,073,852	58,368,567	72,375,018
Sanitation	2,485,794	8,482,242	12,443,954	11,583,096	9,996,866	13,846,539	10,864,518	10,125,974	3,831,801	4,136,543
Health	4,114,359	3,673,383	3,892,004	3,635,124	3,985,174	3,961,737	3,504,354	3,596,107	3,847,123	3,651,735
Culture and Recreation	53,672,185	56,895,873	66,028,202	65,013,514	66,125,420	70,427,419	69,515,520	65,806,514	74,479,716	76,468,821
Housing and Economic Development	41,281,037	33,804,802	44,280,480	42,549,059	32,448,793	32,844,847	41,293,685	63,429,009	50,411,057	55,918,173
Interest and Fiscal Charges	22,275,378	23,052,309	26,160,599	30,244,973	28,779,314	25,722,065	22,431,008	22,796,044	23,901,340	21,654,279
Total Governmental Activities Expenses	<u>322,947,885</u>	<u>329,301,022</u>	<u>363,973,987</u>	<u>368,348,855</u>	<u>381,209,968</u>	<u>431,369,163</u>	<u>391,712,850</u>	<u>429,484,184</u>	<u>428,063,647</u>	<u>439,984,212</u>
Business-Type Activities:										
Convention Facility <sup>a</sup>	7,259,234	7,548,429	-	-	-	-	-	-	-	-
Sewer	29,404,536	27,103,522	25,292,391	26,354,648	30,542,650	31,034,846	33,419,811	33,125,516	38,205,270	50,450,819
Development Loan Programs	5,853,893	11,244,451	7,116,666	17,395,885	14,297,712	6,538,769	5,275,603	1,211,512	4,071,255	2,728,591
Parking	8,430,255	10,724,858	10,507,965	11,494,853	11,256,264	12,593,446	11,822,002	11,550,265	11,566,905	11,055,407
Parks, Recreation and Athletics	6,027,950	4,996,435	5,996,403	4,771,876	4,645,706	4,688,262	4,653,217	4,448,793	4,731,832	4,985,210
Impound Lot	2,153,642	1,972,880	2,479,721	2,402,149	2,858,214	2,562,536	2,563,378	3,276,206	2,716,930	2,519,161
Printing	1,288,297	1,242,616	1,230,610	1,279,068	1,380,224	1,457,730	1,462,918	1,347,600	1,435,476	1,394,357
Total Business-Type Activities Expenses	<u>60,417,807</u>	<u>64,833,191</u>	<u>52,623,756</u>	<u>63,698,479</u>	<u>64,980,770</u>	<u>58,875,589</u>	<u>59,196,929</u>	<u>54,959,892</u>	<u>62,727,668</u>	<u>73,133,545</u>
Total Primary Government Expenses	<u>\$ 383,365,692</u>	<u>\$ 394,134,213</u>	<u>\$ 416,597,743</u>	<u>\$ 432,047,334</u>	<u>\$ 446,190,738</u>	<u>\$ 490,244,752</u>	<u>\$ 450,909,779</u>	<u>\$ 484,444,076</u>	<u>\$ 490,791,315</u>	<u>\$ 513,117,757</u>
<b>Program Revenues (See Table 3)</b>										
Governmental Activities:										
Charges for Services										
General Government	\$ 4,699,573	\$ 9,380,491	\$ 8,798,527	\$ 9,134,829	\$ 9,166,672	\$ 15,684,712	\$ 16,596,690	\$ 12,618,406	\$ 32,363,963	\$ 7,900,534
Public Safety	26,432,687	26,665,718	27,769,334	26,692,642	31,359,017	35,630,084	34,535,278	41,807,497	36,874,281	42,997,003
Highways and Streets	26,529,885	26,438,639	32,967,651	34,352,127	33,295,801	38,104,316	43,363,311	37,934,352	26,740,937	40,924,292
Sanitation	2,242,363	2,297,414	2,449,595	2,324,880	2,540,827	2,949,035	3,654,476	1,427,354	4,590,556	5,381,382
Health	4,019,763	3,831,618	3,840,090	3,707,070	3,789,730	3,664,531	3,424,173	3,386,748	3,464,551	3,351,494
Culture and Recreation	2,896,007	4,219,813	4,222,197	5,512,146	5,188,558	6,234,474	5,861,240	6,605,978	9,152,639	10,956,097
Housing and Economic Development	2,467,053	5,557,466	8,076,376	8,196,016	7,291,601	4,287,747	5,231,153	9,220,024	2,786,648	9,745,681
Operating Grants and Contributions	24,023,893	33,840,616	32,975,895	29,671,811	35,593,466	73,826,231	43,760,775	76,491,106	52,035,818	51,948,542
Capital Grants and Contributions	36,811,025	31,801,235	26,385,391	16,943,630	15,445,884	21,441,852	19,467,064	10,580,782	20,347,127	31,947,548
Total Governmental Activities Program Revenues	<u>130,122,249</u>	<u>144,033,010</u>	<u>147,485,056</u>	<u>136,535,151</u>	<u>143,671,556</u>	<u>201,822,982</u>	<u>175,894,160</u>	<u>200,072,247</u>	<u>188,356,520</u>	<u>205,152,573</u>
Business-Type Activities:										
Charges for Services										
Convention Facility <sup>a</sup>	6,832,435	7,469,223	-	-	-	-	-	-	-	-
Sewer	40,760,760	41,582,550	41,108,850	40,480,344	42,180,934	43,337,781	46,480,240	46,972,750	45,856,581	51,185,513
Development Loan Programs	2,652,971	2,524,308	5,477,876	7,046,559	427,676	1,164,671	1,748,389	504,285	2,478,443	919,137
Parking	8,646,251	9,855,748	10,266,046	10,799,884	10,667,979	11,779,690	11,204,743	11,394,497	12,140,085	12,186,953
Parks, Recreation and Athletics	4,763,140	3,987,924	5,007,471	4,253,281	4,136,411	3,723,000	3,772,730	3,990,156	3,710,174	4,179,835
Impound Lot	2,093,756	2,160,387	2,837,692	2,913,522	3,212,873	2,541,781	3,062,620	3,305,857	2,668,342	2,456,396
Printing	1,238,072	1,385,361	1,336,638	1,142,229	1,176,609	1,312,867	1,314,185	1,286,696	1,392,178	1,210,644
Operating Grants and Contributions	903,216	1,519,836	487,960	1,316,288	299,973	3,843,369	427,828	294,329	519,025	142,559
Capital Grants and Contributions	615,884	1,444,700	900,000	6,239,395	11,412,775	-	74,666	-	1,592,481	1,076,050
Total Business-Type Activities Program Revenues	<u>68,506,485</u>	<u>71,930,037</u>	<u>67,422,533</u>	<u>74,191,502</u>	<u>73,515,230</u>	<u>67,703,159</u>	<u>68,085,401</u>	<u>67,748,570</u>	<u>70,357,309</u>	<u>73,357,084</u>
Total Primary Government Program Revenues	<u>\$ 198,628,734</u>	<u>\$ 215,963,047</u>	<u>\$ 214,907,589</u>	<u>\$ 210,726,653</u>	<u>\$ 217,186,786</u>	<u>\$ 269,526,141</u>	<u>\$ 243,979,561</u>	<u>\$ 267,820,817</u>	<u>\$ 258,713,829</u>	<u>\$ 278,509,657</u>

continued

unaudited

City of Saint Paul, Minnesota  
**CHANGES IN NET POSITION**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

**Table 2**

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (192,825,636)	\$ (185,268,012)	\$ (216,488,931)	\$ (231,813,704)	\$ (237,538,412)	\$ (229,546,181)	\$ (215,818,690)	\$ (229,411,937)	\$ (239,707,127)	\$ (234,831,639)
Business-Type Activities	8,088,678	7,096,846	14,798,777	10,493,023	8,534,460	8,827,570	8,888,472	12,788,678	7,629,641	223,539
<b>Total Primary Government Net Expense</b>	<b>\$ (184,736,958)</b>	<b>\$ (178,171,166)</b>	<b>\$ (201,690,154)</b>	<b>\$ (221,320,681)</b>	<b>\$ (229,003,952)</b>	<b>\$ (220,718,611)</b>	<b>\$ (206,930,218)</b>	<b>\$ (216,623,259)</b>	<b>\$ (232,077,486)</b>	<b>\$ (234,608,100)</b>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Taxes										
Property Taxes, Levied for General Purposes	\$ 53,127,175	\$ 53,208,363	\$ 64,039,066	\$ 66,522,052	\$ 62,817,701	\$ 76,684,086	\$ 87,071,342	\$ 91,851,462	\$ 99,580,962	\$ 103,894,752
Property Taxes, Levied for Debt Service	17,639,710	16,314,143	7,820,482	11,026,264	21,625,442	19,712,623	20,417,065	19,960,415	11,211,822	13,938,044
City Sales Tax	13,312,004	13,753,085	14,219,562	14,788,775	15,664,067	14,990,854	15,270,418	15,219,497	15,620,488	15,940,712
Gross Earnings Franchise Fee	20,363,250	20,734,092	21,453,093	23,631,601	23,094,436	24,224,292	24,184,936	24,716,144	25,184,336	24,645,673
Other Taxes	2,685,387	3,051,574	2,973,717	1,064,984	3,056,451	3,109,638	2,802,422	2,774,260	2,993,560	3,389,255
Revenues Not Restricted to Specific Programs										
Local Government Aid	63,083,699	56,713,060	53,206,165	59,544,620	59,961,201	51,092,991	57,666,283	50,423,110	54,474,965	53,744,220
Grants and Contributions	19,868,660	14,253,707	10,569,389	10,038,235	13,076,214	13,117,193	13,272,492	4,508,611	3,090,739	511,381
Investment Income										
Interest Earned on Investments	7,702,266	8,030,739	9,192,966	9,421,782	9,670,021	8,891,542	7,913,473	8,588,955	6,731,991	6,815,021
Increase (Decrease) in Fair Value of Investments	(2,132,076)	(1,911,771)	(2,690,817)	(116,483)	2,160,885	3,080,853	115,630	(1,307,705)	4,957,838	(380,210)
Other Investment Income	1,355,348	2,068,978	4,159,922	6,828,069	10,258,865	2,403,216	131	75,077	50,394	483,885
Noncapital Contributions	-	-	-	-	-	-	-	-	-	168,272
Gain on Sale of Capital Assets	62,396	55,201	86,887	1,774,601	46,145	18,967	-	41,519	120,589	90,794
Miscellaneous	6,090,628	5,040,447	5,464,179	4,405,124	13,777,578	1,732,985	4,351,022	4,755,056	7,358,546	9,165,237
Transfers	8,913,826	(4,161,316)	9,126,692	19,840,276	24,063,004	16,316,876	18,677,377	15,353,087	15,588,454	3,917,773
Special Item - Capital Lease Termination Costs	-	-	-	-	-	-	-	-	(781,429)	-
<b>Total Governmental Activities</b>	<b>212,072,273</b>	<b>187,150,302</b>	<b>199,621,303</b>	<b>228,769,900</b>	<b>259,272,010</b>	<b>235,376,116</b>	<b>251,742,591</b>	<b>236,959,488</b>	<b>246,183,255</b>	<b>236,324,809</b>
Business-Type Activities:										
Taxes										
Property Taxes, Levied for General Purposes	1,203,262	1,219,706	1,372,349	1,397,216	1,276,002	1,193,871	1,178,925	1,258,761	1,242,838	1,438,609
Revenues Not Restricted to Specific Programs										
Grants and Contributions	93,483	-	-	-	-	-	176,193	73,200	73,100	681,284
Investment Income										
Interest Earned on Investments	712,394	1,539,142	2,511,389	2,921,360	2,018,152	1,311,738	561,255	883,999	1,026,125	790,729
Increase (Decrease) in Fair Value of Investments	(399,839)	(494,038)	(663,833)	35,534	530,935	334,985	(134,914)	(272,549)	981,947	(308,744)
Other Investment Income	15,547	28,395	-	-	-	-	-	-	-	-
Noncapital Contributions	-	-	-	-	-	-	-	-	-	301,800
Gain on Sale of Capital Assets	-	1,108	1,055	70,535	868	1,339,360	-	-	481	4,229
Miscellaneous	240,820	124,194	625,120	4,013,182	31,703	140,396	283,673	652,266	128,762	-
Transfers	(8,913,826)	4,161,316	(9,126,692)	(19,840,276)	(24,063,004)	(16,316,876)	(18,677,377)	(15,353,087)	(15,588,454)	(3,917,773)
<b>Total Business-Type Activities</b>	<b>(7,048,159)</b>	<b>6,579,823</b>	<b>(5,280,612)</b>	<b>(11,402,449)</b>	<b>(20,205,344)</b>	<b>(11,996,526)</b>	<b>(16,612,245)</b>	<b>(12,757,410)</b>	<b>(12,135,201)</b>	<b>(1,009,866)</b>
<b>Total Primary Government</b>	<b>\$ 205,024,114</b>	<b>\$ 193,730,125</b>	<b>\$ 194,340,691</b>	<b>\$ 217,367,451</b>	<b>\$ 239,066,666</b>	<b>\$ 223,379,590</b>	<b>\$ 235,130,346</b>	<b>\$ 224,202,078</b>	<b>\$ 234,048,054</b>	<b>\$ 235,314,943</b>
<b>Change in Net Position</b>										
Governmental Activities	\$ 19,246,637	\$ 1,882,290	\$ (16,867,628)	\$ (3,043,804)	\$ 21,733,598	\$ 5,829,935	\$ 35,923,901	\$ 7,547,551	\$ 6,476,128	\$ 1,493,170
Business-Type Activities	1,040,519	13,676,669	9,518,165	(909,426)	(11,670,884)	(3,168,956)	(7,723,773)	31,268	(4,505,560)	(786,327)
<b>Total Primary Government</b>	<b>\$ 20,287,156</b>	<b>\$ 15,558,959</b>	<b>\$ (7,349,463)</b>	<b>\$ (3,953,230)</b>	<b>\$ 10,062,714</b>	<b>\$ 2,660,979</b>	<b>\$ 28,200,128</b>	<b>\$ 7,578,819</b>	<b>\$ 1,970,568</b>	<b>\$ 706,843</b>

<sup>a</sup> 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.

Source: Office of Financial Services, City of St. Paul

unaudited

**City of Saint Paul, Minnesota**  
**PROGRAM REVENUES BY FUNCTION/PROGRAM**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

**Table 3**

Function/Program	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Governmental Activities:</b>										
General Government	\$ 5,223,463	\$ 10,464,401	\$ 10,218,531	\$ 9,823,498	\$ 13,552,350	\$ 20,020,285	\$ 20,991,904	\$ 20,038,070	\$ 40,162,225	\$ 8,337,985
Public Safety	29,962,350	30,781,259	31,898,748	32,780,568	36,888,438	80,914,434	39,316,096	53,284,221	47,001,067	57,491,668
Highways and Streets	46,461,748	54,114,650	53,792,724	48,747,880	45,238,729	49,945,497	51,943,438	51,725,595	35,787,549	55,701,661
Sanitation	2,933,760	2,863,670	3,126,471	2,864,932	3,081,003	3,536,602	6,430,358	2,025,104	5,246,720	5,981,765
Health	4,019,763	3,831,618	3,840,090	3,707,070	4,464,730	3,664,531	3,424,173	3,386,748	3,464,551	3,556,637
Culture and Recreation	20,794,153	21,080,303	17,638,863	17,326,036	16,469,733	22,100,295	26,575,821	19,612,945	26,367,244	31,493,135
Housing and Economic Development	20,727,012	20,897,109	26,969,629	21,285,167	23,976,573	21,641,338	27,212,370	49,999,564	30,327,164	42,589,722
<b>Total Governmental Activities</b>	<b>130,122,249</b>	<b>144,033,010</b>	<b>147,485,056</b>	<b>136,535,151</b>	<b>143,671,556</b>	<b>201,822,982</b>	<b>175,894,160</b>	<b>200,072,247</b>	<b>188,356,520</b>	<b>205,152,573</b>
<b>Business-Type Activities:</b>										
Convention Facility <sup>a</sup>	6,832,435	8,883,571	-	-	-	-	-	-	-	-
Sewer	40,760,760	41,660,786	41,181,561	40,553,055	42,252,361	43,415,342	46,480,240	46,972,750	45,856,581	51,328,072
Development Loan Programs	3,541,261	3,951,786	5,878,284	8,290,136	656,222	4,930,479	2,176,217	798,614	4,483,449	1,995,187
Parking	9,262,135	9,855,748	11,166,046	17,035,259	22,080,754	11,779,690	11,204,743	11,394,497	12,246,585	12,186,953
Parks, Recreation and Athletics	4,778,066	4,032,398	5,022,312	4,253,281	4,136,411	3,723,000	3,847,396	3,990,156	3,710,174	4,179,835
Impound Lot	2,093,756	2,160,387	2,837,692	2,913,522	3,212,873	2,541,781	3,062,620	3,305,857	2,668,342	2,456,393
Printing	1,238,072	1,385,361	1,336,638	1,146,249	1,176,609	1,312,867	1,314,185	1,286,696	1,392,178	1,210,644
<b>Total Business-Type Activities</b>	<b>68,506,485</b>	<b>71,930,037</b>	<b>67,422,533</b>	<b>74,191,502</b>	<b>73,515,230</b>	<b>67,703,159</b>	<b>68,085,401</b>	<b>67,748,570</b>	<b>70,357,309</b>	<b>73,357,084</b>
<b>Total Primary Government</b>	<b>\$ 198,628,734</b>	<b>\$ 215,963,047</b>	<b>\$ 214,907,589</b>	<b>\$ 210,726,653</b>	<b>\$ 217,186,786</b>	<b>\$ 269,526,141</b>	<b>\$ 243,979,561</b>	<b>\$ 267,820,817</b>	<b>\$ 258,713,829</b>	<b>\$ 278,509,657</b>

<sup>a</sup> 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.

**Source:** Office of Financial Services, City of St. Paul

**unaudited**

City of Saint Paul, Minnesota

Table 4

**FUND BALANCES, GOVERNMENTAL FUNDS**

**Last Ten Fiscal Years**

(modified accrual basis of accounting)

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	(1) 2011	2012
<b>General Fund</b>										
Reserved	\$ 5,334,613	\$ 4,340,814	\$ 4,187,181	\$ 3,267,812	\$ 3,226,188	\$ 2,673,912	\$ 2,515,994	\$ 2,739,382	\$ -	\$ -
Unreserved	32,510,286	29,499,571	23,067,576	27,004,762	31,753,404	29,328,210	33,079,546	33,453,451	-	-
Nonspendable	-	-	-	-	-	-	-	-	759,560	568,200
Restricted	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	1,453,846	2,259,144
Unassigned	-	-	-	-	-	-	-	-	41,314,963	47,466,130
<b>Total General Fund</b>	<b>\$ 37,844,899</b>	<b>\$ 33,840,385</b>	<b>\$ 27,254,757</b>	<b>\$ 30,272,574</b>	<b>\$ 34,979,592</b>	<b>\$ 32,002,122</b>	<b>\$ 35,595,540</b>	<b>\$ 36,192,833</b>	<b>\$ 43,528,369</b>	<b>\$ 50,293,474</b>
<b>All Other Governmental Funds</b>										
Reserved	\$ 20,701,025	\$ 10,453,614	\$ 25,695,148	\$ 19,312,928	\$ 19,146,044	\$ 27,472,142	\$ 19,643,937	\$ 29,954,346	\$ -	\$ -
Unreserved, reported in:										
Special Revenue Funds	54,295,471	52,158,335	48,776,930	42,749,516	34,695,621	32,828,181	31,555,241	31,311,035	-	-
Debt Service Funds	68,740,713	67,187,680	59,553,764	56,421,129	61,109,450	55,882,505	58,331,902	61,760,843	-	-
Capital Projects Funds	45,076,818	53,663,461	28,851,862	18,638,492	46,964,614	47,565,285	82,993,995	73,681,454	-	-
Permanent Funds	27,790	27,481	27,599	29,788	33,879	36,663	39,249	41,267	-	-
Nonspendable	-	-	-	-	-	-	-	-	35,000	35,000
Restricted	-	-	-	-	-	-	-	-	125,204,623	106,007,546
Committed	-	-	-	-	-	-	-	-	24,193,863	25,860,714
Assigned	-	-	-	-	-	-	-	-	29,867,351	29,923,607
Unassigned	-	-	-	-	-	-	-	-	(3,434,266)	(3,572,604)
<b>Total All Other Governmental Funds</b>	<b>\$ 188,841,817</b>	<b>\$ 183,490,571</b>	<b>\$ 162,905,303</b>	<b>\$ 137,151,853</b>	<b>\$ 161,949,608</b>	<b>\$ 163,784,776</b>	<b>\$ 192,564,324</b>	<b>\$ 196,748,945</b>	<b>\$ 175,866,571</b>	<b>\$ 158,254,263</b>

(1) The implementation of Governmental Accounting Standards Board Statement No. 54 in 2011 resulted in a significant change in the City's fund balance classifications.

Source: Office of Financial Services, City of St. Paul

unaudited

**City of Saint Paul, Minnesota**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**Last Ten Fiscal Years**

**Table 5**

*(modified accrual basis of accounting)*

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Revenues</b>										
Taxes	\$ 106,242,298	\$ 109,252,185	\$ 110,585,975	\$ 116,407,831	\$ 127,669,696	\$ 138,151,522	\$ 148,006,818	\$ 154,749,009	\$ 155,904,709	\$ 166,679,717
Licenses and Permits	9,946,553	11,837,738	9,754,084	9,826,495	9,788,334	9,432,700	9,820,436	10,690,706	11,630,697	10,945,603
Intergovernmental Revenue	136,172,418	124,516,106	118,926,464	111,171,847	111,488,320	154,481,148	121,877,844	126,986,093	121,972,894	128,192,020
Fees, Sales and Services	36,952,168	38,604,545	49,352,098	43,117,742	44,043,772	51,379,607	50,370,090	52,499,448	54,242,682	65,468,681
Assessments	21,242,537	23,155,819	25,810,255	26,077,643	27,552,914	31,813,576	35,393,640	36,951,903	33,955,433	34,839,487
Investment Income	6,687,036	7,915,522	10,918,511	16,397,951	22,251,695	14,512,236	8,088,868	7,270,592	12,763,669	6,652,759
Interest Earned - Other	341,037	731,305	849,744	822,865	1,088,037	697,780	744,872	503,822	332,235	417,351
Miscellaneous Revenue	14,439,188	13,475,703	12,615,017	16,111,608	17,779,110	14,800,180	19,584,028	20,859,269	15,730,330	19,361,393
<b>Total Revenues</b>	<b>332,023,235</b>	<b>329,488,923</b>	<b>338,812,148</b>	<b>339,933,982</b>	<b>361,661,878</b>	<b>415,268,749</b>	<b>393,886,596</b>	<b>410,510,842</b>	<b>406,532,649</b>	<b>432,557,011</b>
<b>Expenditures</b>										
General Government	33,427,028	28,210,068	26,996,262	26,841,779	27,579,527	31,536,943	32,724,318	33,322,425	35,359,739	33,829,113
Public Safety	112,628,159	117,249,240	123,704,393	129,577,904	141,968,273	194,237,619	153,510,163	161,774,703	159,037,189	161,201,134
Highways and Streets	22,477,765	31,848,667	27,768,336	27,237,822	28,972,157	25,381,589	27,495,408	29,774,560	36,912,967	43,528,634
Sanitation	2,486,019	8,482,290	12,444,218	11,583,533	9,983,275	13,835,451	10,869,636	10,144,564	3,728,012	4,139,070
Health	4,019,763	3,831,618	3,840,090	3,707,070	3,789,730	3,664,531	3,424,173	3,386,748	3,464,551	3,351,494
Culture and Recreation	39,780,189	43,238,513	51,276,198	49,343,421	49,818,226	53,969,320	53,031,415	52,589,177	55,670,636	58,722,984
Housing and Economic Development	41,997,411	31,061,250	42,224,229	41,021,924	30,027,891	32,476,088	39,619,296	65,867,835	51,503,460	54,721,178
Miscellaneous	5,339,604	6,025,438	5,734,053	5,144,659	4,148,543	5,922,691	5,788,930	6,250,287	6,873,589	7,059,195
Capital Outlay	82,829,109	53,549,908	40,853,473	49,142,396	39,640,194	50,080,872	45,564,338	40,466,027	53,848,689	47,772,365
Debt Service										
Principal	32,439,693	29,759,302	37,472,711	32,331,805	34,123,495	34,301,336	31,030,720	36,220,861	35,581,153	57,322,161
Interest	21,974,828	22,952,306	26,282,901	30,093,539	28,610,535	26,360,048	23,150,305	22,916,286	24,350,688	22,472,959
Bond Issuance Costs	315,173	545,135	434,356	207,549	572,452	596,800	3,162,165	886,344	645,714	584,985
<b>Total Expenditures</b>	<b>399,714,741</b>	<b>376,753,735</b>	<b>399,031,220</b>	<b>406,233,401</b>	<b>399,234,298</b>	<b>472,363,288</b>	<b>429,370,867</b>	<b>463,599,817</b>	<b>466,976,387</b>	<b>494,705,272</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(67,691,506)</b>	<b>(47,264,812)</b>	<b>(60,219,072)</b>	<b>(66,299,419)</b>	<b>(37,572,420)</b>	<b>(57,094,539)</b>	<b>(35,484,271)</b>	<b>(53,088,975)</b>	<b>(60,443,738)</b>	<b>(62,148,261)</b>
<b>Other Financing Sources (Uses)</b>										
Transfers In	95,464,836	92,989,648	97,525,767	100,077,442	120,746,515	103,169,441	114,903,508	113,868,958	108,588,719	91,419,407
Transfers Out	(87,690,918)	(97,941,380)	(95,073,290)	(81,705,358)	(100,172,984)	(88,802,295)	(99,806,393)	(99,791,988)	(92,808,494)	(86,690,610)
Bonds Issued	32,285,000	45,995,000	34,045,000	23,500,000	49,925,000	36,070,000	101,820,000	49,655,000	54,075,000	30,815,000
Refunded Bonds	(5,040,000)	(5,340,000)	(5,005,000)	(4,820,000)	(3,895,000)	-	(68,030,000)	(8,285,000)	(18,655,000)	-
Capital Lease Refunded	-	-	-	-	-	-	-	-	(7,709,500)	-
Premium on Bonds Issued	301,350	937,112	474,104	215,092	503,955	1,176,969	1,379,176	298,900	1,511,657	2,253,341
Discount on Bonds Issued	-	-	(4,601)	-	(64,180)	(68,326)	-	-	-	-
Notes Issued	13,750,000	-	-	4,820,000	-	-	17,307,525	-	-	7,575,000
Premium on Notes Issued	-	-	-	-	-	-	236,322	-	-	428,119
Capital Lease	13,845,000	1,224,350	1,000,000	-	-	4,391,000	-	2,083,500	-	3,329,543
Sale of Capital Assets	55,263	44,322	86,196	1,476,610	33,887	15,448	47,100	41,519	515,944	2,171,258
<b>Total Other Financing Sources (Uses)</b>	<b>62,970,531</b>	<b>37,909,052</b>	<b>33,048,176</b>	<b>43,563,786</b>	<b>67,077,193</b>	<b>55,952,237</b>	<b>67,857,238</b>	<b>57,870,889</b>	<b>45,518,326</b>	<b>51,301,058</b>
<b>Special Items</b>										
Sale of Public Safety Building	-	-	-	-	-	-	-	-	2,160,000	-
Capital Lease Termination Costs	-	-	-	-	-	-	-	-	(781,429)	-
<b>Net Change in Fund Balance</b>	<b>\$ (4,720,975)</b>	<b>\$ (9,355,760)</b>	<b>\$ (27,170,896)</b>	<b>\$ (22,735,633)</b>	<b>\$ 29,504,773</b>	<b>\$ (1,142,302)</b>	<b>\$ 32,372,967</b>	<b>\$ 4,781,914</b>	<b>\$ (13,546,841)</b>	<b>\$ (10,847,203)</b>

Debt Service as a percentage of noncapital expenditures:	17.2%	16.3%	17.8%	17.5%	17.4%	14.4%	14.1%	14.0%	14.5%	17.9%
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**Notes:** Investment income includes interest on investments, increase (decrease) in fair value of investments and interest earned on securities lending.  
Refunding Bonds Issued is reported as Bonds Issued

**Source:** Office of Financial Services, City of St. Paul

**unaudited**

**City of Saint Paul, Minnesota**  
**GOVERNMENTAL FUNDS TAX REVENUES BY SOURCE**  
**Last Ten Fiscal Years**

**Table 6**

<b>Fiscal Year</b>	<b>General Property Taxes (1)</b>	<b>Tax Increment Districts</b>	<b>Gross Earnings Franchise Fee</b>	<b>City Sales Tax</b>	<b>Hotel-Motel Tax</b>	<b>Other Taxes (2)</b>	<b>Total Taxes</b>
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
2008	77,412,447	18,333,348	24,305,235	14,990,854	3,037,560	72,078	138,151,522
2009	84,336,964	21,239,035	24,357,979	15,270,418	2,726,828	75,594	148,006,818
2010	90,901,327	21,382,775	24,455,961	15,219,497	2,701,776	87,673	154,749,009
2011	91,224,224	20,873,814	25,100,829	15,620,488	2,961,147	124,207	155,904,709
2012	98,903,779	23,754,307	24,988,045	15,940,712	2,979,032	113,842	166,679,717

(1) General Property Taxes excludes Market Value Homestead Credit.  
 General Property Taxes includes current and prior year collections.

(2) Other Taxes include penalties and interest on property taxes, contamination tax, drug store, and mortuary tax.

(3) Data includes both City and HRA revenues.

**Source:** Office of Financial Services, City of St. Paul

**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

<u>Levy Year/Payable Year</u>	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
<b>Estimated Market Value</b>										
Residential	\$10,920,229,300	\$12,132,142,180	\$13,647,894,000	\$14,894,768,200	\$16,156,594,900	\$16,201,368,400	\$15,154,428,866	\$14,009,965,414	\$12,485,045,818	\$11,994,675,600
Multiple Dwelling	1,634,126,500	2,254,972,520	2,699,138,000	2,904,292,000	3,120,269,200	3,213,988,500	3,120,576,047	2,963,483,753	3,400,646,842	3,330,026,500
Commercial & Industrial	2,690,017,500	2,878,728,300	2,969,533,500	3,204,930,500	3,712,446,900	4,174,883,400	4,349,570,287	4,303,920,433	3,950,373,208	3,803,442,800
Agricultural	1,716,100	1,503,500	1,732,000	1,777,500	3,414,200	4,036,400	1,937,700	740,000	4,028,148	5,042,500
Personal Property	286,055,300	295,189,400	310,928,500	310,928,500	292,727,800	355,157,100	347,851,300	348,817,500	354,522,183	306,810,900
Total Estimated Market Value	\$15,532,144,700	\$17,562,535,900	\$19,629,226,000	\$21,316,696,700	\$23,285,453,000	\$23,949,433,800	\$22,974,364,200	\$21,626,927,100	\$20,194,616,199	\$19,439,998,300
<b>Taxable Market Value</b>										
Residential	\$8,033,480,700	\$9,101,481,400	\$10,660,325,500	\$12,374,904,400	\$14,220,552,300	\$15,522,080,800	\$14,983,867,166	\$13,892,665,114	\$12,403,748,405	\$10,824,636,500
Multiple Dwelling	1,633,896,300	1,938,483,100	2,468,144,900	2,676,404,300	2,906,107,700	3,117,013,200	3,120,576,047	2,963,483,753	3,397,551,861	3,265,355,000
Commercial & Industrial	2,690,017,500	2,878,728,300	2,963,339,300	3,187,251,500	3,682,507,800	4,131,344,300	4,349,570,287	4,303,920,433	3,909,048,736	3,763,554,800
Agricultural	766,000	826,700	964,900	1,106,400	1,334,400	1,642,400	1,937,700	740,000	727,799	1,749,000
Personal Property	286,055,300	295,189,400	310,928,500	310,928,500	292,727,800	354,217,700	346,961,800	348,817,500	378,983,400	306,810,900
Total Taxable Market Value	\$12,644,215,800	\$14,214,708,900	\$16,403,703,100	\$18,550,595,100	\$21,103,230,000	\$23,126,298,400	\$22,802,913,000	\$21,509,626,800	\$20,090,060,201	\$18,162,106,200
<b>Net Tax Capacity</b>										
Residential	\$79,853,978	\$91,129,291	\$106,889,252	\$124,407,717	\$143,116,934	\$141,514,557	\$151,063,704	\$140,594,960	\$125,429,618	\$109,196,525
Multiple Dwelling	22,135,132	24,229,733	30,817,187	32,370,855	35,105,250	52,520,291	37,287,678	35,344,853	39,244,934	37,617,097
Commercial & Industrial	52,889,557	55,538,460	57,166,280	61,752,920	71,485,269	80,449,434	84,794,817	83,883,251	76,077,098	73,141,486
Agricultural	7,012	7,860	9,154	10,496	13,344	16,424	12,114	7,400	7,283	17,490
Personal Property	5,640,507	5,855,423	6,177,516	5,838,295	5,798,667	7,029,365	6,885,304	5,850,737	7,032,252	6,062,185
Less: Tax Increment District Captured Net Tax Capacity	160,526,186	176,760,767	201,059,389	224,380,283	255,519,464	281,530,071	280,043,617	265,681,201	247,791,185	226,034,783
Fiscal Disparity										
Contribution from Saint Paul	(11,774,572)	(15,711,939)	(16,383,446)	(17,074,983)	(19,319,145)	(23,361,910)	(26,324,251)	(30,378,751)	(29,483,436)	(25,586,524)
Distribution to Saint Paul	33,783,356	35,522,965	35,670,395	36,114,648	39,773,037	45,318,589	51,562,722	56,480,186	55,940,464	51,142,890
Total Net Tax Capacity	\$167,879,665	\$180,113,604	\$202,575,538	\$225,186,571	\$253,000,058	\$275,575,863	\$279,306,301	\$266,352,654	\$251,419,935	\$229,214,448
<b>Direct Tax Rate</b>										
General Revenue	25.816%	23.173%	22.019%	20.767%	19.286%	21.111%	21.839%	25.361%	26.201%	34.068%
Bonded Debt	11.166%	5.605%	3.210%	2.924%	3.623%	3.006%	3.942%	3.762%	3.948%	4.366%
Library Revenue	-	5.383%	4.978%	4.667%	4.681%	5.502%	5.834%	6.522%	7.059%	6.405%
<b>Total Direct Tax Rate</b>	<b>36.982%</b>	<b>34.161%</b>	<b>30.207%</b>	<b>28.358%</b>	<b>27.590%</b>	<b>29.619%</b>	<b>31.615%</b>	<b>35.645%</b>	<b>37.208%</b>	<b>44.839%</b>
Total Net Tax Capacity as a Percentage of Total Estimated Market Value										
	1.08%	1.03%	1.03%	1.06%	1.09%	1.15%	1.22%	1.23%	1.24%	1.18%

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.

City of Saint Paul, Minnesota  
**PROPERTY TAX RATES AND TAX LEVIES (Certified to County)**  
**DIRECT AND OVERLAPPING GOVERNMENTS**  
**Last Ten Fiscal Years**

Table 8

Fiscal Year	Direct Rate	Overlapping Rates					Total
	City of Saint Paul	School District 625	Housing and Redevelopment Authority	Port Authority	Ramsey County	Special Districts	
<b>TAX CAPACITY RATES (PER \$100 OF ADJUSTED TAX CAPACITY VALUE)</b>							
2003	36.982	33.283 (1)	0.497	1.506	50.086	6.186	128.540
2004	34.161	31.866 (1)	0.458	1.328	49.255	5.002	122.070
2005	30.207	28.192 (1)	0.440	1.112	45.689	4.891	110.531
2006	28.358	29.368 (1)	0.434	1.016	43.414	6.140	108.730
2007	27.590	25.415 (1)	0.414	1.064	41.843	7.247	103.573
2008	29.619	23.413 (1)	0.447	1.097	41.043	6.687	102.306
2009	31.615	22.698 (1)	0.900	1.390	43.057	6.805	106.465
2010	35.642	28.507 (1)	1.272	1.692	46.474	7.232	120.819
2011	37.208	35.057 (1)	1.262	1.802	50.668	8.119 (2)	134.116
2012	44.157	40.109 (1)	1.418	1.723	56.801	11.914 (2)	156.122

Fiscal Year	Direct Levy	Overlapping Tax Levies					Total
	City of Saint Paul	School District 625	Housing and Redevelopment Authority	Port Authority	Ramsey County	Special Districts	
2003	\$ 62,393,263	\$ 56,718,144 (1)	\$ 840,174	\$ 2,595,000	\$ 186,698,750	\$ 15,551,656	\$ 324,796,987
2004	62,545,263	58,237,244 (1)	840,174	2,443,000	197,811,166	11,034,681	332,911,528
2005	62,615,088	58,759,418 (1)	898,986	2,317,175	206,554,708	12,155,935	343,301,310
2006	64,532,906	66,044,888 (1)	979,895	2,316,175	217,455,420	26,689,855	378,019,139
2007	70,062,561	66,206,297 (1)	1,057,307	2,716,050	230,921,903	35,621,246	406,585,364
2008	80,530,837	65,646,331 (1)	1,215,903	3,025,000	242,063,050	35,974,130	428,455,251
2009	87,142,264	63,980,783 (1)	2,278,148	3,697,000	253,013,187	36,194,862	446,306,244
2010	92,497,521	72,824,376 (1)	3,178,148	4,299,700	259,971,049	36,442,998	469,213,792
2011	92,497,520	84,635,854 (1)	3,178,148	4,456,700	267,120,252	39,452,074 (2)	491,340,548
2012	97,809,058	89,686,469 (1)	3,178,148	3,855,700	271,794,856	40,305,075 (2)	506,629,306

(1) 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 market based tax 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 market based tax 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. The 2008 market based tax rate and levy were 0.13505% and \$37,281,068. The 2009 market based tax rate and levy were 0.15885% and \$42,998,853. The 2010 market based tax rate and levy were 0.13989% and \$38,867,680. The 2011 market based tax rate and levy were 0.14581% and \$37,108,684. The 2012 market based tax rate and levy were 0.14951% and \$36,386,107.

(2) Starting in 2011 the Tax Capacity and Tax Levies for the Metropolitan Watershed District has been included in Special Districts.

Note: In addition to the above, the following tax rates and tax levies were applied against portions of Saint Paul.

Fiscal Year	Tax Increment Districts		
	Tax Rates		Tax Levies
	Without METRO W/S Dist	Including METRO W/S Dist	
2003	128.540	130.821	\$ 18,409,185
2004	122.070	123.203	19,763,562
2005	110.531	112.049	19,580,532
2006	108.730	110.554	19,733,859
2007	103.573	105.224	23,710,560
2008	102.306	103.630	28,448,139
2009	106.465	107.822	27,268,157
2010	120.819	122.407	28,809,530
2011	134.116	136.659	27,278,203
2012	156.122	159.165	27,580,222

Source: Ramsey County Department of Property Records and Revenue

unaudited

City of Saint Paul, Minnesota  
**PRINCIPAL PROPERTY TAXPAYERS**  
 Current Year and Nine Years Ago

**Table 9**

<u>Taxpayer</u>	<u>2012</u>			<u>2003</u>		
	<u>2011 Net Tax Capacity for Taxes Payable in 2012</u>	<u>Rank</u>	<u>Percentage of 2011 Total Net Tax Capacity for Taxes Payable in 2012</u>	<u>2002 Net Tax Capacity for Taxes Payable in 2003</u>	<u>Rank</u>	<u>Percentage of 2002 Total Net Tax Capacity for Taxes Payable in 2003</u>
Xcel Energy (Northern States Power Company)	\$4,875,966	1	2.12%	\$7,286,040	1	4.33%
Minnesota Mutual Life Insurance Company	2,155,744	2	0.94%	979,063	7	0.58%
St. Paul Tower LP (World Trade Center)	1,713,500	3	0.75%	-		
Traveler's Insurance (St. Paul Companies)	1,371,650	4	0.60%	-		
U.S. Bank Corp. Property & U.S. Bancorp	1,154,250	5	0.50%	-		
CSM Investors	1,076,804	6	0.47%	-		
Behringer Harvard L C LLC	1,024,418	7	0.45%	-		
CH Hampden/CH Midway LLC	1,000,066	8	0.44%	-		
Ford Motor Company	855,874	9	0.37%	1,140,733	6	0.68%
Court International LLC	733,492	10	0.32%	-		
Capitol City Property Management	-		-	2,807,809	2	1.67%
St. Paul Fire & Marine Insurance Company	-		-	2,440,873	3	1.45%
Principal Mutual Life Insurance Company	-		-	1,901,129	4	1.13%
Vance Minnesota	-		-	1,412,698	5	0.84%
St. Paul Real Estate LLC	-		-	952,242	8	0.57%
St. Paul Burlington LP	-		-	886,763	9	0.53%
Qwest	-		-	886,602	10	0.53%
	<u>\$15,961,764</u>		<u>6.96%</u>	<u>\$20,693,952</u>		<u>12.31%</u>

Source: Ramsey County Department of Property Records and Revenue

unaudited

City of Saint Paul, Minnesota  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**CITY AND LIBRARY AGENCY**  
 Last Ten Fiscal Years

Table 10

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Total Taxes Levied for Current Fiscal Year (1)</b>	\$ 62,392,844	\$ 62,545,233	\$ 62,615,791	\$ 64,532,799	\$ 70,063,650	\$ 80,532,993	\$ 87,142,676	\$92,498,816	\$92,497,521	\$97,809,058
<b>Collection of Current Year Tax Levy</b>										
From Taxpayers	43,372,547	44,156,237	45,114,136	48,823,276	54,348,438	63,048,190	65,905,389	68,594,984	68,178,369	76,982,672
Fiscal Disparity Aid	12,663,429	12,616,556	11,972,624	10,796,022	11,089,710	12,210,172	14,853,646	17,461,680	18,432,472	18,785,053
State Credits and Aids	4,415,706	4,112,735	3,729,946	3,210,181	2,936,100	2,944,498	3,090,322	3,776	4,889	0
<b>Total Collection of Current Levy</b>	\$ 60,451,682	\$ 60,885,528	\$ 60,816,706	\$ 62,829,479	\$ 68,374,248	\$ 78,202,860	\$ 83,849,357	\$86,060,440	\$86,615,730	\$95,767,724
Unallotted MVHC	-	-	-	-	-	-	-	3,480,043	3,438,536	-
<b>Percentage of Current Year Levy Collected in the Fiscal Year of Levy</b>	96.89%	97.35%	97.13%	97.36%	97.59%	97.11%	96.22%	96.80% (2)	97.36% (2)	97.91%
<b>Delinquent Taxes Collected in subsequent years</b>										
1st Year Delinquent	949,514	304,568	861,772	911,486	855,795	1,222,665	1,575,214	1,018,895	495,017	-
2nd Year Delinquent	(74,806)	(31,064)	(90,467)	55,961	139,867	22,832	198,907	(242,622)	-	-
3rd Year Delinquent	(13,761)	(1,211)	42,655	38,459	(10,193)	140,646	(23,436)	-	-	-
4th Year Delinquent	52,144	22,722	25,072	(27,907)	46,095	19,272	-	-	-	-
5th Year Delinquent	7,212	7,037	5,061	11,867	(2,062)	-	-	-	-	-
6th Year & Prior Delinquent	14,894	1,142	11,360	23,715	-	-	-	-	-	-
<b>Total Delinquent Collections</b>	\$ 935,197	\$ 303,194	\$ 855,453	\$ 1,013,581	\$ 1,029,502	\$ 1,405,415	\$ 1,750,685	\$ 776,273	\$ 495,017	\$ -
<b>Total Tax Collections as of 12/31/12</b>	<u>\$61,386,879</u>	<u>\$61,188,722</u>	<u>\$61,672,159</u>	<u>\$63,843,060</u>	<u>\$69,403,750</u>	<u>\$79,608,275</u>	<u>\$85,600,042</u>	<u>\$86,836,713</u>	<u>\$87,110,747</u>	<u>\$95,767,724</u>
<b>Percentage of Levy Collected as of 12/31/12</b>	98.39%	97.83%	98.49%	101.62%	99.06%	98.85%	98.23%	97.64%	97.89%	97.91%

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.
- (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) Market Value Homestead Credit was unallotted to the City in 2010 and 2011 due to the state Legislature action. State Credits and Aids of \$3,776 for 2010 and \$4,889 for 2011 represent adjustments for prior years collection.

Source: Office of Financial Services, City of St. Paul

unaudited

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Total Taxes Levied for Current Fiscal Year</b>	\$ 840,174	\$ 840,174	\$ 898,986	\$ 979,895	\$ 1,057,307	\$ 1,215,903	\$ 2,278,148	\$ 3,178,148	\$ 3,178,148	\$ 3,178,148
<b>Collection of Current Year Tax Levy</b>										
From Taxpayers	584,041	594,122	661,061	750,062	819,668	953,678	1,874,829	2,259,765	2,470,269	2,476,585
Fiscal Disparity Aid	170,273	171,938	160,358	157,181	169,430	183,574	223,759	493,367	693,746	633,373
State Credits and Aids	46,766	38,346	54,331	49,130	44,056	44,437	87,974	115,779	108,652	-
Closed TIF District Adj.	-	-	-	-	-	-	-	194,065	-	-
<b>Total Collection of Current Levy</b>	<u>\$ 801,080</u>	<u>\$ 804,406</u>	<u>\$ 875,750</u>	<u>\$ 956,373</u>	<u>\$ 1,033,154</u>	<u>\$ 1,181,689</u>	<u>\$ 2,186,562</u>	<u>\$ 3,062,976</u>	<u>\$ 3,272,667</u>	<u>\$ 3,109,958</u>
<b>Percentage of Current Year Levy Collected in the Fiscal Year of Levy</b>	95.35%	95.74%	97.42%	97.60%	97.72%	97.19%	95.98%	96.38%	102.97%	97.85%
<b>Delinquent Taxes Collected in subsequent years</b>										
1st Year Delinquent	10,862	3,325	12,866	9,124	18,191	28,026	41,495	14,489	21,851	-
2nd Year Delinquent	(1,030)	(415)	(1,337)	881	2,101	2,991	9,941	(8,660)	-	-
3rd Year Delinquent	(185)	(45)	619	588	(157)	(4,334)	(654)	-	-	-
4th Year Delinquent	692	304	361	(415)	699	349	-	-	-	-
5th Year Delinquent	97	94	74	180	18	-	-	-	-	-
6th Year & Prior Delinquent	178	16	622	356	-	-	-	-	-	-
	<u>\$ 10,614</u>	<u>\$ 3,279</u>	<u>\$ 13,205</u>	<u>\$ 10,714</u>	<u>\$ 20,852</u>	<u>\$ 27,032</u>	<u>\$ 50,782</u>	<u>\$ 5,829</u>	<u>\$ 21,851</u>	<u>\$ -</u>
<b>Total Tax Collections as of 12/31/12</b>	<u>\$ 811,694</u>	<u>\$ 807,685</u>	<u>\$ 888,955</u>	<u>\$ 967,087</u>	<u>\$ 1,054,006</u>	<u>\$ 1,208,721</u>	<u>\$ 2,237,344</u>	<u>\$ 3,068,805</u>	<u>\$ 3,294,518</u>	<u>\$ 3,109,958</u>
<b>Percentage of Levy Collected as of 12/31/12</b>	96.61%	96.13%	98.88%	98.69%	99.69%	99.41%	98.21%	96.56%	103.66%	97.85%

**Note:** Collections do not include Tax Increment Districts.

**Source:** Housing and Redevelopment Authority of the City of St. Paul financial records

**unaudited**

City of Saint Paul, Minnesota  
**RATIOS OF OUTSTANDING DEBT BY TYPE PER CAPITA**  
 Last Ten Fiscal Years

Table 12

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b><u>Governmental Activities</u></b>										
General Obligation Bonds	\$ 143,140,000	\$ 159,390,000	\$ 159,285,000	\$ 160,745,000	\$ 156,315,000	\$ 162,340,000	\$ 169,845,000	\$ 182,800,000	\$ 206,065,000	\$ 194,755,000
Revenue Bonds	182,999,000	180,960,942	181,684,780	170,365,923	190,793,740	189,451,560	187,729,669	187,446,305	170,311,657	161,298,862
Revenue Notes	64,399,753	61,422,179	53,424,359	55,770,626	52,859,580	51,124,864	77,427,232	71,896,669	67,740,670	71,130,920
Capital Leases	23,093,750	23,395,777	23,077,102	21,553,366	20,212,728	23,239,158	22,299,122	22,029,755	11,608,850	12,835,276
<b>Total - Governmental Activities</b>	<b>413,632,503</b>	<b>425,168,898</b>	<b>417,471,241</b>	<b>408,434,915</b>	<b>420,181,048</b>	<b>426,155,582</b>	<b>457,301,023</b>	<b>464,172,729</b>	<b>455,726,177</b>	<b>440,020,059</b>
<b><u>Business-Type Activities</u></b>										
General Obligation Bonds	42,060,000	40,815,000	39,485,000	37,980,000	36,320,000	34,530,000	29,350,000	28,055,000	26,480,000	24,875,000
Limited Tax Bonds	-	-	-	-	-	-	-	7,855,000	7,855,000	7,855,000
Revenue Bonds	71,770,000	95,475,000	104,940,000	94,080,000	82,995,000	96,825,000	100,595,000	99,840,000	104,310,000	108,115,000
Revenue Notes	20,773,718	21,792,994	18,914,589	16,136,499	15,122,621	14,071,786	14,558,630	12,701,769	11,424,620	10,302,158
Capital Leases	1,760,582	1,624,457	621,697	350,434	71,116	-	-	-	-	-
<b>Total - Business-Type Activities</b>	<b>136,364,300</b>	<b>159,707,451</b>	<b>163,961,286</b>	<b>148,546,933</b>	<b>134,508,737</b>	<b>145,426,786</b>	<b>144,503,630</b>	<b>148,451,769</b>	<b>150,069,620</b>	<b>151,147,158</b>
<b>Total Primary Government</b>	<b>\$ 549,996,803</b>	<b>\$ 584,876,349</b>	<b>\$ 581,432,527</b>	<b>\$ 556,981,848</b>	<b>\$ 554,689,785</b>	<b>\$ 571,582,368</b>	<b>\$ 601,804,653</b>	<b>\$ 612,624,498</b>	<b>\$ 605,795,797</b>	<b>\$ 591,167,217</b>
Per Capita (1)	\$ 1,912.34	\$ 2,034.99	\$ 2,023.18	\$ 1,943.28	\$ 1,928.22	\$ 1,984.28	\$ 2,089.20	\$ 2,130.86	\$ 2,125.09	\$ 2,073.78
Percentage of Personal Income (2)	9.36%	10.04%	9.44%	8.64%	8.36%	7.84%	8.25%	8.82%	8.48%	8.32%

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 2012 ratio is calculated using population for the prior calendar year.

(2) See Table 17 for personal income data. The 2012 percentage is calculated using personal income for the prior calendar year.

Source: Office of Financial Services, City of St. Paul

unaudited

City of Saint Paul, Minnesota  
**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING**  
 Last Ten Fiscal Years

Table 13

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Population (1)	287,604	287,410	287,385	286,620	287,669	288,055	287,501	285,068	285,068	286,367
Taxable Assessed Value/ Net Tax Capacity (2)	\$ 167,879,665	\$ 180,113,604	\$ 202,575,538	\$ 225,186,571	\$ 253,000,058	\$ 275,575,863	\$ 279,306,301	\$ 266,352,654	\$ 251,419,936	\$ 229,214,448
General Obligation Bonds - Property Tax Supported	105,370,000	118,475,000	119,200,000	111,720,000	99,785,000	99,440,000	134,718,582	150,751,047	164,099,811	159,476,620
Less General Debt Service Fund	27,769,116	25,528,653	24,150,246	19,753,773	18,960,941	17,962,901	18,021,164	19,216,786	17,920,364	17,193,224
Less G.O. Special Assessments - Streets Debt Service Fund - property taxes portion	-	-	-	-	-	-	-	6,588,074	10,249,606	6,607,586
Net General Bonded Debt	\$ 77,600,884	\$ 92,946,347	\$ 95,049,754	\$ 91,966,227	\$ 80,824,059	\$ 81,477,099	\$ 116,697,418	\$ 124,946,187	\$ 135,929,841	\$ 135,675,810
Percentage of Net General Bonded Debt to Taxable Assessed Value/Net Tax Capacity	46.22%	51.60%	46.92%	40.84%	31.95%	29.57%	41.78%	46.91%	54.06%	59.19%
Net General Bonded Debt per Capita	\$ 269.82	\$ 323.39	\$ 330.74	\$ 320.86	\$ 280.96	\$ 282.85	\$ 405.90	\$ 438.30	\$ 476.83	\$ 473.78

(1) 2003 - 2009 and 2012 data based on Metropolitan Council estimates. 2010 - 2011 data is from 2010 US Census results.

(2) Taxable Assessed Value/Net Tax Capacity is net of tax increment reductions.  
 See Table 7 for Net Tax Capacity.

Source: Office of Financial Services, City of St. Paul

unaudited

**City of Saint Paul, Minnesota  
DIRECT, OVERLAPPING AND UNDERLYING GOVERNMENTAL ACTIVITIES DEBT  
December 31, 2012**

**Table 14**

	<u>Gross General Bonded Debt</u>	<u>Net General Bonded Debt</u>	<u>Payable 2012 Net Tax Capacity</u>	<u>Percentage Applicable to City of Saint Paul</u>	<u>City of Saint Paul's Share of Debt</u>
<b>Direct Debt</b>					
City of Saint Paul	<u>\$159,476,620</u>	<u>\$ 135,675,810 (1)</u>	\$ 229,214,448	100.00%	<u>\$ 135,675,810</u>
<b>Overlapping Debt</b>					
County of Ramsey	130,005,000	61,526,487	468,026,839	48.97%	30,129,521
Metropolitan Council	<u>257,390,000</u>	<u>190,372,312</u>	3,088,480,725	7.42%	<u>14,125,626</u>
	<u>387,395,000</u>	<u>251,898,799</u>			<u>44,255,147</u>
<b>Total Direct and Overlapping Debt</b>	<u><u>\$546,871,620</u></u>	<u><u>\$ 387,574,609</u></u>			<u><u>\$ 179,930,957</u></u>
<b>Underlying Debt</b>					
Port Authority of Saint Paul	\$ 25,030,000	\$ 22,562,019	229,214,448	100.00%	\$ 22,562,019
Independent School District #625	<u>334,935,000</u>	<u>269,321,161</u>	229,242,527	100.00%	<u>269,321,161</u>
	<u>359,965,000</u>	<u>291,883,180</u>			<u>291,883,180</u>
<b>Total Direct, Overlapping and Underlying Debt</b>	<u><u>\$906,836,620</u></u>	<u><u>\$ 679,457,789</u></u>			<u><u>\$ 471,814,137</u></u>

**(1) Net General Bonded Debt**

Total General Obligation Bonds - Property Tax Supported	\$ 159,476,620
Less: Amount Available in General Debt Service Fund	(17,193,224)
Less: Property Tax Supported Portion of Amount Available in G.O. Special Assessment - Streets Debt Service Fund	<u>(6,607,586)</u>
<b>Net General Bonded Debt</b>	<u><u>\$ 135,675,810</u></u>

Overlapping authorities - Ramsey County and Metropolitan Council - are those that coincide with the geographic boundaries of the City.

Underlying authorities - Port Authority of Saint Paul and Independent School District # 625 - are contained within the City.

This schedule shows the portion of the outstanding and underlying debt burden for the City of Saint Paul.

Applicable percentage for Saint Paul is Saint Paul's net tax capacity divided by net tax capacity of overlapping authority.

100% of underlying debt burden is applicable to the City.

Source: Ramsey County Department of Property Records and Revenue

unaudited

City of Saint Paul, Minnesota  
**LEGAL DEBT MARGIN INFORMATION**  
 Last Ten Fiscal Years

Table 15

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Estimated Market Values</b>										
Real Property Value	\$ 17,267,346,500	\$ 19,318,297,500	\$ 21,005,768,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Personal Property Value	295,189,400	310,928,500	310,928,500	-	-	-	-	-	-	-
<b>Estimated Market Values for Debt Limit Computation</b>	<b>17,562,535,900</b>	<b>19,629,226,000</b>	<b>21,316,696,700</b>	-	-	-	-	-	-	-
Debt limit (3 1/3% of assessed value)	585,417,278	654,306,879	710,555,846	-	-	-	-	-	-	-
<b>Taxable Market Values</b>										
Real Property Value	-	-	-	18,239,666,600	20,810,502,200	22,772,080,700	22,455,951,200	\$21,160,809,300	\$19,711,076,800	\$17,855,295,300
Personal Property Value	-	-	-	310,928,500	292,727,800	354,217,700	346,961,800	348,817,500	378,983,400	306,810,900
<b>Taxable Market Values for Debt Limit Computation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,550,595,100</b>	<b>21,103,230,000</b>	<b>23,126,298,400</b>	<b>22,802,913,000</b>	<b>21,509,626,800</b>	<b>20,090,060,200</b>	<b>\$18,162,106,200</b>
Debt limit (3 1/3% of assessed value)	-	-	-	618,353,170	703,441,000	770,876,613	760,097,100	716,987,561	669,668,673	605,403,540
<b>Debt applicable to limit</b>										
General Obligation Bonds	185,200,000	200,205,000	198,770,000	198,725,000	192,635,000	196,870,000	199,195,000	210,855,000	232,545,000	219,630,001
Limited Tax Bonds	-	-	-	-	-	-	-	7,855,000	7,855,000	7,855,000
Revenue Bonds	254,769,000	276,435,942	286,624,780	264,445,923	273,788,740	286,276,560	288,324,669	287,286,305	274,621,656	270,903,021
Revenue Notes	-	-	-	-	16,299,464	16,601,903	29,221,233	27,621,516	24,729,260	29,355,571
Capital Leases	-	-	-	-	14,478,157	16,118,250	15,922,362	16,453,228	6,427,999	12,835,276
Less: Amount allowable under MSA 475.53 Subd. 3 and City Charter Section 10.14	(352,509,000)	(387,254,435)	(392,024,780)	(368,678,423)	(408,218,204)	(425,463,603)	(424,840,914)	(433,866,176)	(440,047,455)	(426,462,033)
<b>Total net debt applicable to limit</b>	<b>87,460,000</b>	<b>89,386,507</b>	<b>93,370,000</b>	<b>94,492,500</b>	<b>88,983,157</b>	<b>90,403,110</b>	<b>107,822,350</b>	<b>113,204,873</b>	<b>106,131,461</b>	<b>114,116,836</b>
<b>Legal debt margin</b>	<b>\$ 497,957,278</b>	<b>\$ 564,920,372</b>	<b>\$ 617,185,846</b>	<b>\$ 523,860,670</b>	<b>\$ 614,457,843</b>	<b>\$ 680,473,503</b>	<b>\$ 652,274,750</b>	<b>\$ 603,782,688</b>	<b>\$ 563,537,212</b>	<b>\$ 491,286,704</b>
<b>Total net debt applicable to the limit as a percentage of debt limit</b>	<b>14.94%</b>	<b>13.66%</b>	<b>13.14%</b>	<b>15.28%</b>	<b>12.65%</b>	<b>11.73%</b>	<b>14.19%</b>	<b>15.79%</b>	<b>15.85%</b>	<b>18.85%</b>

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 2002 thru 2005 and based on the taxable market values for year 2006 and thereafter.

Source: Ramsey County Department of Property Records and Revenue

unaudited

City of Saint Paul, Minnesota  
**PLEDGED-REVENUE BOND COVERAGE**  
 Last Ten Fiscal Years

Table 16

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Totals
<b>SALES TAX REVENUE BONDS, SERIES 1996, 2007A , 2007B and 2009</b>											
<b>Fund Servicing Debt - City Revenue Bonds and Other Long-Term Debt Service Fund</b>											
<b>Revenues Available for Debt Service</b>											
Sales Tax Proceeds	\$ 13,312,004	\$ 13,753,085	\$ 14,219,562	\$ 14,788,775	\$ 15,664,067	\$ 14,990,854	\$ 15,270,418	\$ 15,219,497	\$ 15,620,488	\$ 16,865,712	\$ 149,704,462
Investment Earnings	37,028	33,895	106,928	202,128	195,923	185,436	112,686	110,151	116,388	99,309	1,199,872
Rents	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	35,000,000
Payments in Lieu of Taxes	2,535,074	2,556,828	2,929,669	3,303,652	3,328,836	3,355,277	3,383,040	3,762,193	4,142,802	4,174,943	33,472,314
Bond Proceeds	-	-	-	-	27,280,000	-	65,455,000	-	-	-	92,735,000
<b>Total Revenues Available for Debt Service</b>	<b>\$ 19,384,106</b>	<b>\$ 19,843,808</b>	<b>\$ 20,756,159</b>	<b>\$ 21,794,555</b>	<b>\$ 49,968,826</b>	<b>\$ 22,031,567</b>	<b>\$ 87,721,144</b>	<b>\$ 22,591,841</b>	<b>\$ 23,379,678</b>	<b>\$ 24,639,964</b>	<b>\$ 312,111,648</b>
<b>Debt Service Requirements</b>											
Principal	\$ 745,000	\$ 940,000	\$ 1,150,000	\$ 1,470,000	\$ 1,560,000	\$ 1,720,000	\$ 1,910,000	\$ 2,900,000	\$ 3,065,000	\$ 3,230,000	\$ 18,690,000
Interest	4,874,753	4,830,202	4,772,758	4,701,812	4,609,791	6,146,303	5,732,583	4,826,219	4,502,070	4,739,286	49,735,787
State Loan Repayment	1,250,000	1,250,000	1,250,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	2,000,000	2,000,000	15,250,000
<b>Total Debt Service Requirements</b>	<b>\$ 6,869,753</b>	<b>\$ 7,020,202</b>	<b>\$ 7,172,758</b>	<b>\$ 7,671,812</b>	<b>\$ 7,669,791</b>	<b>\$ 9,366,303</b>	<b>\$ 9,142,583</b>	<b>\$ 9,226,219</b>	<b>\$ 9,567,070</b>	<b>\$ 9,969,286</b>	<b>\$ 83,675,787</b>
Coverage (Revenues/Debt Service)	2.82	2.83	2.89	2.84	6.52	2.35	9.59	2.45	2.44	2.47	3.73
<b>SEWER REVENUE BONDS, SERIES 1993, 2003D, 2004E, 2006C, 2008D, 2009C, 2009I, 2010D, 2011C and 2012C</b>											
<b>Fund Servicing Debt - Sewer Utility Enterprise Fund</b>											
<b>Revenues Available for Debt Service</b>											
<b>Operating Revenues</b>											
Sanitary Sewer System Charge	\$ 27,930,278	\$ 28,333,196	\$ 29,433,398	\$ 28,906,224	\$ 29,952,998	\$ 30,717,496	\$ 32,634,501	\$ 33,339,861	\$ 33,041,252	\$ 35,025,311	\$ 309,314,515
Storm Sewer System Charge	9,188,072	9,402,138	9,559,027	9,593,830	10,106,582	11,302,321	12,248,010	12,659,855	11,995,483	13,490,404	109,545,722
Other Operating Revenues	3,403,990	3,847,216	2,099,127	5,964,819	2,123,822	1,390,154	1,597,729	973,034	819,846	2,669,798	24,889,535
<b>Total Operating Revenues</b>	<b>40,522,340</b>	<b>41,582,550</b>	<b>41,091,552</b>	<b>44,464,873</b>	<b>42,183,402</b>	<b>43,409,971</b>	<b>46,480,240</b>	<b>46,972,750</b>	<b>45,856,581</b>	<b>51,185,513</b>	<b>443,749,772</b>
Operating Expenses (a)	(20,579,249)	(19,797,521)	(17,987,444)	(18,936,475)	(23,258,113)	(22,619,093)	(24,674,791)	(23,544,721)	(28,517,517)	(42,665,456)	(242,481,490)
Non-Operating Revenues (Expenses)	(2,166,243)	(1,167,969)	(1,277,473)	(1,205,103)	(1,004,707)	(1,041,194)	(1,668,600)	(1,951,833)	(1,211,171)	(2,702,312)	(15,396,605)
Transfers (b)	(654,598)	(589,943)	(555,695)	(612,150)	(549,996)	(709,928)	(976,335)	(1,111,263)	(1,584,524)	(1,595,773)	(8,940,205)
<b>Total Revenues Available for Debt Service</b>	<b>\$ 17,122,250</b>	<b>\$ 20,027,017</b>	<b>\$ 21,370,940</b>	<b>\$ 23,711,145</b>	<b>\$ 17,368,586</b>	<b>\$ 19,039,756</b>	<b>\$ 19,160,514</b>	<b>\$ 20,364,933</b>	<b>\$ 14,543,369</b>	<b>\$ 4,221,972</b>	<b>\$ 176,931,482</b>
(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 bonds											
<b>Debt Service Requirements</b>											
<b>Sewer Revenue Refunding Bonds, Series 1993</b>											
Principal	\$ 33,755,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,755,000
Interest	1,066,753	-	-	-	-	-	-	-	-	-	1,066,753
<b>Total</b>	<b>34,821,753</b>	<b>-</b>	<b>34,821,753</b>								
<b>Sewer Revenue Refunding Bonds, Series 2003D</b>											
Principal	-	5,750,000	5,900,000	6,000,000	5,130,000	3,500,000	-	-	-	-	26,280,000
Interest	437,007	655,510	422,510	278,510	278,510	140,000	-	-	-	-	2,474,047
<b>Total</b>	<b>437,007</b>	<b>6,405,510</b>	<b>6,440,510</b>	<b>6,422,510</b>	<b>5,408,510</b>	<b>3,640,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,754,047</b>
<b>Sewer Revenue Bonds, Series 2004E</b>											
Principal	-	310,000	240,000	245,000	245,000	255,000	260,000	265,000	275,000	285,000	2,380,000
Interest	-	144,213	209,344	203,944	198,431	192,919	186,544	180,044	172,094	163,844	1,651,377
<b>Total</b>	<b>-</b>	<b>454,213</b>	<b>449,344</b>	<b>448,944</b>	<b>443,431</b>	<b>447,919</b>	<b>446,544</b>	<b>445,044</b>	<b>447,094</b>	<b>448,844</b>	<b>4,031,377</b>
<b>Sewer Revenue Bonds, Series 2006C</b>											
Principal	-	-	-	445,000	370,000	380,000	395,000	405,000	420,000	440,000	2,855,000
Interest	-	-	-	191,650	269,675	254,875	239,675	223,875	207,675	190,875	1,578,300
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>636,650</b>	<b>639,675</b>	<b>634,875</b>	<b>634,675</b>	<b>628,875</b>	<b>627,675</b>	<b>630,875</b>	<b>4,433,300</b>
<b>Sewer Revenue Bonds, Series 2008D</b>											
Principal	-	-	-	-	-	585,000	855,000	885,000	915,000	945,000	4,185,000
Interest	-	-	-	-	-	722,098	938,873	912,998	886,223	857,960	4,318,152
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,307,098</b>	<b>1,793,873</b>	<b>1,797,998</b>	<b>1,801,223</b>	<b>1,802,960</b>	<b>8,503,152</b>
<b>Sewer Revenue Bonds, Series 2009C</b>											
Principal	-	-	-	-	-	-	-	245,000	390,000	395,000	1,030,000
Interest	-	-	-	-	-	-	155,075	309,650	303,300	295,500	1,063,525
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>155,075</b>	<b>554,650</b>	<b>693,300</b>	<b>690,500</b>	<b>2,093,525</b>
<b>Sewer Revenue Bonds, Series 2009I</b>											
Principal	-	-	-	-	-	-	-	255,000	265,000	265,000	785,000
Interest	-	-	-	-	-	-	-	71,750	89,658	66,450	227,858
<b>Total</b>	<b>-</b>	<b>344,658</b>	<b>336,750</b>	<b>331,450</b>	<b>1,012,858</b>						
<b>Sewer Revenue Bonds, Series 2010D</b>											
Principal	-	-	-	-	-	-	-	-	350,000	360,000	710,000
Interest	-	-	-	-	-	-	-	227,074	303,275	294,475	824,824
<b>Total</b>	<b>-</b>	<b>227,074</b>	<b>653,275</b>	<b>654,475</b>	<b>1,534,824</b>						
<b>Sewer Revenue Bonds, Series 2011C</b>											
Principal	-	-	-	-	-	-	-	-	-	370,000	370,000
Interest	-	-	-	-	-	-	-	-	201,492	304,214	505,706
<b>Total</b>	<b>-</b>	<b>201,492</b>	<b>674,214</b>	<b>875,706</b>							
<b>Sewer Revenue Bonds, Series 2012C</b>											
Principal	-	-	-	-	-	-	-	-	-	177,337	177,337
Interest	-	-	-	-	-	-	-	-	-	177,337	177,337
<b>Total</b>	<b>-</b>	<b>354,674</b>	<b>354,674</b>								
<b>Total Debt Service Requirements</b>	<b>\$ 35,258,760</b>	<b>\$ 6,859,723</b>	<b>\$ 6,889,854</b>	<b>\$ 7,508,104</b>	<b>\$ 6,491,616</b>	<b>\$ 6,029,892</b>	<b>\$ 3,030,167</b>	<b>\$ 3,998,299</b>	<b>\$ 4,760,809</b>	<b>\$ 5,410,655</b>	<b>\$ 86,237,879</b>
Coverage (Revenues/Debt Service)	0.49	2.92	3.10	3.16	2.68	3.16	6.32	5.09	3.05	0.78	2.05

continued  
 unaudited

City of Saint Paul, Minnesota  
**PLEDGED-REVENUE BOND COVERAGE**  
 Last Ten Fiscal Years

Table 16

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Totals
<b>RECREATIONAL FACILITIES REVENUE BONDS, SERIES 1996D and 2005</b>											
Funds Servicing Debt - Rice and Arlington Sports Dome Enterprise Fund, Special Services Enterprise Fund, Como Campus Special Revenue Fund and Special Recreation Activities Special Revenue Fund											
<b>Revenues Available for Debt Service</b>											
<b>Operating Revenues</b>											
Fees, Sales and Services	\$ 5,717,043	\$ 6,228,222	\$ 7,629,080	\$ 6,358,588	\$ 6,119,785	\$ 6,039,025	\$ 5,979,501	\$ 6,265,606	\$ 5,813,413	\$ 6,221,217	\$ 62,371,480
Rents and Leases	679,210	514,913	687,252	548,084	631,190	601,136	563,550	537,720	481,102	818,638	6,062,795
Miscellaneous	18,329	84,829	94,649	1,599,800	1,809,734	1,823,866	2,061,561	2,006,756	1,956,583	2,169,093	13,625,200
<b>Total Operating Revenues</b>	<b>6,414,582</b>	<b>6,827,964</b>	<b>8,410,981</b>	<b>8,506,472</b>	<b>8,560,709</b>	<b>8,464,027</b>	<b>8,604,612</b>	<b>8,810,082</b>	<b>8,251,098</b>	<b>9,208,948</b>	<b>82,059,475</b>
Intergovernmental Revenue	1,297,791	1,250,298	1,331,235	-	-	-	-	-	-	246,705	4,126,029
Interest Earned on Investments	107,450	(2,430)	21,872	5,932	45,559	32,337	40,109	36,214	47,762	40,842	375,647
Miscellaneous Other Revenue	153,296	2,135	-	-	-	2,080	1,309	4,414	481	-	166,399
Bond Proceeds	-	-	3,240,000	-	-	-	-	-	-	-	3,240,000
<b>Total Revenues Available for Debt Service</b>	<b>\$ 7,973,119</b>	<b>\$ 8,077,967</b>	<b>\$ 13,006,772</b>	<b>\$ 8,512,404</b>	<b>\$ 8,606,268</b>	<b>\$ 8,498,444</b>	<b>\$ 8,646,030</b>	<b>\$ 8,850,710</b>	<b>\$ 8,299,341</b>	<b>\$ 9,496,495</b>	<b>\$ 89,967,550</b>
<b>Debt Service Requirements</b>											
<b>Recreational Facilities Revenue Bonds, Series 1996D</b>											
Principal	\$ 140,000	\$ 150,000	\$ 3,240,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,530,000
Interest	197,085	189,760	181,905	-	-	-	-	-	-	-	568,750
<b>Total</b>	<b>337,085</b>	<b>339,760</b>	<b>3,421,905</b>	<b>-</b>	<b>4,098,750</b>						
<b>Recreational Facilities Revenue Bonds, Series 2005</b>											
Principal	-	-	-	210,000	205,000	220,000	235,000	250,000	265,000	280,000	1,665,000
Interest	-	-	-	310,956	327,813	320,638	312,938	304,125	294,750	284,150	2,155,370
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>520,956</b>	<b>532,813</b>	<b>540,638</b>	<b>547,938</b>	<b>554,125</b>	<b>559,750</b>	<b>564,150</b>	<b>3,820,370</b>
<b>Total Debt Service Requirements</b>	<b>\$ 337,085</b>	<b>\$ 339,760</b>	<b>\$ 3,421,905</b>	<b>\$ 520,956</b>	<b>\$ 532,813</b>	<b>\$ 540,638</b>	<b>\$ 547,938</b>	<b>\$ 554,125</b>	<b>\$ 559,750</b>	<b>\$ 564,150</b>	<b>\$ 7,919,120</b>
Coverage (Revenues/Debt Service)	23.65	23.78	3.80	16.34	16.15	15.72	15.78	15.97	14.83	16.83	11.36
<b>SPRUCE TREE CENTRE TAX INCREMENT BONDS, SERIES 1988A and 2003</b>											
Fund Servicing Debt - HRA Debt Service Fund											
<b>Revenues Available for Debt Service</b>											
Tax Increments	\$ 335,790	\$ 325,416	\$ 296,044	\$ 283,041	\$ 290,730	\$ 334,855	\$ 375,697	\$ 441,406	\$ 480,427	\$ 392,445	\$ 3,555,851
Developer Shortfall Payments	124,908	115,300	115,300	112,400	92,229	51,195	15,155	-	-	-	626,487
Investment Earnings	18,383	28,038	24,322	52,669	90,639	85,645	58,277	53,062	52,227	(52,150)	411,112
<b>Total Revenues Available for Debt Service</b>	<b>\$ 479,081</b>	<b>\$ 468,754</b>	<b>\$ 435,666</b>	<b>\$ 448,110</b>	<b>\$ 473,598</b>	<b>\$ 471,695</b>	<b>\$ 449,129</b>	<b>\$ 494,468</b>	<b>\$ 532,654</b>	<b>\$ 340,295</b>	<b>\$ 4,593,450</b>
<b>Debt Service Requirements</b>											
Principal	\$ 175,000	\$ 140,058	\$ 149,162	\$ 158,857	\$ 169,183	\$ 180,180	\$ 191,891	\$ 204,364	\$ 217,648	\$ 231,795	\$ 1,818,138
Interest	135,938	122,850	113,746	104,051	93,725	82,728	71,016	58,544	45,260	31,113	858,971
<b>Total Debt Service Requirements</b>	<b>\$ 310,938</b>	<b>\$ 262,908</b>	<b>\$ 262,908</b>	<b>\$ 262,908</b>	<b>\$ 262,908</b>	<b>\$ 262,908</b>	<b>\$ 262,907</b>	<b>\$ 262,908</b>	<b>\$ 262,908</b>	<b>\$ 262,908</b>	<b>\$ 2,677,109</b>
Coverage (Revenues / Debt Service)	1.54	1.78	1.66	1.70	1.80	1.79	1.71	1.88	2.03	1.29	1.72

continued

unaudited

City of Saint Paul, Minnesota  
**PLEDGED-REVENUE BOND COVERAGE**  
 Last Ten Fiscal Years

Table 16

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Totals
<b>MIDWAY MARKETPLACE TAX INCREMENT BONDS, SERIES 1995A / SNELLING-UNIVERSITY TAX INCREMENT BONDS, SERIES 2005C</b>											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Tax Increments	\$ 1,317,977	\$ 1,226,056	\$ 1,096,155	\$ 1,835,383	\$ 1,416,074	\$ 1,427,457	\$ 1,563,981	\$ 1,197,542	\$ 1,175,554	\$ 1,888,544	\$ 14,144,723
Investment Earnings	200,156	207,669	178,567	87,266	110,707	151,489	127,478	133,263	121,825	(81,945)	1,236,475
<b>Total Revenues Available for Debt Service</b>	<b>\$ 1,518,133</b>	<b>\$ 1,433,725</b>	<b>\$ 1,274,722</b>	<b>\$ 1,922,649</b>	<b>\$ 1,526,781</b>	<b>\$ 1,578,946</b>	<b>\$ 1,691,459</b>	<b>\$ 1,330,805</b>	<b>\$ 1,297,379</b>	<b>\$ 1,806,599</b>	<b>\$ 15,381,198</b>
Debt Service Requirements											
Principal	\$ 200,000	\$ 220,000	\$ 235,000	\$ 350,000	\$ 355,000	\$ 370,000	\$ 380,000	\$ 395,000	\$ 400,000	\$ 420,000	\$ 3,325,000
Interest	463,095	446,240	392,424	232,142	218,742	203,780	187,463	169,923	151,638	132,568	2,598,015
<b>Total Debt Service Requirements</b>	<b>\$ 663,095</b>	<b>\$ 666,240</b>	<b>\$ 627,424</b>	<b>\$ 582,142</b>	<b>\$ 573,742</b>	<b>\$ 573,780</b>	<b>\$ 567,463</b>	<b>\$ 564,923</b>	<b>\$ 551,638</b>	<b>\$ 552,568</b>	<b>\$ 5,923,015</b>
Coverage (Revenues / Debt Service)	2.29	2.15	2.03	3.30	2.66	2.75	2.98	2.36	2.35	3.27	2.60
<b>SALES TAX REVENUE BONDS, SERIES 1993 and 1996</b>											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
City Sales Tax Revenues (1)	\$ 13,312,004	\$ 13,753,085	\$ 14,154,920	\$ 14,798,156	\$ 15,201,412	\$ 15,393,811	\$ 17,153,570	\$ 18,652,765	\$ 20,125,431	\$ 18,811,159	\$ 161,356,313
Investment Earnings	18,495	22,509	61,737	109,608	122,831	47,160	(2,940)	(3,252)	(3,379)	(3,940)	368,829
<b>Total Revenues Available for Debt Service</b>	<b>\$ 13,330,499</b>	<b>\$ 13,775,594</b>	<b>\$ 14,216,657</b>	<b>\$ 14,907,764</b>	<b>\$ 15,324,243</b>	<b>\$ 15,440,971</b>	<b>\$ 17,150,630</b>	<b>\$ 18,649,513</b>	<b>\$ 20,122,052</b>	<b>\$ 18,807,219</b>	<b>\$ 161,725,142</b>
Debt Service Requirements											
Principal	\$ 1,065,000	\$ 1,140,000	\$ 1,220,000	\$ 1,310,000	\$ 1,400,000	\$ 1,500,000	\$ 1,605,000	\$ 1,720,000	\$ 1,840,000	\$ 1,975,000	\$ 14,775,000
Interest	3,430,720	3,355,105	3,274,165	3,187,545	3,094,535	2,995,135	2,888,635	2,774,680	2,652,560	2,521,920	30,175,000
<b>Total Debt Service Requirements</b>	<b>\$ 4,495,720</b>	<b>\$ 4,495,105</b>	<b>\$ 4,494,165</b>	<b>\$ 4,497,545</b>	<b>\$ 4,494,535</b>	<b>\$ 4,495,135</b>	<b>\$ 4,493,635</b>	<b>\$ 4,494,680</b>	<b>\$ 4,492,560</b>	<b>\$ 4,496,920</b>	<b>\$ 44,950,000</b>
Coverage (Revenues / Debt Service)	2.97	3.06	3.16	3.31	3.41	3.44	3.82	4.15	4.48	4.18	3.60
(1) Includes other sales tax related revenues (investment income, etc.)											
<b>DOWNTOWN TAX INCREMENT BONDS, SERIES 1993 and 1998</b>											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Tax Increments	\$ 5,323,503	\$ 5,539,108	\$ 3,807,158	\$ 4,276,947	\$ 5,309,827	\$ 3,189,751	\$ -	\$ -	\$ -	\$ -	\$ 27,446,294
Hotel-Motel Taxes	220,000	220,000	220,000	220,000	220,000	-	-	-	-	-	1,100,000
RiverCentre Revenues	100,000	100,000	100,000	100,000	100,000	200,000	-	-	-	-	700,000
N.O.C. Sales	-	-	-	-	12,871	-	-	-	-	-	12,871
Loan Repayments	-	-	273,047	2,026,344	-	-	-	-	-	-	2,299,391
Investment Earnings	74,065	82,602	60,326	105,094	292,631	148,288	-	-	-	-	763,006
<b>Total Revenues Available for Debt Service</b>	<b>\$ 5,717,568</b>	<b>\$ 5,941,710</b>	<b>\$ 4,460,531</b>	<b>\$ 6,728,385</b>	<b>\$ 5,935,329</b>	<b>\$ 3,538,039</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 32,321,562</b>
Debt Service Requirements											
Principal	\$ 2,235,000	\$ 2,275,000	\$ 2,285,000	\$ 2,355,000	\$ 2,400,000	\$ 3,830,000	\$ -	\$ -	\$ -	\$ -	\$ 15,380,000
Interest	933,871	797,635	657,314	512,803	363,052	223,775	-	-	-	-	3,488,450
<b>Total Debt Service Requirements</b>	<b>\$ 3,168,871</b>	<b>\$ 3,072,635</b>	<b>\$ 2,942,314</b>	<b>\$ 2,867,803</b>	<b>\$ 2,763,052</b>	<b>\$ 4,053,775</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 18,868,450</b>
Coverage (Revenues / Debt Service)	1.80	1.93	1.52	2.35	2.15	0.87	N/A	N/A	N/A	N/A	1.71

continued  
 unaudited

City of Saint Paul, Minnesota  
**PLEDGED-REVENUE BOND COVERAGE**  
 Last Ten Fiscal Years

Table 16

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Totals
<b>RIVERCENTRE PARKING FACILITY LEASE REVENUE BONDS, SERIES 2000 and 2009</b>											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Lease Payments from the City	\$ 415,000	\$ 415,000	\$ 415,000	\$ 657,928	\$ 758,559	\$ 835,943	\$ 1,098,963	\$ 580,367	\$ 586,422	\$ 607,712	\$ 6,370,894
Investment Earnings	43,200	43,229	40,630	36,129	11,728	5,022	27,744	19,761	19,596	20,075	267,114
<b>Total Revenues Available for Debt Service</b>	<b>\$ 458,200</b>	<b>\$ 458,229</b>	<b>\$ 455,630</b>	<b>\$ 694,057</b>	<b>\$ 770,287</b>	<b>\$ 840,965</b>	<b>\$ 1,126,707</b>	<b>\$ 600,128</b>	<b>\$ 606,018</b>	<b>\$ 627,787</b>	<b>\$ 6,638,008</b>
Debt Service Requirements											
Principal	\$ 50,000	\$ 50,000	\$ 50,000	\$ 300,000	\$ 425,000	\$ 525,000	\$ 650,000	\$ 360,000	\$ 370,000	\$ 380,000	\$ 3,160,000
Interest	411,600	408,900	406,150	396,363	375,956	348,988	290,673	240,800	229,850	218,600	3,327,880
<b>Total Debt Service Requirements</b>	<b>\$ 461,600</b>	<b>\$ 458,900</b>	<b>\$ 456,150</b>	<b>\$ 696,363</b>	<b>\$ 800,956</b>	<b>\$ 873,988</b>	<b>\$ 940,673</b>	<b>\$ 600,800</b>	<b>\$ 599,850</b>	<b>\$ 598,600</b>	<b>\$ 6,487,880</b>
Coverage (Revenues / Debt Service)	0.99	1.00	1.00	1.00	0.96	0.96	1.20	1.00	1.01	1.05	1.02
<b>RIVERFRONT TAX INCREMENT BONDS, SERIES 1993C, 1993D, 2000D and 2002C</b>											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Tax Increments	\$ 823,386	\$ 718,705	\$ 768,344	\$ 775,838	\$ 794,927	\$ 979,997	\$ 1,035,466	\$ 1,067,737	\$ (223,653)	\$ 986,088	\$ 7,726,835
Tax Increment Pooling from Other Districts	364,000	610,335	571,150	576,714	520,420	368,455	319,165	214,049	702,798	296,000	4,543,086
Transfer from Capital Projects Fund	-	309,845	2,798	1,399	-	-	-	-	-	-	314,042
Investment Earnings	(22,326)	(4,281)	161	7,096	11,242	1,890	(4,216)	(368)	(14,128)	(19,360)	(44,290)
<b>Total Revenues Available for Debt Service</b>	<b>\$ 1,165,060</b>	<b>\$ 1,634,604</b>	<b>\$ 1,342,453</b>	<b>\$ 1,361,047</b>	<b>\$ 1,326,589</b>	<b>\$ 1,350,342</b>	<b>\$ 1,350,415</b>	<b>\$ 1,281,418</b>	<b>\$ 465,017</b>	<b>\$ 1,262,728</b>	<b>\$ 12,539,673</b>
Debt Service Requirements											
Principal	\$ 790,000	\$ 845,000	\$ 865,000	\$ 925,000	\$ 970,000	\$ 1,035,000	\$ 1,095,000	\$ 1,150,000	\$ 1,215,000	\$ 1,295,000	\$ 10,185,000
Interest	467,266	432,982	395,347	354,335	309,934	262,028	210,591	155,899	97,255	33,366	2,719,003
<b>Total Debt Service Requirements</b>	<b>\$ 1,257,266</b>	<b>\$ 1,277,982</b>	<b>\$ 1,260,347</b>	<b>\$ 1,279,335</b>	<b>\$ 1,279,934</b>	<b>\$ 1,297,028</b>	<b>\$ 1,305,591</b>	<b>\$ 1,305,899</b>	<b>\$ 1,312,255</b>	<b>\$ 1,328,366</b>	<b>\$ 12,904,003</b>
Coverage (Revenues / Debt Service)	0.93	1.28	1.07	1.06	1.04	1.04	1.03	0.98	0.35	0.95	0.97
<b>US BANK TAX INCREMENT BONDS, SERIES 2001</b>											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Tax Increments	\$ -	\$ 347,905	\$ 879,169	\$ 1,034,905	\$ 993,054	\$ 1,175,602	\$ 1,223,585	\$ 1,388,596	\$ 1,497,416	\$ 1,511,315	\$ 10,051,547
Investment Earnings	145,265	67,457	16,281	44,179	42,039	15,594	10,052	16,670	19,255	(26,204)	350,588
<b>Total Revenues Available for Debt Service</b>	<b>\$ 145,265</b>	<b>\$ 415,362</b>	<b>\$ 895,450</b>	<b>\$ 1,079,084</b>	<b>\$ 1,035,093</b>	<b>\$ 1,191,196</b>	<b>\$ 1,233,637</b>	<b>\$ 1,405,266</b>	<b>\$ 1,516,671</b>	<b>\$ 1,485,111</b>	<b>\$ 10,402,135</b>
Debt Service Requirements											
Principal	\$ -	\$ -	\$ 125,000	\$ 335,000	\$ 275,000	\$ 285,000	\$ 335,000	\$ 410,000	\$ 400,000	\$ 745,000	\$ 2,910,000
Interest	754,169	754,169	754,169	742,877	726,606	712,106	696,789	677,692	677,870	335,182	6,831,629
<b>Total Debt Service Requirements</b>	<b>\$ 754,169</b>	<b>\$ 754,169</b>	<b>\$ 879,169</b>	<b>\$ 1,077,877</b>	<b>\$ 1,001,606</b>	<b>\$ 997,106</b>	<b>\$ 1,031,789</b>	<b>\$ 1,087,692</b>	<b>\$ 1,077,870</b>	<b>\$ 1,080,182</b>	<b>\$ 9,741,629</b>
Coverage (Revenues / Debt Service)	0.19	0.55	1.02	1.00	1.03	1.19	1.20	1.29	1.41	1.37	1.07

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 unaudited

City of Saint Paul, Minnesota  
**PLEDGED-REVENUE BOND COVERAGE**  
 Last Ten Fiscal Years

Table 16

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Totals
<b>NORTH QUADRANT TAX INCREMENT BONDS, SERIES 2000 AND 2002 and 9TH STREET LOFTS TAX INCREMENT BONDS, SERIES 2004</b>											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Tax Increments	\$ 217,049	\$ 92,007	\$ 213,655	\$ 430,148	\$ 345,683	\$ 204,589	\$ 189,048	\$ 190,930	\$ 197,439	\$ 175,610	\$ 2,256,158
Bond Proceeds - Capitalized Interest	125,000	156,300	-	-	-	-	-	-	-	-	281,300
Investment Earnings	5,889	13	742	1,047	2,679	2,989	143	(956)	1,590	3,049	17,185
<b>Total Revenues Available for Debt Service</b>	<b>\$ 347,938</b>	<b>\$ 248,320</b>	<b>\$ 214,397</b>	<b>\$ 431,195</b>	<b>\$ 348,362</b>	<b>\$ 207,578</b>	<b>\$ 189,191</b>	<b>\$ 189,974</b>	<b>\$ 199,029</b>	<b>\$ 178,659</b>	<b>\$ 2,554,643</b>
Debt Service Requirements											
Principal	\$ 5,000	\$ 8,000	\$ 17,000	\$ 42,000	\$ 84,000	\$ 87,000	\$ 53,000	\$ 38,000	\$ 41,000	\$ 116,000	\$ 491,000
Interest	172,337	149,505	234,478	294,779	240,806	224,558	240,079	225,002	222,939	218,594	2,223,077
<b>Total Debt Service Requirements</b>	<b>\$ 177,337</b>	<b>\$ 157,505</b>	<b>\$ 251,478</b>	<b>\$ 336,779</b>	<b>\$ 324,806</b>	<b>\$ 311,558</b>	<b>\$ 293,079</b>	<b>\$ 263,002</b>	<b>\$ 263,939</b>	<b>\$ 334,594</b>	<b>\$ 2,714,077</b>
Coverage (Revenues / Debt Service)	1.96	1.58	0.85	1.28	1.07	0.67	0.65	0.72	0.75	0.53	0.94
<b>UPPER LANDING TAX INCREMENT BONDS, SERIES 2002A, 2002B, and 2002C</b>											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Tax Increments	\$ -	\$ -	\$ 201,311	\$ 600,473	\$ 1,049,372	\$ 1,281,447	\$ 1,609,155	\$ 1,769,019	\$ 1,952,421	\$ 1,906,253	\$ 10,369,451
Developer Shortfall Payments	-	-	-	498,044	696,192	687,476	517,590	261,324	130,176	156,464	2,947,266
Investment Earnings	298,905	341,621	126,908	200,503	112,409	73,086	38,818	21,728	32,681	4,950	1,251,609
<b>Total Revenues Available for Debt Service</b>	<b>\$ 298,905</b>	<b>\$ 341,621</b>	<b>\$ 328,219</b>	<b>\$ 1,299,020</b>	<b>\$ 1,857,973</b>	<b>\$ 2,042,009</b>	<b>\$ 2,165,563</b>	<b>\$ 2,052,071</b>	<b>\$ 2,115,278</b>	<b>\$ 2,067,667</b>	<b>\$ 14,568,326</b>
Debt Service Requirements											
Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 267,000	\$ 389,000	\$ 415,000	\$ 444,000	\$ 474,000	\$ 1,989,000
Interest	1,130,274	1,321,100	1,321,100	1,321,100	1,321,100	1,311,999	1,289,644	1,262,249	1,232,981	1,563,948	13,075,495
<b>Total Debt Service Requirements</b>	<b>\$ 1,130,274</b>	<b>\$ 1,321,100</b>	<b>\$ 1,321,100</b>	<b>\$ 1,321,100</b>	<b>\$ 1,321,100</b>	<b>\$ 1,578,999</b>	<b>\$ 1,678,644</b>	<b>\$ 1,677,249</b>	<b>\$ 1,676,981</b>	<b>\$ 2,037,948</b>	<b>\$ 15,064,495</b>
Coverage (Revenues / Debt Service)	0.26	0.26	0.25	0.98	1.41	1.29	1.29	1.22	1.26	1.01	0.97
<b>DRAKE MARBLE TAX INCREMENT BONDS, SERIES 2002</b>											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Tax Increments	\$ 66,750	\$ 137,494	\$ 152,908	\$ 171,187	\$ 180,593	\$ 180,044	\$ 236,731	\$ 177,334	\$ 219,640	\$ 213,154	\$ 1,735,835
Investment Earnings	65,712	172	721	937	1,684	1,737	1,373	183	(739)	(299)	71,481
<b>Total Revenues Available for Debt Service</b>	<b>\$ 132,462</b>	<b>\$ 137,666</b>	<b>\$ 153,629</b>	<b>\$ 172,124</b>	<b>\$ 182,277</b>	<b>\$ 181,781</b>	<b>\$ 238,104</b>	<b>\$ 177,517</b>	<b>\$ 218,901</b>	<b>\$ 212,855</b>	<b>\$ 1,807,316</b>
Debt Service Requirements											
Principal	\$ -	\$ -	\$ 55,000	\$ 33,000	\$ 36,000	\$ 38,000	\$ 74,000	\$ 57,000	\$ 61,000	\$ 96,000	\$ 450,000
Interest	95,175	121,500	121,500	117,788	114,953	113,130	109,890	104,186	101,723	96,019	1,095,864
<b>Total Debt Service Requirements</b>	<b>\$ 95,175</b>	<b>\$ 121,500</b>	<b>\$ 176,500</b>	<b>\$ 150,788</b>	<b>\$ 150,953</b>	<b>\$ 151,130</b>	<b>\$ 183,890</b>	<b>\$ 161,186</b>	<b>\$ 162,723</b>	<b>\$ 192,019</b>	<b>\$ 1,545,864</b>
Coverage (Revenues / Debt Service)	1.39	1.13	0.87	1.14	1.21	1.20	1.29	1.10	1.35	1.11	1.17

continued  
 unaudited

City of Saint Paul, Minnesota  
**PLEDGED-REVENUE BOND COVERAGE**  
 Last Ten Fiscal Years

Table 16

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Totals
<b>KOCH/MOBIL TAX INCREMENT BONDS, SERIES 2004C, 2007B and 2010A</b>											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Tax Increments	\$ -	\$ -	\$ -	\$ 19,822	\$ 160,828	\$ 275,936	\$ 202,986	\$ 299,002	\$ 269,163	\$ 241,305	\$ 1,469,042
Developer Shortfall Payments	-	-	-	-	-	-	237,190	-	-	-	237,190
Bond Proceeds - Capitalized Interest	-	266,625	-	-	-	-	-	-	-	-	266,625
Investment Earnings	-	-	1,601	4,485	2,845	4,589	8,114	2,649	5,005	8,734	38,022
<b>Total Revenues Available for Debt Service</b>	<b>\$ -</b>	<b>\$ 266,625</b>	<b>\$ 1,601</b>	<b>\$ 24,307</b>	<b>\$ 163,673</b>	<b>\$ 280,525</b>	<b>\$ 448,290</b>	<b>\$ 301,651</b>	<b>\$ 274,168</b>	<b>\$ 250,039</b>	<b>\$ 2,010,879</b>
Debt Service Requirements											
Principal	\$ -	\$ -	\$ -	\$ -	\$ 3,950,000	\$ -	\$ -	\$ -	\$ 150,000	\$ 95,000	\$ 4,195,000
Interest	-	44,437	88,875	88,875	127,207	165,538	165,538	124,419	79,113	76,663	960,665
<b>Total Debt Service Requirements</b>	<b>\$ -</b>	<b>\$ 44,437</b>	<b>\$ 88,875</b>	<b>\$ 88,875</b>	<b>\$ 4,077,207</b>	<b>\$ 165,538</b>	<b>\$ 165,538</b>	<b>\$ 124,419</b>	<b>\$ 229,113</b>	<b>\$ 171,663</b>	<b>\$ 5,155,665</b>
Coverage (Revenues / Debt Service)	NA	6.00	0.02	0.27	0.04	1.69	2.71	2.42	1.20	1.46	0.39
<b>JJ HILL TAX INCREMENT BONDS, SERIES 2004</b>											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Tax Increments	\$ -	\$ -	\$ 259,004	\$ 261,006	\$ 200,351	\$ 281,183	\$ 290,744	\$ 308,946	\$ 303,555	\$ 284,913	\$ 2,189,702
Bond Proceeds - Capitalized Interest	-	403,765	-	-	-	-	-	-	-	-	403,765
Investment Earnings	-	444	1,278	5,375	18,680	(11,069)	1,140	373	403	2,022	18,646
<b>Total Revenues Available for Debt Service</b>	<b>\$ -</b>	<b>\$ 404,209</b>	<b>\$ 260,282</b>	<b>\$ 266,381</b>	<b>\$ 219,031</b>	<b>\$ 270,114</b>	<b>\$ 291,884</b>	<b>\$ 309,319</b>	<b>\$ 303,958</b>	<b>\$ 286,935</b>	<b>\$ 2,612,113</b>
Debt Service Requirements											
Principal	\$ -	\$ -	\$ -	\$ -	\$ 18,000	\$ 40,000	\$ 54,000	\$ 69,000	\$ 81,000	\$ 94,000	\$ 356,000
Interest	-	-	172,198	228,750	228,750	227,063	224,406	220,750	216,250	211,000	1,729,167
<b>Total Debt Service Requirements</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 172,198</b>	<b>\$ 228,750</b>	<b>\$ 246,750</b>	<b>\$ 267,063</b>	<b>\$ 278,406</b>	<b>\$ 289,750</b>	<b>\$ 297,250</b>	<b>\$ 305,000</b>	<b>\$ 2,085,167</b>
Coverage (Revenues / Debt Service)	NA	NA	1.51	1.16	0.89	1.01	1.05	1.07	1.02	0.94	1.25
<b>NEIGHBORHOOD SCATTERED SITE TAX INCREMENT BONDS, SERIES 2005</b>											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Tax Increments	\$ -	\$ -	\$ 1,061,105	\$ 1,554,684	\$ 1,869,289	\$ 2,170,482	\$ 2,352,017	\$ 2,252,256	\$ 2,044,411	\$ 1,974,102	\$ 15,278,346
Bond Proceeds - Capitalized Interest	-	-	751,500	-	-	-	-	-	-	-	751,500
Investment Earnings	-	-	19,750	33,180	123,020	139,301	166,523	189,872	191,976	(152,884)	710,738
<b>Total Revenues Available for Debt Service</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,832,355</b>	<b>\$ 1,587,864</b>	<b>\$ 1,992,309</b>	<b>\$ 2,309,783</b>	<b>\$ 2,518,540</b>	<b>\$ 2,442,128</b>	<b>\$ 2,236,387</b>	<b>\$ 1,821,218</b>	<b>\$ 16,740,584</b>
Debt Service Requirements											
Principal	\$ -	\$ -	\$ 295,000	\$ 495,000	\$ 485,000	\$ 480,000	\$ 485,000	\$ 510,000	\$ 535,000	\$ 565,000	\$ 3,850,000
Interest	-	-	128,259	357,478	336,702	314,761	292,700	269,762	244,612	217,854	2,162,128
<b>Total Debt Service Requirements</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 423,259</b>	<b>\$ 852,478</b>	<b>\$ 821,702</b>	<b>\$ 794,761</b>	<b>\$ 777,700</b>	<b>\$ 779,762</b>	<b>\$ 779,612</b>	<b>\$ 782,854</b>	<b>\$ 6,012,128</b>
Coverage (Revenues / Debt Service)	NA	NA	4.33	1.86	2.42	2.91	3.24	3.13	2.87	2.33	2.78

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City of Saint Paul, Minnesota  
**PLEDGED-REVENUE BOND COVERAGE**  
 Last Ten Fiscal Years

Table 16

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Totals
<b>JIMMY LEE RECREATION FACILITY LEASE BONDS, SERIES 2008</b>											
Fund Servicing Debt - HRA Debt Service Fund											
Revenues Available for Debt Service											
Lease Payments from the City	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 222,980	\$ 538,560	\$ 521,579	\$ 529,575	\$ 507,199	\$ 2,319,893
Investment Earnings	-	-	-	-	-	72,671	(7,622)	69,224	24,500	23,865	182,638
<b>Total Revenues Available for Debt Service</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 295,651</b>	<b>\$ 530,938</b>	<b>\$ 590,803</b>	<b>\$ 554,075</b>	<b>\$ 531,064</b>	<b>\$ 2,502,531</b>
Debt Service Requirements											
Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,000	\$ 190,000	\$ 195,000	\$ 205,000	\$ 210,000	\$ 875,000
Interest	-	-	-	-	-	146,188	348,600	342,900	336,075	328,388	1,502,151
<b>Total Debt Service Requirements</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 221,188</b>	<b>\$ 538,600</b>	<b>\$ 537,900</b>	<b>\$ 541,075</b>	<b>\$ 538,388</b>	<b>\$ 2,377,151</b>
Coverage (Revenues / Debt Service)	NA	NA	NA	NA	NA	1.34	0.99	1.10	1.02	0.99	1.05
<b>EMERALD GARDENS TAX INCREMENT BONDS, SERIES 2010</b>											
Fund Servicing Debt - HRA TI Capital Projects Fund											
Revenues Available for Debt Service											
Tax Increments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 610,362	\$ 730,938	\$ 1,341,300
Investment Earnings	-	-	-	-	-	-	-	-	40,194	5,571	45,765
<b>Total Revenues Available for Debt Service</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 650,556</b>	<b>\$ 736,509</b>	<b>\$ 1,387,065</b>
Debt Service Requirements											
Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ 290,000	\$ 330,000
Interest	-	-	-	-	-	-	-	-	448,342	388,431	836,773
<b>Total Debt Service Requirements</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 488,342</b>	<b>\$ 678,431</b>	<b>\$ 1,166,773</b>
Coverage (Revenues / Debt Service)	NA	NA	NA	NA	NA	NA	NA	NA	1.33	1.09	1.19
<b>HOUSING 5000 LAND ASSEMBLY BONDS, SERIES 2004</b>											
Fund Servicing Debt - HRA Loan Enterprise Fund											
Revenues Available for Debt Service											
Land Sales	\$ -	\$ -	\$ 3,779,663	\$ 2,308,000	\$ -	\$ -	\$ -	\$ -	\$ 1,404,760	\$ -	\$ 7,492,423
Bond Proceeds - Capitalized Interest	-	2,387,200	-	-	-	-	-	-	-	-	2,387,200
Investment Earnings	-	120,529	641,722	874,360	741,206	314,168	5,594	24,642	2,033	(4,057)	2,720,197
Use of Bond Reserve Account	-	-	-	3,555,284	-	-	-	-	-	-	3,555,284
<b>Total Revenues Available for Debt Service</b>	<b>\$ -</b>	<b>\$ 2,507,729</b>	<b>\$ 4,421,385</b>	<b>\$ 6,737,644</b>	<b>\$ 741,206</b>	<b>\$ 314,168</b>	<b>\$ 5,594</b>	<b>\$ 24,642</b>	<b>\$ 1,406,793</b>	<b>\$ (4,057)</b>	<b>\$ 16,155,104</b>
Debt Service Requirements											
Principal	\$ -	\$ -	\$ 3,170,000	\$ 9,375,000	\$ 3,320,000	\$ 2,695,000	\$ 3,930,000	\$ 2,510,000	\$ -	\$ -	\$ 25,000,000
Interest	-	357,759	764,656	777,522	569,468	291,500	50,782	1,681	-	-	2,813,368
<b>Total Debt Service Requirements</b>	<b>\$ -</b>	<b>\$ 357,759</b>	<b>\$ 3,934,656</b>	<b>\$ 10,152,522</b>	<b>\$ 3,889,468</b>	<b>\$ 2,986,500</b>	<b>\$ 3,980,782</b>	<b>\$ 2,511,681</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 27,813,368</b>
Coverage (Revenues / Debt Service)	NA	7.01	1.12	0.66	0.19	0.11	0.00	0.01	N/A	N/A	0.58
<b>PARKING REVENUE BONDS, SERIES 1992A, 1995A, 1995B, 2001A, 2002A, 2002B, 2005A, AND 2010A</b>											
Fund Servicing Debt - HRA Parking Enterprise Fund											
Revenues Available for Debt Service											
Parking Facility Net Revenues	\$ 2,293,082	\$ 2,807,196	\$ 2,931,998	\$ 3,022,153	\$ 3,246,417	\$ 3,124,631	\$ 3,084,230	\$ 3,043,611	\$ 3,492,539	\$ 3,794,576	\$ 30,840,433
Parking Meter & Parking Fine Revenues	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	3,000,000	3,000,000	22,000,000
Bond Proceeds - Capitalized Interest	1,010,780	124,361	67,517	-	-	-	-	-	-	-	1,202,658
<b>Total Revenues Available for Debt Service</b>	<b>\$ 5,303,862</b>	<b>\$ 4,931,557</b>	<b>\$ 4,999,515</b>	<b>\$ 5,022,153</b>	<b>\$ 5,246,417</b>	<b>\$ 5,124,631</b>	<b>\$ 5,084,230</b>	<b>\$ 5,043,611</b>	<b>\$ 6,492,539</b>	<b>\$ 6,794,576</b>	<b>\$ 54,043,091</b>
Debt Service Requirements											
Principal	\$ 910,000	\$ 955,000	\$ 1,015,000	\$ 1,135,000	\$ 1,290,000	\$ 1,590,000	\$ 1,655,000	\$ 1,790,000	\$ 565,000	\$ 615,000	\$ 11,520,000
Interest	1,774,840	1,732,700	1,496,125	1,467,282	1,429,882	1,384,918	1,324,097	1,307,828	1,087,242	1,038,056	14,042,970
<b>Total Debt Service Requirements</b>	<b>\$ 2,684,840</b>	<b>\$ 2,687,700</b>	<b>\$ 2,511,125</b>	<b>\$ 2,602,282</b>	<b>\$ 2,719,882</b>	<b>\$ 2,974,918</b>	<b>\$ 2,979,097</b>	<b>\$ 3,097,828</b>	<b>\$ 1,652,242</b>	<b>\$ 1,653,056</b>	<b>\$ 25,562,970</b>
Coverage (Revenues / Debt Service)	1.98	1.83	1.99	1.93	1.93	1.72	1.71	1.63	3.93	4.11	2.11

continued  
 unaudited

City of Saint Paul, Minnesota  
**PLEDGED-REVENUE BOND COVERAGE**  
 Last Ten Fiscal Years

Table 16

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Totals
<b>PARKING REVENUE BONDS, SERIES 1997A</b>											
Fund Servicing Debt - HRA Parking Enterprise Fund											
Revenues Available for Debt Service											
Ramp Lease Revenues	\$ 1,196,900	\$ 1,075,336	\$ 1,080,048	\$ 1,058,040	\$ 1,078,813	\$ 1,078,142	\$ 1,075,562	\$ 1,075,591	\$ 1,077,475	\$ 1,076,739	\$ 10,872,646
Investment Earnings	8,768	(3,235)	6,474	16,412	13,655	(1,480)	(3,993)	(4,018)	(4,023)	(3,884)	24,676
Total Revenues Available for Debt Service	\$ 1,205,668	\$ 1,072,101	\$ 1,086,522	\$ 1,074,452	\$ 1,092,468	\$ 1,076,662	\$ 1,071,569	\$ 1,071,573	\$ 1,073,452	\$ 1,072,855	\$ 10,897,322
Debt Service Requirements											
Principal	\$ 405,000	\$ 430,000	\$ 460,000	\$ 490,000	\$ 525,000	\$ 560,000	\$ 595,000	\$ 635,000	\$ 680,000	\$ 725,000	\$ 5,505,000
Interest	670,275	642,938	606,629	582,863	549,788	514,350	476,550	436,388	393,525	347,625	5,220,931
Total Debt Service Requirements	\$ 1,075,275	\$ 1,072,938	\$ 1,066,629	\$ 1,072,863	\$ 1,074,788	\$ 1,074,350	\$ 1,071,550	\$ 1,071,388	\$ 1,073,525	\$ 1,072,625	\$ 10,725,931
Coverage (Revenues / Debt Service)	1.12	1.00	1.02	1.00	1.02	1.00	1.00	1.00	1.00	1.00	1.02
<b>BLOCK 39 TAX INCREMENT BONDS, SERIES 1998A, 1998B, 2009G and 2009H</b>											
Fund Servicing Debt - HRA Parking Enterprise Fund											
Revenues Available for Debt Service											
Tax Increments	\$ 1,203,263	\$ 982,602	\$ 687,327	\$ 689,844	\$ 889,488	\$ 1,067,054	\$ 1,159,081	\$ 1,236,563	\$ 1,226,734	\$ 1,181,563	\$ 10,323,519
Developer Shortfall Payments	100,640	237,104	681,886	707,372	386,514	126,816	-	-	-	-	2,240,332
Net Parking Revenues	1,865,629	1,940,275	1,957,191	2,387,011	1,958,727	1,929,248	1,640,037	1,924,977	1,946,959	2,121,341	19,671,395
Investment Earnings	74,901	199,881	112,108	97,039	261,767	138,493	37,016	152,120	184,762	(8,022)	1,250,065
Total Revenues Available for Debt Service	\$ 3,244,433	\$ 3,359,862	\$ 3,438,512	\$ 3,881,266	\$ 3,496,496	\$ 3,261,611	\$ 2,836,134	\$ 3,313,660	\$ 3,358,455	\$ 3,294,882	\$ 33,485,311
Debt Service Requirements											
Principal	\$ 950,000	\$ 1,055,000	\$ 1,135,000	\$ 1,300,000	\$ 1,445,000	\$ 1,570,000	\$ 2,340,000	\$ 1,295,000	\$ 1,575,000	\$ 1,605,000	\$ 14,270,000
Interest	2,081,815	2,023,908	1,931,407	1,886,780	1,804,069	1,712,473	1,954,043	763,015	935,129	885,839	15,978,478
Total Debt Service Requirements	\$ 3,031,815	\$ 3,078,908	\$ 3,066,407	\$ 3,186,780	\$ 3,249,069	\$ 3,282,473	\$ 4,294,043	\$ 2,058,015	\$ 2,510,129	\$ 2,490,839	\$ 30,248,478
Coverage (Revenues / Debt Service)	1.07	1.09	1.12	1.22	1.08	0.99	0.66	1.61	1.34	1.32	1.11
<b>LOFTS AT FARMERS MARKET LIMITED TAX BONDS, SERIES 2010A AND 2010B</b>											
Fund Servicing Debt - HRA Loan Enterprise Fund											
Revenues Available for Debt Service											
Build America Bond Interest Subsidy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 103,115	\$ 169,504	\$ 272,619
Apartment Net Revenues	-	-	-	-	-	-	-	-	-	309,787	309,787
Bond Proceeds - Capitalized Interest	-	-	-	-	-	-	-	569,786	-	-	569,786
Investment Earnings	-	-	-	-	-	-	-	-	16,249	5,494	21,743
Total Revenues Available for Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 569,786	\$ 119,364	\$ 484,785	\$ 1,173,935
Debt Service Requirements											
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 312,740	\$ 514,093	\$ 826,833
Total Debt Service Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 312,740	\$ 514,093	\$ 826,833
Coverage (Revenues / Debt Service)	NA	0.38	0.94	1.42							
<b>PARKING REVENUE BONDS (SMITH AVENUE TRANSIT CENTER), SERIES 2005 AND 2010B</b>											
Fund Servicing Debt - HRA Parking Enterprise Fund											
Revenues Available for Debt Service											
Parking & Transit Center Net Revenues	\$ -	\$ -	\$ -	\$ -	\$ 155,434	\$ 220,990	\$ 226,406	\$ 290,945	\$ 320,922	\$ 145,161	\$ 1,359,858
Investment Earnings	-	-	230,589	85,455	265,494	125,279	19,463	9,924	49,559	33,800	819,563
Bond Proceeds - Capitalized Interest	-	-	2,425,100	-	-	-	-	-	-	-	2,425,100
Total Revenues Available for Debt Service	\$ -	\$ -	\$ 2,655,689	\$ 85,455	\$ 420,928	\$ 346,269	\$ 245,869	\$ 300,869	\$ 370,481	\$ 178,961	\$ 4,604,521
Debt Service Requirements											
Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,000	\$ 125,000	\$ 130,000	\$ 305,000	\$ 330,000	\$ 1,010,000
Interest	-	-	349,160	619,200	619,200	619,200	614,525	406,450	563,798	537,931	4,329,464
Total Debt Service Requirements	\$ -	\$ -	\$ 349,160	\$ 619,200	\$ 619,200	\$ 739,200	\$ 739,525	\$ 536,450	\$ 868,798	\$ 867,931	\$ 5,339,464
Coverage (Revenues / Debt Service)	NA	NA	7.61	0.14	0.68	0.47	0.33	0.56	0.43	0.21	0.86

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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 Personal Income (2)</u>	<u>Personal Income (3)</u>	<u>Labor Force (4)</u>	<u>Unemployment Rate (4)</u>
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	287,669	24,934	6,639,009,400	144,446	4.6%
2008	288,055	27,120	7,294,251,800	144,618	5.5%
2009	287,501	24,702	6,947,235,100	145,773	8.1%
2010	285,068	25,066	7,145,514,488	146,389	7.3%
2011	286,367	25,576	7,106,711,800	145,003	7.1%
2012	N/A	N/A	N/A	147,362	6.2%

**Sources:**

(1) 2003-2009 & 2011 data is based on Metropolitan Council estimates. 2010 data is based on U.S. Census results. 2012 data is not yet available.

(2) 2003-2011 data provided by U.S. Census Bureau's Annual American Community Survey. 2012 data is not available yet.

(3) Personal Income data for the City is no longer available, for 2010-2011 this column is now the Aggregate household income. Data provided by U.S. Census Bureau's Annual American Community Survey.

(4) 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 Six Years Ago

Table 18

<u>Employers</u>	2012			2006		
	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
University of Minnesota (1)	22,608	1	12.97%			
State of Minnesota	14,560	2	8.35%	13,671	1	7.54%
3M Company (1)	10,000	3	5.74%			
Health East Care System / St Joseph's Hospital (1)	7,200	4	4.13%	5,080	3	2.80%
Saint Paul Public Schools	5,870	5	3.37%	6,567	2	3.62%
Ramsey County	4,422	6	2.54%	3,770	7	2.08%
Health Partners, Inc. / Regions Hospital	4,300	7	2.47%	4,000	6	2.21%
U.S. Bancorp	3,500	8	2.01%	4,700	4	2.59%
City of Saint Paul	3,406	9	1.95%	3,400	8	1.88%
Allina Health System / United Hospital	3,200	10	1.84%	3,300	9	1.82%
Marsden Building Maintenance				4,000	5	2.21%
U.S. Postal Service				3,200	10	1.77%
<b>Total</b>	<b>79,066</b>		<b>45.37%</b>	<b>51,688</b>		<b>28.52%</b>

Data from nine years ago is not available. The Government Finance Officers Association (GFOA) recommends presenting data from the earliest year available, 2006.

(1) Represents the total number of employees.

Sources: MN Department of Employment and Economic Development for 2006 data; Telephone survey of individual employers done by Springsted Inc., February 2012 for 2011 data.

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City of Saint Paul, Minnesota  
**FULL-TIME-EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM**  
 Last Ten Fiscal Years

Table 19

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>GENERAL GOVERNMENT</b>										
Citizen Services (1) (6)	38.8	7.6	7.0	2.0	-	-	-	-	-	-
City Attorney	64.4	63.3	66.4	64.8	66.1	68.3	66.0	63.4	63.1	67.7
City Council	25.4	25.0	26.7	25.4	26.7	29.3	35.1	29.5	29.3	36.6
Financial Services (4) (5)	26.0	44.3	44.7	44.3	46.4	45.0	44.0	44.5	43.5	50.9
Human Resources	25.7	31.8	33.1	32.2	28.5	30.8	31.8	30.7	30.1	37.4
Human Rights and Equal Economic Opportunity (4)	7.5	6.9	7.5	6.9	8.9	9.4	34.0	34.3	30.5	44.0
Mayor's Administration	17.8	15.2	18.6	19.8	19.0	22.0	19.0	16.1	17.0	19.0
Office of Technology	105.2	72.2	73.7	75.6	79.6	82.4	81.8	77.3	76.8	82.0
<b>PUBLIC SAFETY</b>										
Fire										
Firefighters and Officers	398.0	390.0	412.0	396.0	383.0	421.0	411.0	417.6	433.0	415.0
Civilians	55.4	54.7	57.4	56.4	56.3	42.7	64.0	41.8	39.0	71.3
Police										
Officers	542.2	538.6	557.7	552.5	555.0	595.7	584.0	583.3	609.0	586.0
Civilians	174.2	172.1	187.9	172.7	225.6	183.7	232.4	182.9	172.0	235.0
Safety and Inspections (2)	-	-	-	-	160.9	163.6	148.2	136.2	127.6	146.8
License, Inspection and Environmental Protection (2)	104.3	103.8	105.7	105.8	-	-	-	-	-	-
Neighborhood Housing and Property Improvement (2)	-	32.1	32.7	32.3	-	-	-	-	-	-
Health	56.2	59.2	55.0	53.6	48.4	45.2	46.0	40.1	39.7	42.0
<b>HIGHWAYS AND STREETS</b>										
Public Works (5)	327.5	379.9	357.8	343.5	352.7	352.8	373.3	347.3	361.7	408.1
<b>CULTURE AND RECREATION</b>										
Libraries	171.3	168.2	174.5	174.0	176.6	180.5	230.6	164.1	162.8	215.0
Parks	412.4	470.1	502.8	432.0	461.2	478.8	778.9	432.2	549.2	1,771.8
<b>HOUSING AND ECONOMIC DEVELOPMENT</b>	92.0	82.4	81.6	79.8	75.1	81.9	84.0	69.1	67.3	82.2
<b>RIVERCENTRE (3)</b>	2.0	2.0	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<u>2,646.3</u>	<u>2,719.4</u>	<u>2,802.8</u>	<u>2,669.6</u>	<u>2,770.0</u>	<u>2,833.1</u>	<u>3,264.1</u>	<u>2,710.4</u>	<u>2,851.6</u>	<u>4,310.8</u>

- (1) Citizen Services included Property Code Enforcement employees in 2003. Property Code Enforcement employees were moved to the new office of Neighborhood Housing and Property Improvement in 2004. Citizen Services' Information and Complaint employees were moved to Neighborhood Housing and 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 and Inspections in 2007.
- (3) RiverCentre was merged with the Convention and Visitor's Bureau and became a discretely presented component unit in 2005.
- (4) Contract Services and Human Rights merged into new department Human Rights and Equal Economic Opportunity in 2009. Contract Services was previously reported in Financial Services.
- (5) Real Estate moved from Public Works to Financial Services in 2009.
- (6) In 2007 the Charter was changed moving the City Clerk to the City Council.

City of Saint Paul, Minnesota  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
 Last Ten Fiscal Years

Table 20

<u>Function/Program</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Police</b>										
Number of Calls for Service	212,372	210,950	216,247	212,161	213,593	220,129	223,645	219,049	240,390	272,624
<b>Fire</b>										
Number of Structure Fires	695	782	708	716	681	799	886	799	794	826
Number of EMS Incidents	25,475	26,332	28,159	24,457	26,831	27,064	24,977	24,707	26,437	27,878
<b>Department of Safety and Inspections (1)</b>										
Number of Building Permits Issued	10,577	9,835	8,905	8,818	8,802	8,498	8,138	9,887	11,649	8,582
Valuation of Building Permits Issued	\$432,220,911	\$673,664,737	\$479,840,220	\$555,104,063	\$530,995,699	\$335,663,606	\$330,135,432	\$366,589,782	\$521,098,690	\$474,073,321
<b>Public Works</b>										
Miles of Streets Reconstructed	13.0	10.2	8.1	15.2	7.7	9.4	8.2	8.2	7.4	7.1
Number of Snow Emergencies	3	4	4	2	6	1	5	7	3	2
<b>Parks and Recreation</b>										
Picnic Permits Issued	1,450	1,700	1,612	1,656	1,800	1,900	2,000	2,060	2,093	2,167
Number of Golf Rounds Played	109,000	107,100	142,381	132,400	124,661	123,093	122,315	117,304	105,676	112,862
<b>Libraries</b>										
Circulation	3,045,344	3,218,381	3,319,113	3,394,664	3,365,469	3,321,165	3,442,777	3,153,093	2,958,656	2,866,183
Number of Titles in Collection	398,929	496,177	435,395	450,137	458,389	463,876	454,032	458,800	464,750	481,175
<b>Economic Development</b>										
New and Substantially Rehabilitated Housing Units	1,278	1,331	1,130	428	355	10	100	96	100	106

(1) License, Inspection and Environmental Protection; and Neighborhood Housing and Property Improvement were merged to form the new Department of Safety and 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

<b>Function/Program</b>	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Police</b>										
Number of Stations	13	13	14	14	14	13	13	13	10	10
Number of Vehicles	362	360	365	481	482	580	540	520	518	500
<b>Fire</b>										
Number of Stations	16	16	16	16	16	16	16	15	15	15
Number of Vehicles	110	109	105	110	108	105	106	98	102	102
<b>Public Works</b>										
Miles of Sanitary Sewers	804	804	806	806	806	806	806	806	806	806
Miles of Sidewalks	1,007	1,007	1,007	1,007	1,007	1,011	1,011	1,011	1,011	1,011
Miles of Storm Sewers	450	450	450	450	450	450	450	450	450	450
Miles of Streets	847	847	847	863	863	863	863	863	863	863
Number of Alleys	2,311	2,311	2,311	2,311	2,311	2,311	2,311	2,311	2,311	2,311
Number of Bridges	55	60	60	60	61	60	60	60	57	57
Number of Street Lights	32,575	32,619	32,619	31,444	31,716	31,696	31,740	31,856	31,698	31,882
<b>Parks and Recreation</b>										
Acreage of Parks	4,271	4,274	4,274	4,285	4,287	4,288	4,288	4,306	4,306	4,306
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	167	168	168	169	171	173	173	173	173	173
Number of Recreation Centers	41	41	41	41	33	33	33	25	25	25
Number of Tennis Courts	101	92	92	92	92	92	90	83	77	77
Number of Zoos & Conservatories	1	1	1	1	1	1	1	1	1	1
<b>Libraries</b>										
Number of Libraries	12	13	13	13	13	13	13	13	13	13
Number of Bookmobiles	1	1	1	1	1	1	1	1	1	1
<b>Economic Development</b>										
Number of Parking Facilities	19	20	20	20	20	17	17	17	17	17
Number of Skyways	37	37	37	37	37	37	37	37	37	37

**Source:** Various city departments.

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

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