

PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 29, 2024

In the opinion of Dorsey & Whitney LLP, Bond Counsel, based on existing law and assuming the accuracy of certain representations and compliance with certain covenants, interest on the Bonds (i) is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"), (ii) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on noncorporate taxpayers by Section 55 of the Code, (iii) is excluded from taxable net income of individuals, estates, and trusts for Minnesota income tax purposes, and (iv) is not an item of tax preference for Minnesota alternative minimum tax purposes. Interest on the Bonds may, however, be taken into account in determining adjusted financial statement income for purposes of the federal alternative minimum tax imposed on applicable corporations (as defined in Section 59(k) of the Code) and is included in net income for purposes of the Minnesota franchise tax imposed on corporations and financial institutions.

The City will designate the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code relating to the ability of financial institutions to deduct from income for federal income tax purposes a portion of the interest expense that is allocable to carrying and acquiring tax-exempt obligations. See "TAX CONSIDERATIONS" herein.

New Issue

Rating Application Made: S&P Global Ratings

CITY OF ST. ANTHONY, MINNESOTA (Hennepin and Ramsey Counties)

\$2,000,000* GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2024A

PROPOSAL OPENING: September 10, 2024, 10:00 A.M., C.T.

CONSIDERATION: September 10, 2024, 7:00 P.M., C.T.

PURPOSE/AUTHORITY/SECURITY: The \$2,000,000* General Obligation Improvement Bonds, Series 2024A (the "Bonds") are being issued pursuant to Minnesota Statutes, Chapters 429 and 475, as amended, by the City of St. Anthony, Minnesota (the "City"), for the purpose of financing the 2024 road reconstruction projects within the City. The Bonds will be general obligations of the City for which its full faith and credit and taxing powers are pledged. Delivery is subject to receipt of an approving legal opinion of Dorsey & Whitney LLP, Minneapolis, Minnesota.

DATE OF BONDS: October 1, 2024

MATURITY: February 1 as follows:

Year	Amount*	Year	Amount*	Year	Amount*
2027	\$205,000	2030	\$215,000	2033	\$230,000
2028	210,000	2031	220,000	2034	240,000
2029	210,000	2032	225,000	2035	245,000

***MATURITY ADJUSTMENTS:** The City reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BONDS: See "Term Bond Option" herein.

INTEREST: August 1, 2025 and semiannually thereafter.

OPTIONAL REDEMPTION: Bonds maturing on February 1, 2034 and thereafter are subject to call for prior optional redemption on February 1, 2033 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

MINIMUM PROPOSAL: \$1,976,000.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of \$40,000 shall be made by the winning bidder by wire transfer of funds.

PAYING AGENT: Bond Trust Services Corporation.

BOND COUNSEL: Dorsey & Whitney LLP.

MUNICIPAL ADVISOR: Ehlers and Associates, Inc.

BOOK-ENTRY-ONLY: See "Book-Entry-Only System" herein (unless otherwise specified by the purchaser).

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy these securities nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This Preliminary Official Statement is in a form deemed final as of its date for purposes of SEC Rule 15c2-12(b) (1), but is subject to revision, amendment and completion in a Final Official Statement.

REPRESENTATIONS

No dealer, broker, salesperson or other person has been authorized by the City to give any information or to make any representation other than those contained in this Preliminary Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the City. ***This Preliminary Official Statement does not constitute an offer to sell or a solicitation of an offer to buy any of the Bonds in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.***

This Preliminary Official Statement is not to be construed as a contract with the Underwriter (Syndicate Manager). Statements contained herein which involve estimates or matters of opinion are intended solely as such and are not to be construed as representations of fact. Ehlers and Associates, Inc. prepared this Preliminary Official Statement and any addenda thereto relying on information of the City and other sources for which there is reasonable basis for believing the information is accurate and complete. Bond Counsel has not participated in the preparation of this Preliminary Official Statement and is not expressing any opinion as to the completeness or accuracy of the information contained therein. Compensation of Ehlers and Associates, Inc., payable entirely by the City, is contingent upon the delivery of the Bonds.

COMPLIANCE WITH S.E.C. RULE 15c2-12

Certain municipal obligations (issued in an aggregate amount over \$1,000,000) are subject to Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the "Rule").

Preliminary Official Statement: This Preliminary Official Statement was prepared for the City for dissemination to potential investors. Its primary purpose is to disclose information regarding the Bonds to prospective underwriters in the interest of receiving competitive proposals in accordance with the sale notice contained herein. Unless an addendum is posted prior to the sale, this Preliminary Official Statement shall be deemed nearly final for purposes of the Rule subject to completion, revision and amendment in a Final Official Statement as defined below.

Review Period: This Preliminary Official Statement has been distributed to prospective bidders for review. Comments or requests for the correction of omissions or inaccuracies must be submitted to Ehlers and Associates, Inc. at least two business days prior to the sale. Requests for additional information or corrections in the Preliminary Official Statement received on or before this date will not be considered a qualification of a proposal received from an underwriter. If there are any changes, corrections or additions to the Preliminary Official Statement, interested bidders will be informed by an addendum prior to the sale.

Final Official Statement: Copies of the Final Official Statement will be delivered to the underwriter (Syndicate Manager) within seven business days following the proposal acceptance.

Continuing Disclosure: Subject to certain exemptions, issues in an aggregate amount over \$1,000,000 may be required to comply with provisions of the Rule which require that underwriters obtain from the issuers of municipal securities (or other obligated party) an agreement for the benefit of the owners of the securities to provide continuing disclosure with respect to those securities. This Preliminary Official Statement describes the conditions under which the City is required to comply with the Rule.

CLOSING CERTIFICATES

Upon delivery of the Bonds, the underwriter (Syndicate Manager) will be furnished with the following items: (1) a certificate of the appropriate officials to the effect that at the time of the sale of the Bonds and all times subsequent thereto up to and including the time of the delivery of the Bonds, this Preliminary Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (2) a receipt signed by the appropriate officer evidencing payment for the Bonds; (3) a certificate evidencing the due execution of the Bonds, including statements that (a) no litigation of any nature is pending, or to the knowledge of signers, threatened, restraining or enjoining the issuance and delivery of the Bonds, (b) neither the corporate existence or boundaries of the City nor the title of the signers to their respective offices is being contested, and (c) no authority or proceedings for the issuance of the Bonds have been repealed, revoked or rescinded; and (4) a certificate setting forth facts and expectations of the City which indicates that the City does not expect to use the proceeds of the Bonds in a manner that would cause them to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or within the meaning of applicable Treasury Regulations.

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CITY OF ST. ANTHONY CITY COUNCIL

		<u>Term Expires</u>
Wendy Webster	Mayor	January 2026
Lona Doolan	Council Member	January 2028
Nadia Elnagdy	Council Member	January 2026
Jan Jenson	Council Member	January 2026
Thomas Randle	Council Member	January 2028

ADMINISTRATION

Charlie Yunker, City Manager
Deborah Maloney, Finance Director

PROFESSIONAL SERVICES

Dorsey & Whitney LLP, Bond Counsel, Minneapolis, Minnesota

Ehlers and Associates, Inc., Municipal Advisors, Roseville, Minnesota
(Other office located in Waukesha, Wisconsin)

INTRODUCTORY STATEMENT

This Preliminary Official Statement contains certain information regarding the City of St. Anthony, Minnesota (the "City") and the issuance of its \$2,000,000* General Obligation Improvement Bonds, Series 2024A (the "Bonds"). Any descriptions or summaries of the Bonds, statutes, or documents included herein are not intended to be complete and are qualified in their entirety by reference to such statutes and documents and the form of the Bonds to be included in the resolution authorizing the issuance and sale of the Bonds ("Award Resolution") to be adopted by the City Council on September 10, 2024.

Inquiries may be directed to Ehlers and Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Roseville, Minnesota, (651) 697-8500, the City's municipal advisor. A copy of this Preliminary Official Statement may be downloaded from Ehlers' web site at www.ehlers-inc.com by connecting to the Bond Sales link and following the directions at the top of the site.

THE BONDS

GENERAL

The Bonds will be issued in fully registered form as to both principal and interest in denominations of \$5,000 each or any integral multiple thereof, and will be dated, as originally issued, as of October 1, 2024. The Bonds will mature on February 1 in the years and amounts set forth on the cover of this Preliminary Official Statement. Interest will be payable on February 1 and August 1 of each year, commencing August 1, 2025, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board ("MSRB"). **The rate for any maturity may not be more than 1.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2027 maturity, then the lowest rate that may be proposed for any later maturity is 3.50%.)** All Bonds of the same maturity must bear interest from the date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

Unless otherwise specified by the purchaser, the Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). (See "Book-Entry-Only System" herein.) As long as the Bonds are held under the book-entry system, beneficial ownership interests in the Bonds may be acquired in book-entry form only, and all payments of principal of, premium, if any, and interest on the Bonds shall be made through the facilities of DTC and its participants. If the book-entry system is terminated, principal of, premium, if any, and interest on the Bonds shall be payable as provided in the Award Resolution.

The City has selected Bond Trust Services Corporation, Roseville, Minnesota ("BTSC"), to act as paying agent (the "Paying Agent"). BTSC and Ehlers are affiliate companies. The City will pay the charges for Paying Agent services. The City reserves the right to remove the Paying Agent and to appoint a successor.

*Preliminary, subject to change.

OPTIONAL REDEMPTION

The Bonds maturing on and after February 1, 2034 are be subject to redemption and prepayment at the option of the City, in whole or in part, in such order as the Client shall determine and within a maturity by lot as selected by the Registrar in multiples of \$5,000, on February 1, 2033, and on any date thereafter, at a price equal to the principal amount thereof and accrued interest to the date of redemption.

The Clerk shall cause notice of the call for redemption thereof to be published as required by law and, at least thirty (30) and not more than sixty (60) days prior to the designated redemption date, shall cause notice of the call for redemption to be mailed, by first class mail, to the registered owners of any Bonds to be redeemed at their addresses as they appear on the bond register; provided that notice shall be given to any securities depository in accordance with its operational arrangements. No defect in or failure to give such mailed notice of redemption shall affect the validity of proceedings for the redemption of any Bond not affected by such defect or failure.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon partial redemption of any Bond, a new Bond or Bonds will be delivered to the registered owner without charge, representing the remaining principal amount outstanding.

AUTHORITY; PURPOSE

The Bonds are being issued pursuant to Minnesota Statutes, Chapters 429 and 475, as amended, by the City, for the purpose of financing the 2024 road reconstruction projects within the City.

ESTIMATED SOURCES AND USES*

Sources		
Par Amount of Bonds	\$2,000,000	
Prepaid Assessments	<u>210,570</u>	
Total Sources		\$2,210,570
Uses		
Total Underwriter's Discount (1.200%)	\$24,000	
Costs of Issuance	58,000	
Deposit to Construction Fund	2,126,800	
Rounding Amount	<u>1,770</u>	
Total Uses		\$2,210,570

*Preliminary, subject to change.

SECURITY

The Bonds will be general obligations of the City for which its full faith and credit and taxing powers are pledged without limitation as to rate or amount. The City anticipates that the debt service will be paid from a combination of special assessments levied against properties benefitted by improvements financed by the Bonds and from ad valorem property taxes. In accordance with Minnesota Statutes, receipt of special assessments and ad valorem property taxes will be sufficient to provide not less than 105% of principal and interest on the Bonds.

Should the special assessments and/or ad valorem property taxes pledged for payment of the Bonds be insufficient to pay the principal and interest as the same shall become due, the City is required to pay maturing principal and interest from moneys on hand in any other fund of the City not pledged for another purpose and/or to levy additional taxes for this purpose upon all the taxable property in the City, without limitation as to rate or amount.

RATING

General obligation debt of the City, with the exception of any outstanding credit enhanced issues, is currently rated "AA" by S&P Global Ratings ("S&P").

The City has requested an underlying rating on the Bonds from S&P, and bidders will be notified as to the assigned rating prior to the sale. Such rating, if any, reflects only the views of such organization and explanations of the significance of such rating may be obtained from S&P.

Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency, if in the judgment of such rating agency circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

Such rating is not to be construed as a recommendation of the rating agency to buy, sell or hold the Bonds, and the rating assigned by the rating agency should be evaluated independently. Except as may be required by the Disclosure Undertaking described under the heading "CONTINUING DISCLOSURE" neither the City nor the underwriter undertake responsibility to bring to the attention of the owner of the Bonds any proposed changes in or withdrawal of such rating or to oppose any such revision or withdrawal.

CONTINUING DISCLOSURE

In order to assist brokers, dealers, and municipal securities dealers, in connection with their participation in the offering of the Bonds, to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission, pursuant to the Securities and Exchange Act of 1934, as amended (the "Rule"), the City shall agree to provide certain information to the Municipal Securities Rulemaking Board (MSRB) through its Electronic Municipal Market Access (EMMA) system, or any system that may be prescribed in the future.

In the Award Resolution, the City will covenant for the benefit of holders including beneficial holders, to provide electronically, or in a manner otherwise prescribed, certain financial information annually and to provide notices of the occurrence of certain events enumerated in the Rule (the "Disclosure Undertaking"). The details and terms of the Disclosure Undertaking for the City are set forth in Appendix D. Such Disclosure Undertaking will be in substantially the form attached hereto.

A failure by the City to comply with any Disclosure Undertaking will not constitute an event of default on the Bonds. However, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

In the previous five years, the City believes it has not failed to comply in all material respects with its prior undertakings under the Rule. The City has reviewed its continuing disclosure responsibilities along with any changes to the Rule, to ensure compliance. Ehlers is currently engaged as dissemination agent for the City.

LEGAL OPINION

An opinion in substantially the form attached hereto as Appendix B will be furnished by Dorsey & Whitney LLP ("Bond Counsel"), Minneapolis, Minnesota, bond counsel to the City.

TAX CONSIDERATIONS

The following is a summary of certain U.S. federal and Minnesota income tax considerations relating to the purchase, ownership, and disposition of the Bonds. This summary is based on the U.S. Internal Revenue Code of 1986 (the "Code") and the Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative pronouncements of the Internal Revenue Service (the "IRS"), all as of the date hereof and all of which are subject to change, possibly with retroactive effect. Any such change could adversely affect the matters discussed below, including the tax exemption of interest on the Bonds. The City has not sought and will not seek any rulings from the IRS regarding the matters discussed below, and there can be no assurance the IRS or a court will not take a contrary position regarding these matters.

Prospective purchasers of Bonds should consult their own tax advisors with respect to applicable federal, state, and local tax rules, and any pending or proposed legislation or regulatory or administrative actions, relating to the Bonds based on their own particular circumstances.

This summary is for general information only and is not intended to constitute a complete analysis of all tax considerations relating to the purchase, ownership, and disposition of Bonds. It does not address the application of the alternative minimum tax imposed on noncorporate taxpayers and applicable corporations (as defined in Section 59(k) of the Code) or the additional tax on net investment income, nor does it address the U.S. federal estate and gift tax or any state, local, or non-U.S. tax consequences except with respect to Minnesota income tax to the extent expressly specified herein. This summary is limited to consequences to U.S. holders that purchase the Bonds for cash at original issue and hold the Bonds as "capital assets" (generally, property held for investment).

This discussion does not address all aspects of U.S. federal income or state taxation that may be relevant to particular holders of Bonds in light of their specific circumstances or the tax considerations applicable to holders that may be subject to special income tax rules, such as holders subject to special tax accounting rules under Section 451(b) of the Code; insurance companies, brokers, dealers, or traders in stocks, securities, or currencies or notional principal contracts; foreign corporations subject to the branch profits tax; holders receiving payments in respect to the Bonds through foreign entities; and S corporations, partnerships, or other pass-through entities or investors therein.

For purposes of this discussion, the "issue price" of a maturity of Bonds is the first price at which a substantial amount of Bonds of that maturity is sold for cash to persons other than bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers.

Tax Exempt Interest

In the opinion of Dorsey & Whitney LLP, Bond Counsel, based on existing law and assuming the accuracy of certain representations and compliance with certain covenants, interest on the Bonds (i) is excluded from gross income for federal income tax purposes under Section 103 of the Code, (ii) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on noncorporate taxpayers by Section 55 of the Code, (iii) is excluded from taxable net income of individuals, estates, and trusts for Minnesota income tax purposes, and (iv) is not an item of tax preference for Minnesota alternative minimum tax purposes. Interest on the Bonds may, however, be taken into account in determining adjusted financial statement income for purposes of the federal alternative minimum tax imposed on applicable corporations (as defined in Section 59(k) of the Code) and is included in net income for purposes of the Minnesota franchise tax imposed on corporations and financial institutions.

The Code establishes certain requirements that must be met after the issuance of the Bonds in order that interest on the Bonds be excluded from federal gross income and from Minnesota taxable net income of individuals, estates, and trusts. These requirements include, but are not limited to, provisions regarding the use of the Bond proceeds and the facilities financed or refinanced with such proceeds and restrictions on the investment of the Bond proceeds and other amounts. The City has made certain representations and has covenanted to comply with certain restrictions, conditions, and requirements designed to ensure interest on the Bonds will not be included in federal gross income. Inaccuracy of these representations or noncompliance with these covenants may cause interest on the Bonds to be included in federal gross income or in Minnesota taxable net income retroactively to their date of issue. Bond Counsel has not independently verified the accuracy of these representations and will not verify the continuing compliance with these covenants. No provision has been made for redemption of or for an increase in the interest rate on the Bonds in the event that interest on the Bonds is included in federal gross income or in Minnesota taxable net income.

Original Issue Discount

Bonds may be issued with original issue discount ("OID"). A Bond will be treated as issued with OID (a "Discount Bond") if its "stated redemption price at maturity" (i.e., the sum of all amounts payable on the Bond other than payments of qualified stated interest) exceeds its issue price. OID that accrues to a holder of a Discount Bond is excluded from federal gross income and from Minnesota taxable net income of individuals, estates, and trusts to the same extent that stated interest on such Discount Bond would be so excluded. The amount of OID that accrues on a Discount Bond is added to the holder's federal and Minnesota tax bases. OID is taxable under the Minnesota franchise tax on corporations and financial institutions.

OID on a Discount Bond generally accrues pursuant to a constant-yield method that reflects semiannual compounding on dates that are determined by reference to the maturity date of the Discount Bond. The amount of OID that accrues for any particular semiannual accrual period generally is equal to the excess of (1) the product of (a) one-half of the yield on such Discount Bonds (adjusted as necessary for an initial short period) and (b) the adjusted issue price of such Discount Bonds, over (2) the amount of stated interest actually payable. For this purpose, the adjusted issue price is determined by adding to the issue price for such Discount Bonds the OID that is treated as having accrued during all prior accrual periods. If a Discount Bond is sold or otherwise disposed of between semiannual compounding dates, then the OID that would have accrued for that accrual period for federal income tax purposes is allocated ratably to the days in such accrual period.

If a Discount Bond is purchased for a cost that exceeds the sum of the issue price plus accrued interest and accrued OID, the amount of OID that is deemed to accrue thereafter to the purchaser is reduced by an amount that reflects amortization of such excess over the remaining term of such Discount Bond. If the excess is greater than the amount of remaining OID, the basis reduction rules for amortizable bond premium may result in taxable gain upon sale or other disposition of the Bonds, even if the Bonds are sold, redeemed or retired for an amount equal to or less than their cost.

It is possible under certain state and local income tax laws that OID on a Discount Bond may be taxable in the year of accrual and may be deemed to accrue differently than under federal law.

Market Discount

If a Bond is purchased for a cost that is less than the Bond's issue price (plus accrued OID, if any), the purchaser may be treated as having purchased the Bond with market discount (unless a statutory *de minimis* rule applies). Market discount is treated as ordinary income and generally is recognized on the maturity or earlier disposition of the Bond (to the extent that the gain realized does not exceed the accrued market discount on the Bond).

Bond Premium

A holder that acquires a Bond for an amount in excess of its stated redemption price at maturity generally must, from time to time, reduce the holder's federal and Minnesota tax basis for the Bond. Premium generally is amortized for federal income tax purposes and Minnesota income and franchise tax purposes on the basis of a bondholder's constant yield to maturity or to certain call dates with semiannual compounding. Accordingly, holders who acquire Bonds at a premium might recognize taxable gain upon sale of the Bonds, even if such Bonds are sold for an amount equal to or less than their original cost. Amortized premium is not deductible for federal income tax purposes or for purposes of the Minnesota income tax applicable to individuals, estates, or trusts.

Related Tax Considerations

Section 86 of the Code and corresponding provisions of Minnesota law require recipients of certain social security and railroad retirement benefits to take interest on the Bonds into account in determining the taxability of such benefits.

Section 265(a) of the Code denies a deduction for interest on indebtedness incurred or continued to purchase or carry the Bonds, and Minnesota law similarly denies a deduction for such interest in the case of individuals, estates, and trusts. In the case of a financial institution, generally, no deduction is allowed under Section 265(b) of the Code for that portion of the holder's interest expense that is allocable to interest on tax-exempt obligations, such as the Bonds, unless the obligations are "qualified tax-exempt obligations". Indebtedness may be allocated to the Bonds for this purpose even though not directly traceable to the purchaser of the Bonds.

The Bonds are "qualified tax exempt obligations" for purposes of Section 265(b)(3) of the Code. Accordingly, although interest expense allocable to the Bonds is not subject to the disallowance under Section 265(b) of the Code, the deduction for interest on indebtedness incurred or continued to purchase or carry the Bonds may be subject to reduction under Section 291 of the Code.

Income or loss on the Bonds may be taken into account in determining adjusted financial statement income for purposes of the federal alternative minimum tax imposed on applicable corporations.

The ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Bonds, may affect a holder's federal, state, or local tax liability in some additional circumstances. The nature and extent of these other tax consequences depends upon the particular tax status of the holder and the holder's other items of income or deduction.

Sale or Other Disposition

A holder will generally recognize gain or loss on the sale, exchange, redemption, retirement, or other disposition of a Bond equal to the difference between (i) the amount realized less amounts attributable to any accrued but unpaid stated interest and (ii) the holder's adjusted tax basis in the Bond. The amount realized includes the cash and the fair market value of any property received by the holder in exchange for the Bond. A holder's adjusted tax basis in a Bond generally will be equal to the amount that the holder paid for the Bond, increased by any accrued OID with respect to the Bond and reduced by the amount of any amortized bond premium on the Bond. Except to the extent attributable to market discount (which will be taxable as ordinary income to the extent not previously included in income), any gain or loss will be capital gain or loss and will be long-term capital gain or loss if the holder held the Bond for more than one year. Long-term capital gains recognized by certain non-corporate persons, including individuals, generally are taxable at a reduced rate. The deductibility of capital losses is subject to significant limitations.

Information Reporting and Backup Withholding

Payments of interest on the Bonds (including any allocable bond premium or accrued OID) and proceeds from the sale or other disposition of the Bonds are expected to be reported to the IRS as required under applicable Treasury Regulations. Backup withholding will apply to these payments if the holder fails to provide an accurate taxpayer identification number and certification that it is not subject to backup withholding (generally on an IRS Form W-9) or otherwise fails to comply with the applicable backup withholding requirements. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against the holder's U.S. federal income tax liability, provided that the required information is timely furnished to the IRS. Certain holders are exempt from information reporting. Potential holders should consult their own tax advisors regarding qualification for an exemption and the procedures for obtaining such an exemption.

MUNICIPAL ADVISOR

Ehlers has served as municipal advisor to the City in connection with the issuance of the Bonds. The Municipal Advisor cannot participate in the underwriting of the Bonds. The financial information included in this Preliminary Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. Ehlers is not a firm of certified public accountants. Ehlers is registered with the Securities and Exchange Commission and the MSRB as a municipal advisor. Ehlers makes no representation, warranty or guarantee regarding the accuracy or completeness of the information in this Preliminary Official Statement, and its assistance in preparing this Preliminary Official Statement should not be construed as a representation that it has independently verified such information.

MUNICIPAL ADVISOR AFFILIATED COMPANIES

BTSC and Ehlers Investment Partners, LLC ("EIP") are affiliate companies of Ehlers. BTSC is chartered by the State of Minnesota and authorized in Minnesota, Wisconsin, Colorado, and Illinois to transact the business of a limited purpose trust company. BTSC provides paying agent services to debt issuers. EIP is a Registered Investment Advisor with the Securities and Exchange Commission. EIP assists issuers with the investment of bond proceeds or investing other issuer funds. This includes escrow bidding agent services. Issuers, such as the City, have retained or may retain BTSC and/or EIP to provide these services. If hired, BTSC and/or EIP would be retained by the City under an agreement separate from Ehlers.

INDEPENDENT AUDITORS

The basic financial statements of the City for the fiscal year ended December 31, 2023, have been audited by Redpath and Company, LLC., St. Paul, Minnesota, independent auditors (the "Auditor"). The report of the Auditor, together with the basic financial statements, component units financial statements, and notes to the financial statements are attached hereto as "APPENDIX A – FINANCIAL STATEMENTS". The Auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The Auditor also has not performed any procedures relating to this Preliminary Official Statement.

RISK FACTORS

The following is a description of possible risks to holders of the Bonds without weighting as to probability. This description of risks is not intended to be all-inclusive, and there may be other risks not now perceived or listed here.

Taxes: The Bonds will be general obligations of the City, the ultimate payment of which rests in the City's ability to levy and collect sufficient taxes to pay debt service should other revenue (special assessments) be insufficient. In the event of delayed billing, collection or distribution of property taxes, sufficient funds may not be available to the City in time to pay debt service when due.

State Actions: Many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by state government. Future actions of the state may affect the overall financial condition of the City, the taxable value of property within the City, and the ability of the City to levy and collect property taxes.

Future Changes in Law: Various State and federal laws, regulations and constitutional provisions apply to the City and to the Bonds. The City can give no assurance that there will not be a change in or interpretation of any such applicable laws, regulations and provisions which would have a material effect on the City or the taxing authority of the City.

Ratings; Interest Rates: In the future, the City's credit rating may be reduced or withdrawn, or interest rates for this type of obligation may rise generally, either possibility resulting in a reduction in the value of the Bonds for resale prior to maturity.

Tax Exemption: If the federal government or the State of Minnesota taxes all or a portion of the interest on municipal obligations, directly or indirectly, or if there is a change in federal or state tax policy, the value of the Bonds may fall for purposes of resale. Noncompliance following the issuance of the Bonds with certain requirements of the Code and covenants of the bond resolution may result in the inclusion of interest on the Bonds in gross income of the recipient for United States income tax purposes or in taxable net income of individuals, estates or trusts for State of Minnesota income tax purposes. No provision has been made for redemption of the Bonds, or for an increase in the interest rate on the Bonds, in the event that interest on the Bonds becomes subject to United States or State of Minnesota income taxation, retroactive to the date of issuance.

Continuing Disclosure: A failure by the City to comply with the Disclosure Undertaking for continuing disclosure (see "CONTINUING DISCLOSURE") will not constitute an event of default on the Bonds. Any such failure must be reported in accordance with the Rule and must be considered by any broker, dealer, or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

Levy Limits: The State Legislature has periodically imposed limitations on the ability of municipalities to levy property taxes. While these limitations have expired, the potential exists for future legislation to limit the ability of local governments to levy property taxes. All previous limitations have not limited the ability to levy for the payment of debt service on bonded indebtedness. For more detailed information about Minnesota levy limits, contact the Minnesota Department of Revenue or Ehlers and Associates.

State Economy; State Aids: State of Minnesota cash flow problems could affect local governments and possibly increase property taxes.

Book-Entry-Only System: The timely credit of payments for principal and interest on the Bonds to the accounts of the Beneficial Owners of the Bonds may be delayed due to the customary practices, standing instructions or for other unknown reasons by DTC participants or indirect participants. Since the notice of redemption or other notices to holders of these obligations will be delivered by the City to DTC only, there may be a delay or failure by DTC, DTC participants or indirect participants to notify the Beneficial Owners of the Bonds.

Economy: A combination of economic, climatic, political or civil disruptions or terrorist actions outside of the control of the City, including loss of major taxpayers or major employers, could affect the local economy and result in reduced tax collections and/or increased demands upon local government. Real or perceived threats to the financial stability of the City may have an adverse effect on the value of the Bonds in the secondary market.

Secondary Market for the Bonds: No assurance can be given that a secondary market will develop for the purchase and sale of the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. The underwriters are not obligated to engage in secondary market trading or to repurchase any of the Bonds at the request of the owners thereof. Prices of the Bonds as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other prevailing circumstances. No guarantee exists as to the future market value of the Bonds. Such market value could be substantially different from the original purchase price.

Bankruptcy: The rights and remedies of the holders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws, or equitable principles that may affect the enforcement of creditors' rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The opinion of Bond Counsel to be delivered with respect to the Bonds will be similarly qualified.

Cybersecurity: The City is dependent on electronic information technology systems to deliver services. These systems may contain sensitive information or support critical operational functions which may have value for unauthorized purposes. As a result, the electronic systems and networks may be targets of cyberattack. There can be no assurance that the City will not experience an information technology breach or attack with financial consequences that could have a material adverse impact.

The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Bonds. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Preliminary Official Statement and the Appendices hereto.

VALUATIONS

OVERVIEW

All non-exempt property is subject to taxation by local taxing districts. Exempt real property includes Indian lands, public property, and educational, religious and charitable institutions. Most personal property is exempt from taxation (except investor-owned utility mains, generating plants, etc.).

The valuation of property in Minnesota consists of three elements. (1) The estimated market value is set by city or county assessors. Not less than 20% of all real properties are to be appraised by local assessors each year. (2) The taxable market value is the estimated market value adjusted by all legislative exclusions. (3) The tax capacity (taxable) value of property is determined by class rates set by the State Legislature. The tax capacity rate varies according to the classification of the property. Tax capacity represents a percent of taxable market value.

The property tax rate for a local taxing jurisdiction is determined by dividing the total tax capacity or market value of property within the jurisdiction into the dollars to be raised from the levy. State law determines whether a levy is spread on tax capacity or market value. Major classifications and the percentages by which tax capacity is determined are:

Type of Property	2021/22	2022/23	2023/24
Residential homestead ¹	First \$500,000 - 1.00% Over \$500,000 - 1.25%	First \$500,000 - 1.00% Over \$500,000 - 1.25%	First \$500,000 - 1.00% Over \$500,000 - 1.25%
Agricultural homestead ¹	First \$500,000 HGA - 1.00% Over \$500,000 HGA - 1.25% First \$1,900,000 - 0.50% ² Over \$1,900,000 - 1.00% ²	First \$500,000 HGA - 1.00% Over \$500,000 HGA - 1.25% First \$1,890,000 - 0.50% ² Over \$1,890,000 - 1.00% ²	First \$500,000 HGA - 1.00% Over \$500,000 HGA - 1.25% First \$2,150,000 - 0.50% ² Over \$2,150,000 - 1.00% ²
Agricultural non-homestead	Land - 1.00% ²	Land - 1.00% ²	Land - 1.00% ²
Seasonal recreational residential	First \$500,000 - 1.00% ³ Over \$500,000 - 1.25% ³	First \$500,000 - 1.00% ³ Over \$500,000 - 1.25% ³	First \$500,000 - 1.00% ³ Over \$500,000 - 1.25% ³
Residential non-homestead:	1 unit - 1st \$500,000 - 1.00% Over \$500,000 - 1.25% 2-3 units - 1.25% 4 or more - 1.25% Small City ⁴ - 1.25% Affordable Rental: First \$174,000 - .75% Over \$174,000 - .25%	1 unit - 1st \$500,000 - 1.00% Over \$500,000 - 1.25% 2-3 units - 1.25% 4 or more - 1.25% Small City ⁴ - 1.25% Affordable Rental: First \$100,000 - .75% Over \$100,000 - .25%	1 unit - 1st \$500,000 - 1.00% Over \$500,000 - 1.25% 2-3 units - 1.25% 4 or more - 1.25% Small City ⁴ - 1.25% Affordable Rental: First \$100,000 - .75% Over \$100,000 - .25%
Industrial/Commercial/Utility ⁵	First \$150,000 - 1.50% Over \$150,000 - 2.00%	First \$150,000 - 1.50% Over \$150,000 - 2.00%	First \$150,000 - 1.50% Over \$150,000 - 2.00%

¹ A residential property qualifies as "homestead" if it is occupied by the owner or a relative of the owner on the assessment date.

² Applies to land and buildings. Exempt from referendum market value tax.

³ Exempt from referendum market value tax.

⁴ Cities of 5,000 population or less and located entirely outside the seven-county metropolitan area and the adjacent nine-county area and whose boundaries are 15 miles or more from the boundaries of a Minnesota city with a population of over 5,000.

⁵ The estimated market value of utility property is determined by the Minnesota Department of Revenue.

CURRENT PROPERTY VALUATIONS

2023/24 Economic Market Value \$1,524,966,816¹

2023/24 Assessor's Estimated Market Value

	Hennepin County	Ramsey County	Total
Real Estate	\$931,989,400	\$564,636,900	\$1,496,626,300
Personal Property	<u>2,765,000</u>	<u>721,400</u>	<u>3,486,400</u>
Total Valuation	<u>\$934,754,400</u>	<u>\$565,358,300</u>	<u>\$1,500,112,700</u>

2023/24 Net Tax Capacity

	Hennepin County	Ramsey County	Total
Real Estate	\$10,212,404	\$6,747,583	\$16,959,987
Personal Property	<u>53,050</u>	<u>13,678</u>	<u>66,728</u>
Net Tax Capacity	\$10,265,454	\$6,761,261	\$17,026,715
Less:			
Captured Tax Increment Tax Capacity ²	(353,685)	(2,992,078)	(3,345,763)
Fiscal Disparities Contribution ³	<u>(470,009)</u>	<u>(414,810)</u>	<u>(884,819)</u>
Taxable Net Tax Capacity	\$9,441,760	\$3,354,373	\$12,796,133
Plus: Fiscal Disparities Distribution ³	<u>926,906</u>	<u>606,416</u>	<u>1,533,322</u>
Adjusted Taxable Net Tax Capacity	<u>\$10,368,666</u>	<u>\$3,960,789</u>	<u>\$14,329,455</u>

¹ According to the Minnesota Department of Revenue, the Assessor's Estimated Market Value (the "AEMV") for the City is about 98.29% of the actual selling prices of property most recently sold in the City located in Hennepin County, and about 98.56% of the actual selling prices of property most recently sold in the City located in Ramsey County. The sales ratio was calculated by comparing the selling prices with the AEMV. Dividing the AEMV of real estate by the sales ratio and adding the AEMV of personal property and utility, railroads and minerals, if any, results in an Economic Market Value ("EMV") for the City of \$1,524,966,816.

² The captured tax increment value shown above represents the captured net tax capacity of tax increment financing districts in the City.

³ Each community in the seven-county metropolitan area contributes 40% of the growth in its commercial-industrial property tax base to an area pool which is then distributed among the municipalities on the basis of population, special needs, etc. Each governmental unit makes a contribution and receives a distribution--sometimes gaining and sometimes contributing net tax capacity for tax purposes.

2023/24 NET TAX CAPACITY BY CLASSIFICATION

	2023/24 Net Tax Capacity	Percent of Total Net Tax Capacity
Residential homestead	\$9,353,757	54.94%
Commercial/industrial	2,880,214	16.92%
Public utility	41,760	0.25%
Railroad operating property	28,070	0.16%
Non-homestead residential	4,637,480	27.24%
Commercial & residential seasonal/rec.	18,706	0.11%
Personal property	66,728	0.39%
	<u> </u>	<u> </u>
Total	<u><u>\$17,026,715</u></u>	<u><u>100.00%</u></u>

TREND OF VALUATIONS

Levy Year	Assessor's Estimated Market Value	Assessor's Taxable Market Value	Net Tax Capacity¹	Adjusted Taxable Net Tax Capacity²	Percent Increase/Decrease in Estimated Market Value
2019/20	\$1,094,841,000	\$1,065,815,019	\$12,256,193	\$11,202,144	6.95%
2020/21	1,176,094,300	1,149,497,524	13,247,449	11,928,138	7.42%
2021/22	1,230,732,700	1,207,461,301	13,744,262	12,432,619	4.65%
2022/23	1,361,448,600	1,342,326,378	15,209,030	13,669,112	10.62%
2023/24	1,500,112,700	1,481,993,805	17,026,715	14,329,455	10.19%

¹ Net Tax Capacity is before fiscal disparities adjustments and includes tax increment values.

² Adjusted Taxable Net Tax Capacity is after fiscal disparities adjustments and does not include tax increment values.

LARGEST TAXPAYING PARCELS AND TAXPAYERS

Taxpayer	Type of Property	2023/24 Net Tax Capacity	Percent of City's Total Net Tax Capacity
Doran St. Anthony, LLC	Apartment	\$1,000,000	5.87%
St. Anthony Leased HSG Assoc I	Apartment	816,710	4.80%
Inland Silver Lake Village, LLC	Commercial	495,790	2.91%
G&I X Equinox Apartments, LLC	Apartment	437,773	2.57%
Autumn Woods Partners LP	Apartment	349,813	2.05%
SA Senior Living, LLC	Apartment	270,000	1.59%
Northern Gopher Enterprises, Inc.	Apartment	254,089	1.49%
Individual	Apartment	189,867	1.12%
St. Anthony Leased Housing Assoc II LP	Apartment	179,315	1.05%
St. Anthony Shopping Center	Commercial	145,630	<u>0.86%</u>
			6.10%

City's Total 2023/24 Net Tax Capacity \$17,026,715

Source: Current Property Valuations, Net Tax Capacity by Classification, Trend of Valuations and Largest Taxpaying Parcels and Taxpayers have been furnished by Hennepin and Ramsey Counties.

DEBT

DIRECT DEBT¹

General Obligation Debt (see schedules following)

Total G.O. debt secured by special assessments and taxes (includes the Bonds)*	\$16,985,000
Total G.O. debt secured by tax abatement revenues	1,200,000
Total G.O. debt secured by tax increment revenues	3,865,000
Total G.O. debt secured by taxes	<u>190,000</u>
Total General Obligation Debt*	<u><u>\$22,240,000</u></u>

*Preliminary, subject to change.

¹ Outstanding debt is as of the dated date of the Bonds.

DEBT PAYMENT HISTORY

The City has no record of default in the payment of principal and interest on its debt.

FUTURE FINANCING

The City plans to issue approximately \$2,100,000 General Obligation Improvement Bonds for annual road reconstruction projects in the next 12 months.

DEBT LIMIT

The statutory limit on net debt of Minnesota municipalities other than school districts or cities of the first class (Minnesota Statutes, Section 475.53, subd. 1) is 3% of the Assessor's Estimated Market Value of all taxable property within its boundaries. "Net debt" means the amount remaining after deducting from gross debt the amount of current revenues which are applicable within the current fiscal year to the payment of any debt and the aggregate principal of certain obligations enumerated under Minnesota Statutes, Section 475.51, subd.4, including the following: (1) obligations issued for improvements payable wholly or partly from special assessments levied against benefitted property (includes the Bonds); (2) warrants or orders having no definite or fixed maturity; (3) obligations payable wholly from the income of revenue producing conveniences; (4) obligations issued to create or maintain a permanent improvement revolving fund; (5) obligations issued to finance any revenue producing public convenience; (6) funds held as sinking funds for payment of principal and interest on debt other than those deductible under Minnesota Statutes, Section 475.51, subd. 4; (7) obligations to repay energy conservation investment loans under Minnesota Statutes, Section 216C.37; (8) obligations issued to pay certain postemployment benefit liabilities; (9) obligations issued to pay certain judgments against the City; and (10) all other obligations which are not to be included in computing the net debt of a municipality under the provisions of the law authorizing their issuance.

2023/24 Assessor's Estimated Market Value	\$1,500,112,700
Multiply by 3%	<u>0.03</u>
Statutory Debt Limit	\$45,003,381
Less: Long-Term Debt Outstanding Being Paid Solely from Taxes ¹	<u>(190,000)</u>
Unused Debt Limit	<u><u>\$44,813,381</u></u>

¹ Includes the City's \$2,480,000 General Obligation Bonds, Series 2019A (\$355,000 Refunding portion principal outstanding), and the City's \$3,000,000 General Obligation Street Reconstruction Bonds, Series 2020A (\$2,500,000 principal outstanding), as they are subject to the debt limit per Minnesota statutes.

City of St. Anthony, Minnesota
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Special Assessments and Taxes
(As of 10/01/2024)

	Improvement and Refunding Bonds 1) Series 2012A		Improvement Bonds Series 2014A		Improvement Bonds Series 2015A		Improvement Bonds Series 2016A		Improvement and Refunding Bonds 2) Series 2017A	
Dated	04/25/2012		04/10/2014		05/19/2015		06/02/2016		05/18/2017	
Amount	\$5,500,000		\$2,070,000		\$2,580,000		\$1,455,000		\$3,955,000	
Maturity	02/01		02/01		02/01		02/01		02/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	160,000	15,333	140,000	25,695	175,000	31,544	95,000	17,588	355,000	50,325
2026	160,000	11,253	145,000	21,420	175,000	27,606	100,000	15,638	170,000	42,450
2027	165,000	6,944	145,000	17,070	180,000	23,388	100,000	13,638	175,000	37,275
2028	170,000	2,338	150,000	12,645	180,000	18,888	100,000	11,638	180,000	31,950
2029			155,000	7,838	185,000	14,094	105,000	9,456	185,000	26,475
2030			160,000	2,640	190,000	8,700	105,000	7,094	190,000	20,850
2031					195,000	2,925	105,000	4,469	195,000	15,075
2032							110,000	1,513	200,000	9,150
2033									205,000	3,075
2034										
2035										
2036										
2037										
2038										
	655,000	35,866	895,000	87,308	1,280,000	127,144	820,000	81,031	1,855,000	236,625

1) This represents the \$5,500,000 Improvement, Series 2006A Refunding and Series 2007A Refunding portions of the \$9,495,000 General Obligation Bonds, Series 2012A.

2) This represents the \$3,955,000 Improvement and Series 2009A Improvement Refunding portions of the \$5,310,000 General Obligation Bonds, Series 2017A.

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City of St. Anthony, Minnesota
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Special Assessments and Taxes
(As of 10/01/2024)

	Improvement Bonds Series 2018A		Refunding Bonds 3) Series 2019A		Refunding Bonds 4) Series 2019A		Street Reconstruction Bonds 5) Series 2020A		Improvement and Refunding Bonds Series 2021A	
Dated	05/15/2018		07/18/2019		07/18/2019		05/19/2020		05/18/2021	
Amount	\$2,610,000		\$565,000		\$770,000		\$3,000,000		\$2,970,000	
Maturity	02/01		02/01		02/01		02/01		02/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	165,000	57,375	100,000	6,200	115,000	11,900	180,000	56,900	265,000	38,960
2026	170,000	50,675	105,000	2,100	120,000	7,200	185,000	51,425	265,000	33,660
2027	175,000	44,650			120,000	2,400	190,000	45,800	270,000	28,310
2028	180,000	39,325					200,000	39,950	275,000	22,860
2029	180,000	33,925					205,000	33,875	280,000	17,310
2030	185,000	28,450					210,000	28,700	165,000	12,860
2031	190,000	22,588					210,000	24,500	170,000	10,275
2032	195,000	16,331					215,000	20,250	170,000	8,320
2033	200,000	9,913					220,000	15,900	95,000	6,635
2034	205,000	3,331					225,000	11,450	95,000	5,305
2035							230,000	6,900	95,000	3,880
2036							230,000	2,300	95,000	2,360
2037									100,000	800
2038										
	1,845,000	306,563	205,000	8,300	355,000	21,500	2,500,000	337,950	2,340,000	191,535

3) This represents the \$565,000 Series 2010A Refunding portion of the \$2,480,000 General Obligation Bonds, Series 2019A. This portion is subject to the debt limit.

4) This represents the \$770,000 Series 2011A Refunding portion of the \$2,480,000 General Obligation Bonds, Series 2019A.

5) The issue portion is subject to the debt limit.

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City of St. Anthony, Minnesota
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Special Assessments and Taxes
(As of 10/01/2024)

Improvement Bonds Series 2022A			Improvement Bonds Series 2024A Bonds							
Dated	05/26/2022		10/01/2024							
Amount	\$2,385,000		\$2,000,000*							
Maturity	02/01		02/01							
Calendar Year Ending	Principal	Interest	Principal	Estimated Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2025	150,000	66,498	0	59,602	1,900,000	437,918	2,337,918	15,085,000	11.19%	2025
2026	155,000	61,923	0	71,523	1,750,000	396,871	2,146,871	13,335,000	21.49%	2026
2027	160,000	57,198	205,000	67,935	1,885,000	344,606	2,229,606	11,450,000	32.59%	2027
2028	160,000	52,398	210,000	60,673	1,805,000	292,663	2,097,663	9,645,000	43.21%	2028
2029	165,000	47,523	210,000	53,323	1,670,000	243,818	1,913,818	7,975,000	53.05%	2029
2030	165,000	42,573	215,000	45,831	1,585,000	197,698	1,782,698	6,390,000	62.38%	2030
2031	170,000	37,548	220,000	38,110	1,455,000	155,489	1,610,489	4,935,000	70.94%	2031
2032	180,000	32,298	225,000	30,155	1,295,000	118,016	1,413,016	3,640,000	78.57%	2032
2033	180,000	26,808	230,000	21,965	1,130,000	84,295	1,214,295	2,510,000	85.22%	2033
2034	140,000	21,848	240,000	13,445	905,000	55,379	960,379	1,605,000	90.55%	2034
2035	145,000	17,358	245,000	4,533	715,000	32,670	747,670	890,000	94.76%	2035
2036	150,000	12,638			475,000	17,298	492,298	415,000	97.56%	2036
2037	155,000	7,719			255,000	8,519	263,519	160,000	99.06%	2037
2038	160,000	2,600			160,000	2,600	162,600	0	100.00%	2038
	2,235,000	486,924	2,000,000	467,093	16,985,000	2,387,838	19,372,838			

* Preliminary, subject to change.

City of St. Anthony, Minnesota
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Tax Abatement Revenues
(As of 10/01/2024)

	Tax Abatement Bonds Series 2016B		Tax Abatement Refunding Bonds 1) Series 2017A		Tax Abatement Bonds 2) Series 2019A							
Dated Amount	06/02/2016 \$1,445,000		05/18/2017 \$835,000		07/18/2019 \$1,145,000							
Maturity	02/01		02/01		02/01							
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2025	95,000	2,750	120,000	1,800	70,000	27,600	285,000	32,150	317,150	915,000	23.75%	2025
2026	90,000	900			70,000	24,800	160,000	25,700	185,700	755,000	37.08%	2026
2027					75,000	21,900	75,000	21,900	96,900	680,000	43.33%	2027
2028					75,000	19,275	75,000	19,275	94,275	605,000	49.58%	2028
2029					80,000	16,950	80,000	16,950	96,950	525,000	56.25%	2029
2030					80,000	14,550	80,000	14,550	94,550	445,000	62.92%	2030
2031					85,000	12,075	85,000	12,075	97,075	360,000	70.00%	2031
2032					85,000	9,525	85,000	9,525	94,525	275,000	77.08%	2032
2033					90,000	6,900	90,000	6,900	96,900	185,000	84.58%	2033
2034					90,000	4,200	90,000	4,200	94,200	95,000	92.08%	2034
2035					95,000	1,425	95,000	1,425	96,425	0	100.00%	2035
	185,000	3,650	120,000	1,800	895,000	159,200	1,200,000	164,650	1,364,650			

1) This represents the \$835,000 Series 2009A Tax Abatement Refunding portion of the \$5,310,000 General Obligation Bonds, Series 2017A.

2) This represents the \$1,145,000 Tax Abatement portion of the \$2,480,000 General Obligation Bonds, Series 2019A.

City of St. Anthony, Minnesota
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Tax Incremental Revenues
(As of 10/01/2024)

Tax Increment Revenue Refunding Bonds Series 2014B			Tax Increment Revenue Refunding Bonds Series 2015B							
Dated Amount	07/24/2014 \$3,665,000		12/29/2015 \$4,310,000							
Maturity	02/01		02/01 & 08/01							
Calendar Year Ending	Principal	Interest	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2025	245,000	52,700	285,000	56,613	530,000	109,313	639,313	3,335,000	13.71%	2025
2026	255,000	45,200	300,000	50,500	555,000	95,700	650,700	2,780,000	28.07%	2026
2027	265,000	37,400	315,000	42,681	580,000	80,081	660,081	2,200,000	43.08%	2027
2028	280,000	29,225	325,000	33,750	605,000	62,975	667,975	1,595,000	58.73%	2028
2029	295,000	19,863	340,000	23,925	635,000	43,788	678,788	960,000	75.16%	2029
2030	300,000	9,450	355,000	13,575	655,000	23,025	678,025	305,000	92.11%	2030
2031	120,000	2,100	185,000	2,775	305,000	4,875	309,875	0	100.00%	2031
	1,760,000	195,938	2,105,000	223,819	3,865,000	419,756	4,284,756			

City of St. Anthony, Minnesota
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Taxes
(As of 10/01/2024)

Equipment Certificates 1) Series 2017A								
Dated	05/18/2017							
Amount	\$520,000							
Maturity	02/01							
Calendar Year Ending	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2025	60,000	4,800	60,000	4,800	64,800	130,000	31.58%	2025
2026	65,000	2,925	65,000	2,925	67,925	65,000	65.79%	2026
2027	65,000	975	65,000	975	65,975	0	100.00%	2027
	190,000	8,700	190,000	8,700	198,700			

1) This represents the \$520,000 Equipment Certificates portion of the \$5,310,000 General Obligation Bonds, Series 2017A.

OVERLAPPING DEBT¹

Taxing District	2023/24 Adjusted Taxable Net Tax Capacity	% In City	Total G.O. Debt ²	City's Proportionate Share
Hennepin County	\$2,859,451,218	0.3626%	1,071,970,000 ³	3,886,963
Ramsey County	868,599,789	0.4560%	183,990,000	838,994
I.S.D. No. 282 (St. Anthony-New Brighton)	16,646,654	62.2868%	23,295,000 ⁴	14,509,710
Metropolitan Council	6,313,906,529	0.1642%	191,435,000 ⁵	314,336
Three Rivers Park District	2,052,772,775	0.5051%	54,980,000	277,704
City's Share of Total Overlapping Debt				<u>\$19,827,708</u>

¹ Overlapping debt is as of the dated date of the Bonds. Only those taxing jurisdictions with general obligation debt outstanding are included in this section. It does **not** include non-general obligation debt, self-supporting general obligation revenue debt, short-term general obligation debt, or general obligation tax/aid anticipation certificates of indebtedness.

² Outstanding debt is based on information in Official Statements obtained on EMMA and the Municipal Advisor's records.

³ Hennepin County also has General Obligation Sales Tax Revenue Bonds (Ballpark Project) outstanding which are payable entirely from the proceeds of a dedicated 0.15% county-wide sales tax; and General Obligation Sales Tax Revenue Bonds (Transportation Sales Tax) which are expected to be paid from a 0.50% sales and use tax and a \$20 per vehicle excise taxes. These issues have not been included in the overlapping debt or debt ratios.

⁴ Minnesota School Districts may qualify for aid from the State of Minnesota through the Debt Service Equalization Formula, School Building Bond Agricultural Credit and Long Term Facilities Maintenance Revenue programs. While some of the districts listed may receive these aids, Ehlers has not attempted to estimate the portion of debt service payments that would be financed by state aids for the purposes of the Bonds.

⁵ The above debt includes all outstanding general obligation debt supported by taxes of the Metropolitan Council. The Council also has general obligation wastewater revenue, grant anticipation notes and certificates of participation outstanding all of which are supported entirely by revenues and have not been included in the overlapping debt or debt ratios sections.

DEBT RATIOS

	G.O. Debt	Debt/Economic Market Value \$1,524,966,816	Debt/ Per Capita 9,978¹
Direct G.O. Debt Secured By:			
Special Assessments & Taxes*	\$16,985,000		
Tax Abatement Revenues	1,200,000		
Tax Increment Revenues	3,865,000		
Taxes	190,000		
Total Tax Supported General Obligation Debt*	<u>\$22,240,000</u>	1.46%	\$2,228.90
City's Share of Total Overlapping Debt	<u>\$19,827,708</u>	<u>1.30%</u>	<u>\$1,987.14</u>
Total*	<u><u>\$42,067,708</u></u>	<u><u>2.76%</u></u>	<u><u>\$4,216.05</u></u>

*Preliminary, subject to change.

TAX LEVIES, COLLECTIONS AND RATES

TAX LEVIES AND COLLECTIONS

Tax Year	Net Tax Levy²	Total Collected Following Year	Collected to Date	% Collected
2019/20	\$7,595,706	\$7,559,461	\$7,592,372	99.96%
2020/21	7,805,740	7,778,897	7,796,052	99.88%
2021/22	8,163,590	8,130,730	8,156,483	99.91%
2022/23	8,616,771	8,614,221	8,614,221	99.97%
2023/24	9,133,601	In process of collection		

Property taxes are collected in two installments in Minnesota--the first by May 15 and the second by October 15.³ Mobile home taxes are collectible in full by August 31. Minnesota Statutes require that levies (taxes and special assessments) for debt service be at least 105% of the actual debt service requirements to allow for delinquencies.

¹ Estimated 2023 population.

² This reflects the Final Levy Certification of the City after all adjustments have been made.

³ Second half tax payments on agricultural property are due on November 15th of each year.

TAX CAPACITY RATES¹

	2019/20	2020/21	2021/22	2022/23	2023/24
Hennepin County	41.084%	38.210%	38.535%	34.542%	34.681%
Ramsey County	48.081%	43.859%	43.987%	41.231%	41.681%
Ramsey County Library	4.221%	3.901%	4.080%	3.669%	3.774%
City of St. Anthony	68.021%	64.021%	66.391%	63.217%	64.256%
I.S.D. No. 282 (St. Anthony-New Brighton)	33.823%	31.679%	31.091%	28.609%	28.601%
HCRRA	1.388%	1.323%	1.329%	1.188%	1.153%
Hennepin County HRA	0.801%	0.722%	0.771%	0.663%	0.624%
Metropolitan Council (portion applicable to Hennepin County)	0.616%	0.631%	0.659%	0.576%	0.614%
Metropolitan Council (portion applicable to Ramsey County)	2.003%	1.809%	1.882%	1.681%	1.545%
Metropolitan Mosquito (portion applicable to Hennepin County)	0.412%	0.381%	0.377%	0.331%	0.312%
Metropolitan Mosquito (portion applicable to Ramsey County)	0.403%	0.366%	0.381%	0.340%	0.313%
Metro Transit	1.433%	1.256%	1.204%	1.066%	0.927%
Park Museum	0.710%	0.707%	0.722%	0.647%	0.694%
Regional Rail	3.918%	3.825%	4.054%	3.683%	3.974%
Rice Creek Watershed	1.925%	1.822%	1.830%	1.671%	1.607%
St. Anthony HRA	1.655%	1.657%	1.689%	1.514%	1.456%
Three Rivers Park District	2.859%	2.793%	2.787%	2.473%	2.399%

Referendum Market Value Rates:

I.S.D. No. 282 (St. Anthony-New Brighton)	0.23521%	0.22332%	0.21422%	0.20511%	0.28169%
---	----------	----------	----------	----------	----------

Source: Tax Levies and Collections and Tax Capacity Rates have been furnished by Hennepin and Ramsey Counties.

¹ After reduction for state aids. Does not include the statewide general property tax against commercial/industrial, non-homestead resorts and seasonal recreational residential property.

THE ISSUER

CITY GOVERNMENT

The City was organized as a municipality in 1945. The City operates under a statutory form of government consisting of a five-member City Council of which the Mayor is a voting member. The City Manager and Finance Director are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS; UNIONS

The City currently has 58 full-time, 49 part-time, and ten (10) seasonal employees. All full-time and certain part-time employees of the City are covered by defined benefit pension plans administered by the Public Employee 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. PERA members belong to either the Coordinated Plan or the Basic Plan. Coordinated members are covered by Social Security. See the Notes to Financial Statements in Appendix A for a detailed description of the Plans.

Recognized and Certified Bargaining Units

Bargaining Unit	Expiration Date of Current Contract
P/W Local Union #49	December 31, 2024
Fire - Local Union #3486	December 31, 2024
Police - LELS	December 31, 2024

POST EMPLOYMENT BENEFITS

The City has obligations for some post-employment benefits for its employees. Accounting for these obligations is dictated by Governmental Accounting Standards Board Statement No. 75 (GASB 75). The City's most recent actuarial study shows a total OPEB liability of \$924,615 as of December 31, 2023. The City has been funding these obligations on a pay-as-you-go basis.

Source: The City's most recent actuarial study.

LITIGATION

There is no litigation threatened or pending questioning the organization or boundaries of the City or the right of any of its officers to their respective offices or in any manner questioning their rights and power to execute and deliver the Bonds or otherwise questioning the validity of the Bonds.

MUNICIPAL BANKRUPTCY

Municipalities are prohibited from filing for bankruptcy under Chapter 11 (reorganization) or Chapter 7 (liquidation) of the U.S. Bankruptcy Code (11 U.S.C. §§ 101-1532) (the "Bankruptcy Code"). Instead, the Bankruptcy Code permits municipalities to file a petition under Chapter 9 of the Bankruptcy Code, but only if certain requirements are met. These requirements include that the municipality must be "specifically authorized" under State law to file for relief under Chapter 9. For these purposes, "State law" may include, without limitation, statutes of general applicability enacted by the State legislature, special legislation applicable to a particular municipality, and/or executive orders issued by an appropriate officer of the State's executive branch.

As of the date hereof, Minnesota Statutes, Section 471.831, authorizes municipalities to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code. A municipality is defined in United States Code, title 11, section 101, as amended through December 31, 1996, but limited to a county, statutory or home rule charter city, or town; or a housing and redevelopment authority, economic development authority, or rural development financing authority established under Chapter 469, a home rule charter or special law.

FUNDS ON HAND (as of December 31, 2023)

Fund	Total Cash and Investments
General	\$6,510,881
Special Revenue	192,516
Debt Service	4,034,179
Capital Projects	10,144,897
Enterprise Funds	<u>4,793,154</u>
Total Funds on Hand	<u><u>\$25,675,627</u></u>

ENTERPRISE FUNDS

Revenues available for debt service on the City's enterprise funds have been as follows as of December 31 each year:

	2021 Audited	2022 Audited	2023 Audited
Liquor			
Total Operating Revenues	\$1,828,002	\$1,828,520	\$1,819,406
Less: Operating Expenses	<u>(1,380,707)</u>	<u>(1,351,817)</u>	<u>(1,457,786)</u>
Operating Income	\$447,295	\$476,703	\$361,620
Plus: Depreciation	<u>72,085</u>	<u>80,142</u>	<u>80,143</u>
Revenues Available for Debt Service	<u><u>\$519,380</u></u>	<u><u>\$556,845</u></u>	<u><u>\$441,763</u></u>
Water and Sewer			
Total Operating Revenues	\$2,614,535	\$2,678,069	\$2,953,454
Less: Operating Expenses	<u>(2,654,583)</u>	<u>(2,895,912)</u>	<u>(3,000,196)</u>
Operating Income	(\$40,048)	(\$217,843)	(\$46,742)
Plus: Depreciation	<u>612,059</u>	<u>650,240</u>	<u>688,452</u>
Revenues Available for Debt Service	<u><u>\$572,011</u></u>	<u><u>\$432,397</u></u>	<u><u>\$641,710</u></u>
Stormwater			
Total Operating Revenues	\$212,308	\$218,168	\$229,089
Less: Operating Expenses	<u>(343,881)</u>	<u>(415,229)</u>	<u>(596,511)</u>
Operating Income	(\$131,573)	(\$197,061)	(\$367,422)
Plus: Depreciation	<u>290,728</u>	<u>311,985</u>	<u>319,398</u>
Revenues Available for Debt Service	<u><u>\$159,155</u></u>	<u><u>\$114,924</u></u>	<u><u>(\$48,024)</u></u>

SUMMARY GENERAL FUND INFORMATION

The following are summaries of the revenues and expenditures and fund balances for the City's General Fund. These summaries are not purported to be the complete audited financial statements of the City, and potential purchasers should read the included financial statements in their entirety for more complete information concerning the City. Copies of the complete statements are available upon request. Appendix A includes the 2023 audited financial statements.

FISCAL YEAR ENDING DECEMBER 31					
COMBINED STATEMENT	2020 Audited	2021 Audited	2022 Audited	2023 Audited	2024 Adopted Budget ¹
Revenues					
Property taxes	\$4,869,556	\$4,979,581	\$5,303,007	\$5,678,378	\$6,004,620
Licenses, fees and permits	318,232	1,116,447	530,924	687,640	334,702
Intergovernmental	1,691,330	1,025,885	1,441,506	1,530,633	1,136,427
Special assessments	609	5,369	5,935	5,990	0
Charges for services	1,053,817	1,026,738	1,083,919	1,164,210	1,286,106
Cable franchise fees	95,517	103,768	96,099	89,882	88,350
Fine and forfeitures	75,574	113,163	74,027	101,713	81,700
Investment income (loss)	36,153	(8,752)	(92,847)	190,205	1,500
Contributions and donations	400	610	6,162	1,000	500
Refunds and reimbursements	14,998	6,108	9,652	6,725	3,500
Miscellaneous	40,768	46,785	42,264	13,284	16,750
Total Revenues	\$8,196,954	\$8,415,702	\$8,500,648	\$9,469,660	\$8,954,155
Expenditures					
Current:					
General government	\$1,140,487	\$1,137,305	\$1,199,026	\$1,299,114	\$1,451,750
Public safety	5,162,933	5,414,435	5,299,570	5,763,413	6,333,538
Public works	884,584	780,182	918,512	919,739	979,922
Parks and recreation	250,387	291,168	319,630	324,728	357,176
Nondepartmental	28,475	33,949	45,609	88,013	55,000
Total Expenditures	\$7,466,866	\$7,657,039	\$7,782,347	\$8,395,007	\$9,177,386
Excess of revenues over (under) expenditures	\$730,088	\$758,663	\$718,301	\$1,074,653	(\$223,231)
Other Financing Sources (Uses)					
Transfers in	\$262,500	\$274,729	\$290,000	\$290,000	
Transfers (out)	(185,388)	(554,596)	(880,230)	(312,250)	
Total Other Financing Sources (Uses)	77,112	(279,867)	(590,230)	(22,250)	
Net changes in Fund Balances	\$807,200	\$478,796	\$128,071	\$1,052,403	
General Fund Balance January 1	\$2,590,790	\$3,397,990	\$3,876,786	\$4,004,857	
Prior Period Adjustment	0	0	0	0	
Residual Equity Transfer in (out)	0	0	0	0	
General Fund Balance December 31	\$3,397,990	\$3,876,786	\$4,004,857	\$5,057,260	
DETAILS OF DECEMBER 31 FUND BALANCE					
Nonspendable	\$159,782	\$146,580	\$164,687	\$195,110	
Restricted	0	0	0	401,501	
Unassigned	3,238,208	3,730,206	3,840,170	4,460,649	
Total	\$3,397,990	\$3,876,786	\$4,004,857	\$5,057,260	

¹ The 2024 budget was adopted on December 12, 2023.

GENERAL INFORMATION

LOCATION

The City, with a 2020 U.S. Census population of 9,257 and a 2023 population estimate of 9,978, and comprising an area of 2.35 square miles, is located adjacent to Minneapolis, Minnesota.

LARGER EMPLOYERS¹

Larger employers in the City include the following:

Firm	Type of Business/Product	Estimated No. of Employees
I.S.D. No. 282 (St. Anthony-New Brighton)	Elementary and secondary education	350
Cub Foods	Retail grocery store	250
St. Anthony Health Center/Chandler Place	Nursing & convalescent Homes	208
The City	Municipal government and services	117
St. Charles Borromero Parish	Religious organization and school	90
Happy's Potato Chip Company	Potato chip manufacturing plant	50
Marshall Manufacturing	Engineering/manufacturing	49
Culver's	Restaurants	43
Village Pub	Restaurant	35
B & F Fastener Supply	Wholesale fastener and industrial supply distributor	30 ²

Source: Data Axle Reference Solutions, written and telephone survey, and the Minnesota Department of Employment and Economic Development.

¹ This does not purport to be a comprehensive list and is based on available data obtained through a survey of individual employers, as well as the sources identified above.

² The St. Anthony location has 30 employees. The Ramsey, MN location has an additional 170 employees that would bring the total to 200 employees for both locations.

BUILDING PERMITS (as of July 31, 2024)

	2020	2021	2022	2023	2024
<u>New Single Family Homes</u>					
No. of building permits	0	2	0	0	0
Valuation	\$0	\$589,900	\$0	\$0	\$0
<u>New Multiple Family Buildings</u>					
No. of building permits	2	3	0	0	0
Valuation	\$7,259,928	\$70,551,229	\$0	\$0	\$0
<u>New Commercial/Industrial</u>					
No. of building permits	0	1	1	1	0
Valuation	\$0	\$695,000	\$3,067,244	\$3,200,000	\$0
<u>All Building Permits</u>					
<i>(including additions and remodelings)</i>					
No. of building permits	308	322	325	386	204
Valuation	\$5,893,132	\$80,735,857	\$14,585,356	\$12,820,183	\$6,017,258

Source: The City.

U.S. CENSUS DATA

Population Trend: The City

2010 U.S. Census population	8,226
2020 U.S. Census population	9,257
Percent of Change 2010 - 2020	12.53%

2023 Metropolitan Council Population Estimate	9,978
---	-------

Income and Age Statistics

	The City	Hennepin County	State of Minnesota	United States
2022 per capita income	\$35,851	\$55,199	\$44,947	\$41,261
2022 median household income	\$64,167	\$92,595	\$74,313	\$75,149
2022 median family income	\$100,000	\$126,404	\$107,072	\$92,646
2022 median gross rent	\$0	\$1,373	\$1,178	\$1,268
2022 median value owner occupied units	\$147,500	\$358,000	\$286,800	\$281,900
2022 median age	29.2 yrs.	37.2 yrs.	38.5 yrs.	38.5 yrs.

	State of Minnesota	United States
City % of 2022 per capita income	79.76%	86.89%
City % of 2022 median family income	93.40%	107.94%

Housing Statistics

	<u>The City</u>		
	2020	2022	Percent of Change
All Housing Units	4,092	4,470	9.24%

Source: 2010 and 2020 Census of Population and Housing, and 2022 American Community Survey (Based on a five-year estimate), U.S. Census Bureau (<https://data.census.gov>), 2023 Population Estimates, Metropolitan Council (<https://metro council.org/>).

EMPLOYMENT/UNEMPLOYMENT DATA

Rates are not compiled for individual communities within counties.

	<u>Average Employment</u>	<u>Average Unemployment</u>	
Year	Hennepin County	Hennepin County	State of Minnesota
2020	667,782	6.6%	6.3%
2021	668,831	3.8%	3.7%
2022	685,129	2.4%	2.7%
2023	689,878	2.6%	2.8%
2024, July	680,406	3.7%	3.8%

Source: Minnesota Department of Employment and Economic Development.

FINANCIAL STATEMENTS

Potential purchasers should read the included financial statements in their entirety for more complete information concerning the City's financial position. Such financial statements have been audited by the Auditor, to the extent and for the periods indicated thereon. The City has not requested or engaged the Auditor to perform, and the Auditor has not performed, any additional examination, assessments, procedures or evaluation with respect to such financial statements since the date thereof or with respect to this Preliminary Official Statement, nor has the City requested that the Auditor consent to the use of such financial statements in this Preliminary Official Statement. Although the inclusion of the financial statements in this Preliminary Official Statement is not intended to demonstrate the fiscal condition of the City since the date of the financial statements, in connection with the issuance of the Bonds, the City represents that there have been no material adverse changes in the financial position or results of operations of the City, nor has the City incurred any material liabilities, which would make such financial statements misleading.

Copies of the complete audited financial statements for the past three years and the current budget are available upon request from Ehlers.



City of Saint Anthony
Saint Anthony, Minnesota
2023

Annual Comprehensive
Financial Report

YEAR ENDED
DECEMBER 31, 2023

Prepared By:
Finance Department

*Our mission is to promote a high quality of life to those we serve
through outstanding city services.*

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ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE
CITY OF ST. ANTHONY, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2023

Prepared By:

Finance Department

Deborah Maloney
Finance Director

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I. INTRODUCTORY SECTION

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June 28, 2024

To the Honorable Mayor, Members of the City Council, and Citizens of the City of St. Anthony, Minnesota:

State law requires that all general-purpose local governments publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2023.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that have been established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Redpath and Company, Ltd., Certified Public Accountants, have issued an unmodified opinion on the City of St. Anthony's financial statements for the year ended December 31, 2023. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and therefore should be read in conjunction.

Profile of the City

The City of St. Anthony, incorporated in 1945, is located near Northeast Minneapolis and is a first ring northern suburb of the Minneapolis-St. Paul metropolitan area. The City is a completely developed community and is bordered on all sides by the communities of Minneapolis, Columbia Heights, New Brighton and Roseville. Approximately two-thirds of the City is located in northeastern Hennepin County and one-third is located in the northwest corner of Ramsey County. The City encompasses a land area of 2.35 square miles and serves a population of 9,257.

The City is located 10 minutes north of downtown Minneapolis and 15 minutes northwest of downtown St. Paul. City residents and businesses have easy access to all parts of the Minneapolis-St. Paul metropolitan area by the use of Interstate 35W, Interstate 694 and Highway 280.

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Village that is walkable, sustainable and safe*





The City is served by Independent School District (ISD) #282 (St. Anthony), which has a 2022/2023 enrollment of approximately 1,816, operates one elementary school, a middle school and senior high in the City. In addition, a private school, St. Charles Borromeo, offers K-8 grade education with enrollment of approximately 322 students.

The City operates as a statutory Council-Manager form of government. Policy-making and legislative authority are vested in the City Council consisting of one elected mayor and four elected council members. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City Manager. The City Manager is responsible for carrying out the policies and ordinances of the City Council, overseeing the day-to-day operations of the City, and appointing the heads of the various departments. The Council is elected on a non-partisan basis. Council members serve four-year staggered terms, with two council members elected every two years. The Mayor is elected to serve a four-year term.

The City of St. Anthony provides a full range of services including administrative services; police protection; fire suppression, prevention and medical responses; construction of capital improvements; reconstruction and maintenance of city streets and other infrastructure; distribution of water; sanitary sewer collection; storm water drainage; parks and recreational activities; forestry maintenance; and environmental sustainability programs.

The St. Anthony Firefighters' Relief Association is a separate legal entity, and accordingly is excluded from this report. The St. Anthony Housing and Redevelopment Authority (HRA), an entity legally separate from the City, is governed by a board which includes the City Council. Its sole purpose is to promote economic development within the City of St. Anthony. The HRA is a component unit of the City and its financial transactions have been included in these financial statements as a blended component unit. Additional information on both of these legally separate entities can be found in Note 1(A) & 7(B) in the notes to the financial statements.

The annual budget serves as the foundation for the City of St. Anthony's financial planning and control. All departments of the City of St. Anthony submit requests for appropriations to the City Manager in June of each year. The City Manager uses these requests as the starting point for developing the recommended budget. The City Manager then presents the recommended budget to the City Council for their review prior to the certification of the proposed levy to the County Auditors by September 30th. The City Council is required to hold public hearings on the proposed budget and to adopt a final budget by December 31, the close of the City of St. Anthony's fiscal year.





The appropriated budget is prepared for the General Fund by function (e.g., public safety), and department (e.g., police), and object code (e.g., salaries). Transfers of appropriations between departments require the approval of the City Council. Budget-to-actual comparisons are provided on Statement 9 as required supplementary information to the basic financial statements for the governmental funds.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of St. Anthony operates.

Local economy: The Minneapolis-St. Paul metropolitan area has continued to experience a relatively stable economy. The market place for local products and services remains strong. St. Anthony is a fully developed City. However, continued long-term growth is anticipated as St. Anthony experiences redevelopment activity in commercial and industrial areas, along with the construction of additional multi-family residential units.

Capital Asset planning: The City maintains five capital funds for the replacement of equipment and various infrastructure assets. Each fund is managed by a comprehensive 15 year capital planning document. These documents include the City's current buildings, park improvements, operating equipment and fleet, along with future street, water, sanitary sewer and stormwater improvements. These plans estimate the replacement dates and cost for current and prospective equipment. Additionally, the plans include projected future street, water, sanitary sewer and stormwater reconstruction costs. The plans also identify the funding sources for these capital expenditures. These sources include Capital, Parks Infrastructure, and Building Improvement levies, Enterprise funds operating income transfers, parkland dedication fees, stormwater charges, water and sewer connection fees, grants and donations, State aids, cost sharing agreements, bond proceeds and assessments.

The City combines the use of goal setting and a comprehensive budget process to identify and prioritize City improvement projects. The 15-year capital plans are updated annually by staff and are approved by the City Council.

Debt Levy: In 2014, the City began a debt levy reduction program to stabilize the debt levy growth, while continuing annual street reconstruction projects. The first phase of the debt levy program has achieved its goal of a stabilized debt ley. The debt levy amount has remained at the same amount for the years 2020-2024.





The City has entered second phase of its debt levy reduction program. During this phase future street improvement will be performed every two out of three years. This modified pace of street improvements will result in a reduction in the reliance on bond (debt) financing. Debt levy reductions have begun the transition to Infrastructure levy support of construction projects. The Infrastructure Levy will fund a greater portion of construction costs versus Bond financing over time, resulting in a significantly reduced amount of cumulative debt in the next 15 years. The model also provides flexibility for unexpected levy demands in the future.

Cash management policies and practices: The City's initial investment objective is to preserve capital. Secondary considerations are liquidity and lastly yield. Accordingly, deposits are either insured by federal depository insurance or collateralized. Temporary cash surpluses during the year are invested in various securities defined by Minnesota Statutes. The City's policy is to invest available monies at competitive interest rates in accordance with the City's over-all fiscal plan and coordinate them with operating needs and programs projected over the ensuing 12 months.

Risk Management: The City uses a proactive approach to limit its liability risk and insurance costs. To assist employees who are injured while on duty, Managed Care Program is used to reduce medical expenses and other costs relating to workplace injuries. The program assists employees with a treatment plan which reduces lost workdays, replacement workers, etc.

In addition, a safety committee consisting of employees from every department meets monthly throughout the year to discuss safety related items, review accident reports and provide recommendations to reduce the City's exposure to liability.

The City's DEI committee has representatives from each department and meets monthly. The committee discusses how the City can continue to be a welcoming place to work and live for all. The committee continually challenges us to evaluate, educate and implement opportunities to be more diverse, equitable and inclusive.

The City's general liability insurance is with the League of Minnesota Cities Insurance Trust. In order to reduce the cost of insurance, a \$10,000 per occurrence/\$50,000 aggregate deductible is maintained and funded through insurance dividends paid by the League of Minnesota Cities.

SHARED SERVICES

Grants: Each year, the City actively participates in Federal, State and County administered grants. In 2023 the Police, Fire, Public Works and Administration received a variety of public safety, operating, equipment and infrastructure construction grants. A list of the grants includes:

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- A. Ramsey County Safe and Sober Grant.
- B. Minnesota Board of Firefighter Training & Education Grant.
- C. Hennepin County Recycling Grant.
- D. Minnesota Department of Natural Resources Emerald Ash Borer Grant.
- E. GameTime Community Champions™ Playground Grant

Partnerships and Colleagues: The City partners with local businesses, civic organizations, School District 282, Community Services and the Chamber of Commerce to provide a variety of community safety and education programs. The City also has formed partnerships with colleagues in other jurisdictions. These relationships include providing financial and human resource services to the Middle Mississippi Water Management Organization, utility billing services to the City of Birchwood Village and police services to the City of Lauderdale and North Suburban Cable Commission as a financial services customer.

Acknowledgements:

Finally, we would like to express our gratitude to the Mayor and the City Council. Their unfailing support for maintaining the highest standard of professionalism in the management of the City of St. Anthony's finances results in a fiscally sustainable City government.

Respectfully submitted,

A blue ink signature of Charlie Yunker, consisting of a stylized 'C' followed by a horizontal line and a small flourish.

Charlie Yunker
City Manager

A blue ink signature of Deborah Maloney, written in a cursive style.

Deborah Maloney
Finance Director

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CITY OF ST. ANTHONY, MINNESOTA

ORGANIZATION

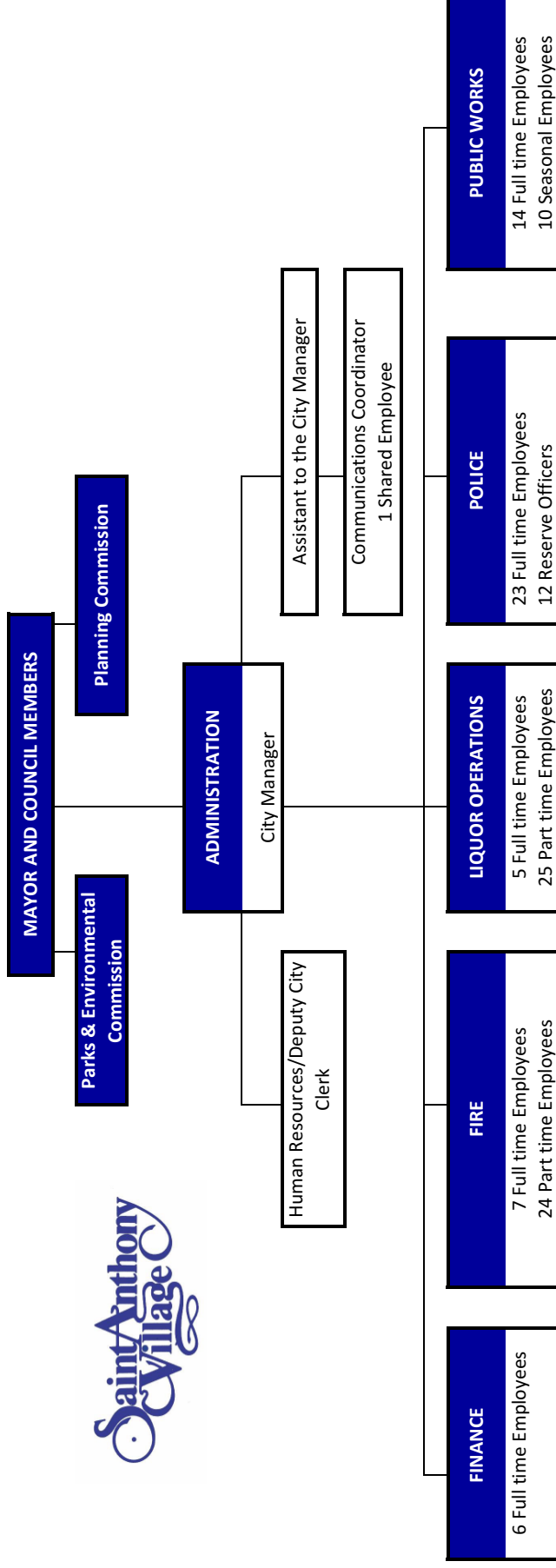
December 31, 2023

	<u>Term Expires</u>
Mayor: Randy Stille	December 31, 2023
Council Members: Jan Jenson	December 31, 2025
Thomas Randle	December 31, 2023
Bernard Walker	December 31, 2023
Wendy Webster	December 31, 2025
City Manager: Charlie Yunker	Appointed
Finance Director: Deborah Maloney	Appointed

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St. Anthony Organizational Chart

2023



Consultants

Engineer - WSB & Associates
 Financial - Ehlers & Associates
 Legal - Dorsey & Whitney
 Planner - Gritman Consulting
 Building Inspections - MNSPECT

Full-Time Positions = 58
 Part-Time Positions (average) = 49
 Public Works Seasonal=10
 Police Reserves (Unpaid) = 12

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II. FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the City Council
City of St. Anthony, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of St. Anthony, Minnesota, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City of St. Anthony, Minnesota's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of St. Anthony, Minnesota, as of December 31, 2023, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of St. Anthony, Minnesota and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Report on Summarized Comparative Information

We have previously audited the City of St. Anthony, Minnesota's 2022 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate

remaining fund information in our report dated June 30, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of St. Anthony, Minnesota's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Governmental Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit 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 of St. Anthony, Minnesota's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of St. Anthony, Minnesota's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of St. Anthony, Minnesota's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedules and supplementary financial information are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 combining and individual nonmajor fund financial statements and schedules and supplementary financial information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2024 on our consideration of the City of St. Anthony, Minnesota'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of St. Anthony, Minnesota's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of St. Anthony, Minnesota's internal control over financial reporting and compliance.

Redpath and Company, LLC

REDPATH AND COMPANY, LLC
St. Paul, Minnesota

June 28, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of St. Anthony, Minnesota (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the Introductory Section of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$53,918,885 (*net position*).
- The City's total net position increased by \$3,908,936 from the prior year's stated net position.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$20,325,431, an increase of \$1,603,186 in comparison with the prior year stated fund balances.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$4,460,649 or 53.8% of total General Fund Budget expenditures.
- The City's total bonded debt decreased by \$3,200,000 during the current fiscal year due to principal retirement.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other 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 liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include

general government, public safety, public works, parks and recreation, services to other cities and HRA activities. The business-type activities of the City include the operation of water and sewer utilities and the municipal off-sale liquor stores.

The government-wide financial statements include not only the City of St. Anthony itself (known as the *primary government*), but also a legally separate Housing and Redevelopment Authority (HRA) for which the City of St. Anthony is financially accountable. The HRA functions for all practical purposes as a department of the City of St. Anthony, and therefore has been included as an integral part of the primary government.

The government-wide financial statements can be found on Statements 1 and 2 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that are 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 two categories: governmental funds and proprietary 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 City'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 City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 27 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 balance for the General, Community Center, Street Improvement Debt Service, HRA TIF Improvements, Street Improvement Projects and Public Utilities Infrastructure, all of which are considered to be major funds. Data from the other 21 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 and sub-combining statements and schedules elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on Statements 3 through 5 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 water and sewer, storm water, and municipal liquor operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City various functions. The City uses an internal service fund to account for its compensated absences, OPEB and pension benefits. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer, storm water, and municipal liquor operations, which are considered to be major funds of the City.

The basic proprietary fund financial statements can be found on Statements 6 through 8 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 following Statement 8 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on budgetary comparisons, OPEB and pension information. Combining and individual fund statements and schedules can be found on Statements 18 through 25 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a City's financial position. Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$53,918,885 at the close of the most recent fiscal year.

City of St. Anthony, Minnesota's Net Position

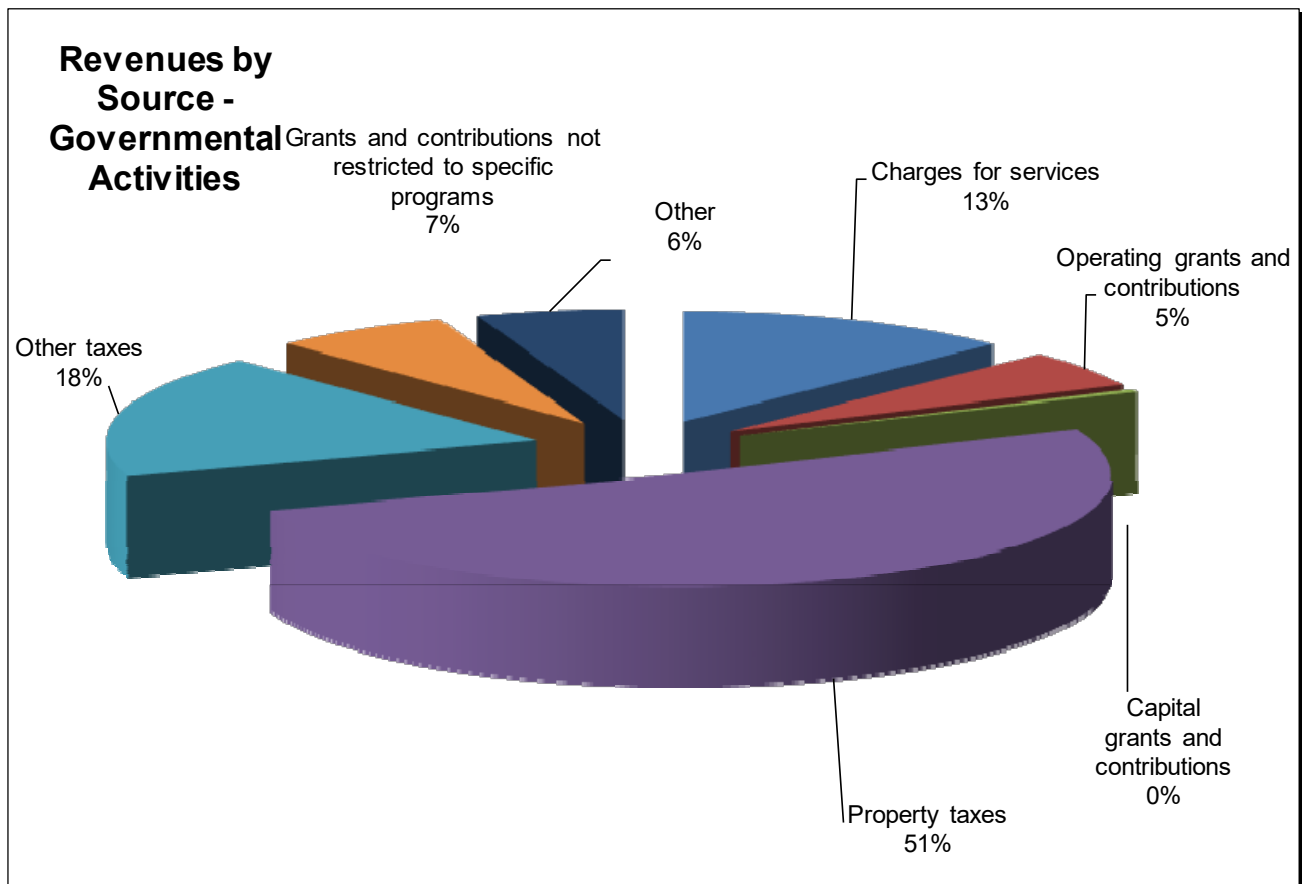
	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$26,060,490	\$26,047,257	\$6,599,590	\$5,725,835	\$32,660,080	\$31,773,092
Capital assets	31,648,215	33,424,119	25,468,394	25,139,457	57,116,609	58,563,576
Total assets	<u>\$57,708,705</u>	<u>\$59,471,376</u>	<u>\$32,067,984</u>	<u>\$30,865,292</u>	<u>\$89,776,689</u>	<u>\$90,336,668</u>
Total deferred outflows of resources	<u>\$7,122,388</u>	<u>\$8,535,806</u>	<u>\$0</u>	<u>\$0</u>	<u>\$7,122,388</u>	<u>\$8,535,806</u>
Long term liabilities outstanding	\$31,546,560	\$42,011,324	\$355,733	\$480,976	\$31,902,293	\$42,492,300
Other liabilities	1,733,577	3,704,030	315,681	412,879	2,049,258	4,116,909
Total liabilities	<u>\$33,280,137</u>	<u>\$45,715,354</u>	<u>\$671,414</u>	<u>\$893,855</u>	<u>\$33,951,551</u>	<u>\$46,609,209</u>
Total deferred inflows of resources	<u>\$9,028,641</u>	<u>\$2,253,316</u>	<u>\$0</u>	<u>\$0</u>	<u>\$9,028,641</u>	<u>\$2,253,316</u>
Net position:						
Invested in capital assets net of related debt	\$11,876,010	\$10,898,178	\$25,313,018	\$24,834,573	\$37,189,028	\$35,732,751
Restricted	6,417,966	6,103,190	-	-	6,417,966	6,103,190
Unrestricted	4,228,339	3,037,144	6,083,552	5,136,864	10,311,891	8,174,008
Total net position	<u>\$22,522,315</u>	<u>\$20,038,512</u>	<u>\$31,396,570</u>	<u>\$29,971,437</u>	<u>\$53,918,885</u>	<u>\$50,009,949</u>

The City's net position increased by \$3,908,936 in 2023. The increase was primarily due to the reduction in long term debt liabilities and unearned revenue liability.

City of St. Anthony, Minnesota's Changes in Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenue:						
Charges for services	\$2,190,191	\$1,981,023	\$10,248,497	\$9,961,909	\$12,438,688	\$11,942,932
Operating grants and contributions	926,803	610,856	-	-	926,803	610,856
Capital grants and contributions	75,165	633,832	-	-	75,165	633,832
General revenue:						
Property taxes	8,835,497	8,462,357	-	-	8,835,497	8,462,357
Tax increment taxes	3,091,945	2,272,455	-	-	3,091,945	2,272,455
Grants and contributions not restricted to specific programs	1,147,322	1,002,881	158,891	-	1,306,213	1,002,881
Other	948,504	(240,336)	224,271	(84,471)	1,172,775	(324,807)
Total revenues	<u>17,215,427</u>	<u>14,723,068</u>	<u>10,631,659</u>	<u>9,877,438</u>	<u>27,847,086</u>	<u>24,600,506</u>
Expenses:						
General government	1,558,834	1,380,846	-	-	1,558,834	1,380,846
Public safety	6,591,967	5,853,162	-	-	6,591,967	5,853,162
Public works	2,897,194	3,135,972	-	-	2,897,194	3,135,972
Parks and recreation	530,990	546,537	-	-	530,990	546,537
Housing and redevelopment	1,284,871	1,412,758	-	-	1,284,871	1,412,758
Nondepartmental	88,013	45,609	-	-	88,013	
Interest on long-term debt	637,825	697,886	-	-	637,825	697,886
Liquor	-	-	6,728,047	6,601,179	6,728,047	6,601,179
Water	-	-	1,783,913	1,632,017	1,783,913	1,632,017
Sewer	-	-	1,237,453	1,305,957	1,237,453	1,305,957
Stormwater	-	-	599,043	419,510	599,043	419,510
Total expenses	<u>13,589,694</u>	<u>13,072,770</u>	<u>10,348,456</u>	<u>9,958,663</u>	<u>23,938,150</u>	<u>23,031,433</u>
Excess before transfers	3,625,733	1,650,298	283,203	(81,225)	3,908,936	1,569,073
Transfers	<u>(1,141,930)</u>	<u>(749,963)</u>	<u>1,141,930</u>	<u>749,963</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	2,483,803	900,335	1,425,133	668,738	3,908,936	1,569,073
Net position - January 1	20,038,512	19,138,177	29,971,437	29,302,699	50,009,949	48,440,876
Net position - December 31	<u>\$22,522,315</u>	<u>\$20,038,512</u>	<u>\$31,396,570</u>	<u>\$29,971,437</u>	<u>\$53,918,885</u>	<u>\$50,009,949</u>

Governmental Activities. Governmental activities increased the City's net position by \$2,483,803 compared to prior year increase of \$900,335. The key elements of this change are an increase in unrestricted investment earnings of \$1,476,819 and an increase in tax increment taxes of \$819,490.



Business-type Activities. Business-type activities increased net position by \$1,425,133. There was net \$1,141,930 transfers to cash and a decrease in general revenues of \$467,633.

Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$20,325,431 an increase of \$1,603,186 from the prior year.

The ending fund balance is classified as follows:

Nonspendable	\$199,419
Restricted	8,692,356
Committed	1,010,290
Assigned	6,061,683
Unassigned	4,361,683
Total	<u>\$20,325,431</u>

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$4,460,649, while total fund balance reached \$5,057,260. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 52.9% of total General Fund expenditures and total fund balance represents 60.1% of that same amount.

During the current fiscal year, the fund balance in the General Fund increased by \$1,052,403 due to an increase in revenues over expenses of \$1,074,653 and along with an decrease in other financing uses of \$22,250.

The Community Center Fund increased by \$14,561 due to other net financing sources \$45,950 exceeding revenues under expenditures of \$31,389.

The Street Improvement Debt Service Fund increased by \$45,188 mainly due to \$291,041 in closing transfers from street improvement funds along with using cash on hand to lower existing debt levied.

The HRA TIF Improvement Fund increased by \$1,410,347, substantially due to a increase in revenues over expenses of \$1,181,597 and an decrease in accounts payable.

The Street Improvement Project Funds decreased by \$370,181 due to other financing uses of \$235,041 exceeding revenues under expenditures of \$135,140.

The Public Utilities Infrastructure Fund increased by \$65,513 substantially due to investment income of \$159,242 and expenditures of \$97,129.

Non-major Special Revenue Funds increased by \$91,733 resulting in an ending balance of \$900,971 substantially due increase in investment earnings and a decrease in HRA expenditures of \$11,821.

Non-major Debt Service Funds had a total fund balance of \$769,624, all of which is restricted for the payment of debt service. The net decrease in fund balance during the current year in the non-major debt service funds was \$87,370, substantially due to the planned use of fund balance to support the debt service associated with the Public Facilities Revenue Bonds and Tax Abatement bonds.

Non-major Capital Project Funds had a total fund balance of \$2,296,456, a decrease of \$678,507 from prior year, substantially due to expenses over revenues of \$713,090 and net transfers in of \$34,583.

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

Total net position in the Liquor Operations, Water and Sewer Funds, and Stormwater Utility Fund at the end of the year combined was \$31,616,353. The total net position for each fund was: Liquor – \$2,936,622; Water and Sewer – \$19,162,405; Stormwater Utility - \$9,517,326.

General Fund Budgetary Highlights

Variances from actual to budget can be briefly summarized as follows:

- Licenses and permits were \$372,710 greater than budget primarily due to higher level of construction related permit activity.
- Intergovernmental revenues were \$401,501 greater than budget primarily due one time receipt of public safety aid.
- Protective inspections expenditures were \$211,004 greater than budget primarily due to higher level of building permit activity and its related increase in inspections activity
- Transfers out were \$105,950 greater than budget due to excess fund balance transfers made in accordance with the fund balance policy.
- Investment Income was \$189,705 greater than budget due to higher interest rates.
- Public Safety Fire personal services expenditures were \$178,069 less than budget due to postponing planned hires to 2024.
- Public Safety Police expenditures were \$117,216 less than budget due to position vacancies.

Capital Asset and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2023 amounts to \$57,116,609 (net of accumulated depreciation). This investment in capital assets includes land, buildings and structures, improvements, machinery and equipment, park facilities, roads and infrastructure. The City's investment in capital assets (net) decreased 2.5%.

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

- The 2022 Street and Utility Improvement project construction was finalized in 2023.
- The city purchased a new fire engine, the majority of which was paid for in 2023.
- The feasibility study for the 2024 Street and Utility Improvement project took place in 2023.

City of St. Anthony, Minnesota's Capital Assets

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Land	\$1,062,883	\$1,062,882	\$2,089,954	\$2,089,954	\$3,152,837	\$3,152,836
Permanent easements	73,984	73,984	57,695	57,695	131,679	-
Land improvements	638,031	584,800	1,062,122	1,062,122	1,700,153	1,646,922
Buildings and structures	10,736,937	10,571,734	9,011,803	8,985,360	19,748,740	19,557,094
Furniture and fixtures	6,123,009	4,928,320	5,473,649	5,459,355	11,596,658	10,387,675
Software intangibles	72,117	56,823	62,894	62,894	135,011	119,717
Infrastructure/streets	46,564,031	43,420,366	13,985,966	12,981,818	60,549,997	56,402,184
Storm sewers	428,469	428,469	-	-	428,469	428,469
Storm water	-	-	8,182,924	7,810,879	8,182,924	7,810,879
Less accumulated depreciation	(34,247,189)	(32,435,686)	(14,458,613)	(13,370,620)	(48,705,802)	(45,806,306)
Construction in progress	195,943	4,732,427	-	-	195,943	4,732,427
Total	\$31,648,215	\$33,424,119	\$25,468,394	\$25,139,457	\$57,116,609	\$58,431,897

Additional information on the City's capital assets can be found in Note 5.

Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$23,655,000. Of this amount, \$18,730,000 comprises debt backed by special assessments and the full faith and credit of the City, \$4,375,000 is backed by tax increments, \$395,000 is backed by lease revenue sources, and \$155,000 is backed by revenues sources from the City's water/sewer funds. In addition, the City's debt represents the liability for compensated absences \$714,753, net pension liability of \$5,857,913, and OPEB liability of \$924,615.

City of St. Anthony, Minnesota's Outstanding Debt General Obligation and Revenue Bonds

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
General obligation bonds	\$18,730,000	\$21,050,000	\$ -	\$ -	\$18,730,000	\$21,050,000
G.O. revenue bonds	395,000	780,000	155,000	300,000	550,000	1,080,000
G.O. tax increment bonds	4,375,000	4,870,000	-	-	4,375,000	4,870,000
Issuance premiums (discounts)	709,584	828,269	376	4,884	709,960	833,153
	-	-	-	-	-	-
Total	\$24,209,584	\$27,528,269	\$155,376	\$304,884	24,364,960	\$27,833,153

The City's total bonded debt decreased by \$785,000 during the current fiscal year. The key factors in this decrease were: 1) principal retirement of \$3,170,000 and 2) the issuance of \$2,385,000 of 2022A General Obligation Bonds.

The City maintains an "AA" rating from Standard and Poor's for general obligation debt. State statutes limit the amount of general obligation debt the City may issue to 3% of its total market value. The current debt limitation for the City is \$38,649,915, which is in excess of the City's applicable debt. Additional information on the City's long-term debt can be found in Note 6.

Bond Rating comments on Economic Factors, Financial management and Budgets

- Healthy economic metrics, including incomes and wealth levels, in a Twins Cities suburb, supported by consistent valuation growth.
- Solid financial position with very strong available reserves, resulting from positive operational performance.
- Good financial policies and practices under our Financial Management Assessment (FMA) methodology, and strong institutional framework.
- Weak debt and liabilities profile with elevated debt costs, but a manageable pension and OPEB burden and rapid amortization of debt.
- Strong operational performance leading to consistent growth in available reserves.

These factors were considered in preparing the City's budget for the 2023 fiscal year and beyond.

Requests for Information

This financial report is designed to provide a general overview of the City of St. Anthony, Minnesota's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, City of St. Anthony, Minnesota, 3301 Silver Lake Road, St. Anthony, Minnesota, 55418.

BASIC FINANCIAL STATEMENTS

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CITY OF ST. ANTHONY, MINNESOTA
STATEMENT OF NET POSITION
December 31, 2023
With Comparative Totals For December 31, 2022

Statement 1

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	
			2023	2022
Assets:				
Cash and investments	\$21,148,986	\$4,801,216	\$25,950,202	\$25,602,679
Accrued interest	99,154	-	99,154	49,357
Due from other governmental units	73,992	-	73,992	124,741
Accounts receivable - net	89,746	821,913	911,659	876,003
Internal balances	219,783	(219,783)	-	-
Property taxes receivable	99,324	-	99,324	133,160
Prepaid items	177,199	100,471	277,670	180,770
Inventories - at cost	22,220	1,095,773	1,117,993	1,077,558
Loans receivable	665	-	665	2,205
Special assessments receivable	1,429,098	-	1,429,098	1,673,181
Lease receivable	1,893,254	-	1,893,254	1,277,549
Land held for resale	409,188	-	409,188	378,008
Capital assets - net:				
Nondepreciable	1,332,810	2,147,649	3,480,459	8,016,941
Depreciable	30,315,405	23,320,745	53,636,150	50,546,635
Net pension asset	397,881	-	397,881	397,881
Total assets	<u>57,708,705</u>	<u>32,067,984</u>	<u>89,776,689</u>	<u>90,336,668</u>
Deferred outflows of resources:				
Related to other post employment benefits	482,359	-	482,359	541,286
Related to pensions	6,640,029	-	6,640,029	7,994,520
Total deferred outflows of resources	<u>7,122,388</u>	<u>-</u>	<u>7,122,388</u>	<u>8,535,806</u>
Liabilities:				
Accounts payable	1,057,674	163,748	1,221,422	2,480,374
Due to other governmental units	36,358	87,806	124,164	135,368
Salaries payable	173,964	56,442	230,406	223,659
Contracts payable	25,397	-	25,397	118,341
Deposits payable	170,692	47,570	218,262	183,855
Accrued interest payable	269,492	167	269,659	321,808
Unearned revenue	-	-	-	653,504
Other post employment benefits:				
Due within one year	55,980	-	55,980	50,378
Due in more than one year	868,635	-	868,635	957,188
Long-term liabilities:				
Due within one year	3,442,968	208,277	3,651,245	3,605,279
Due in more than one year	21,321,064	107,404	21,428,468	25,016,595
Net pension liability:				
Due in more than one year	5,857,913	-	5,857,913	12,862,860
Total liabilities	<u>33,280,137</u>	<u>671,414</u>	<u>33,951,551</u>	<u>46,609,209</u>
Deferred inflows of resources:				
Related to leases	1,893,254	-	1,893,254	1,277,549
Related to other post employment benefits	506,832	-	506,832	459,129
Related to pensions	6,628,555	-	6,628,555	516,638
Total deferred inflows of resources	<u>9,028,641</u>	<u>-</u>	<u>9,028,641</u>	<u>2,253,316</u>
Net position:				
Net investments in capital assets	11,876,010	25,313,018	37,189,028	35,732,751
Restricted for:				
Debt service	5,446,428	-	5,446,428	5,612,586
Capital projects	113,111	-	113,111	-
Pensions	397,881	-	397,881	421,414
Public safety	460,546	-	460,546	69,190
Unrestricted	4,228,339	6,083,552	10,311,891	8,174,008
Total net position	<u>\$22,522,315</u>	<u>\$31,396,570</u>	<u>\$53,918,885</u>	<u>\$50,009,949</u>

The accompanying notes are an integral part of these financial statements.

CITY OF ST. ANTHONY, MINNESOTA
STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2023
With Comparative Totals For December 31, 2022

<u>Functions/Programs</u>	<u>Program Revenues</u>	
	<u>Expenses</u>	<u>Charges For Services</u>
Primary government:		
Governmental activities:		
General government	\$1,558,834	\$777,184
Public safety	6,591,967	972,743
Public works	2,897,194	223,037
Parks and recreation	530,990	217,182
Nondepartmental	88,013	-
Housing and redevelopment	1,284,871	45
Interest on long-term debt	637,825	-
Total governmental activities	<u>13,589,694</u>	<u>2,190,191</u>
Business-type activities:		
Liquor	6,728,047	7,065,954
Water/water plant	1,783,913	1,513,076
Sewer	1,237,453	1,440,378
Stormwater	599,043	229,089
Total business-type activities	<u>10,348,456</u>	<u>10,248,497</u>
Total primary government	<u>\$23,938,150</u>	<u>\$12,438,688</u>

The accompanying notes are an integral part of these financial statements.

Program Revenues		Net (Expense) Revenue and Changes in Net Position			
Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
		Governmental Activities	Business-Type Activities		
				2023	2022
\$15,354	\$ -	(\$766,296)	\$ -	(\$766,296)	(\$744,418)
752,987	-	(4,866,237)	-	(4,866,237)	(4,453,742)
117,618	75,165	(2,481,374)	-	(2,481,374)	(2,175,771)
40,844	-	(272,964)	-	(272,964)	(316,976)
-	-	(88,013)	-	(88,013)	(45,609)
-	-	(1,284,826)	-	(1,284,826)	(1,412,657)
-	-	(637,825)	-	(637,825)	(697,886)
<u>926,803</u>	<u>75,165</u>	<u>(10,397,535)</u>	<u>-</u>	<u>(10,397,535)</u>	<u>(9,847,059)</u>
-	-	-	337,907	337,907	440,511
-	-	-	(270,837)	(270,837)	(335,637)
-	-	-	202,925	202,925	98,214
-	-	-	(369,954)	(369,954)	(199,842)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(99,959)</u>	<u>(99,959)</u>	<u>3,246</u>
<u>\$926,803</u>	<u>\$75,165</u>	<u>(10,397,535)</u>	<u>(99,959)</u>	<u>(10,497,494)</u>	<u>(9,843,813)</u>
General revenues:					
General property taxes		8,835,497	-	8,835,497	8,462,357
Tax increment taxes		3,091,945	-	3,091,945	2,272,455
Grants and contributions not restricted to specific programs		1,147,322	158,891	1,306,213	1,002,881
Unrestricted investment earnings		896,704	198,617	1,095,321	(381,498)
Gain on disposal of capital assets		38,516	-	38,516	1,400
Other		13,284	25,654	38,938	55,291
Transfers		(1,141,930)	1,141,930	-	-
Total general revenues and transfers		<u>12,881,338</u>	<u>1,525,092</u>	<u>14,406,430</u>	<u>11,412,886</u>
Change in net position		2,483,803	1,425,133	3,908,936	1,569,073
Net position - January 1		<u>20,038,512</u>	<u>29,971,437</u>	<u>50,009,949</u>	<u>48,440,876</u>
Net position - December 31		<u>\$22,522,315</u>	<u>\$31,396,570</u>	<u>\$53,918,885</u>	<u>\$50,009,949</u>

The accompanying notes are an integral part of these financial statements.

CITY OF ST. ANTHONY, MINNESOTA
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2023
With Comparative Totals For December 31, 2022

	General Fund	Community Center Fund	Street Improvement Debt Service Fund
Assets			
Cash and investments	\$5,150,240	\$165,095	\$3,572,833
Accrued interest	99,154	-	-
Due from other governmental units	62,192	-	-
Accounts receivable - net	73,458	16,156	-
Property taxes receivable:		-	
Delinquent	13,183	-	3,112
Due from county	26,123	-	9,694
Prepaid items	172,890	3,084	-
Inventories - at cost	22,220	-	-
Loans receivable	-	-	-
Special assessments receivable	6,285	-	1,375,486
Interfund loan receivable	-	-	-
Lease receivable	1,195,069	698,185	-
Land held for resale	-	-	-
Total assets	\$6,820,814	\$882,520	\$4,961,125
Liabilities, Deferred Inflows of Resources, and Fund Balance			
Liabilities:			
Accounts payable	\$267,645	\$10,142	\$2,222
Due to other governmental units	22,426	-	-
Salaries payable	167,859	1,573	-
Contracts payable	-	-	-
Deposits payable	91,087	-	8,848
Unearned revenue	-	-	-
Interfund loan payable	-	-	-
Total liabilities	549,017	11,715	11,070
Deferred inflows of resources:			
Related to leases	1,195,069	698,185	-
Unavailable revenue	19,468	-	1,378,598
Total deferred inflows of resources	1,214,537	698,185	1,378,598
Fund balance:			
Nonspendable	195,110	3,084	-
Restricted	401,501	-	3,571,457
Committed	-	169,536	-
Assigned	-	-	-
Unassigned	4,460,649	-	-
Total fund balance	5,057,260	172,620	3,571,457
Total liabilities, deferred inflows of resources, and fund balance	\$6,820,814	\$882,520	\$4,961,125

The accompanying notes are an integral part of these financial statements.

HRA TIF Improvement Fund	Street Improvement Project Fund	Public Utilities Infrastructure Fund	Other Governmental Funds	Total Governmental Funds	
				2023	2022
\$4,913,995	\$202,956	\$2,409,467	\$4,434,485	\$20,849,071	\$21,268,336
-	-	-	-	99,154	49,357
11,800	-	-	-	73,992	124,741
-	-	-	132	89,746	82,488
10,876	-	-	3,872	31,043	87,586
26,718	-	-	5,746	68,281	45,574
554	-	-	671	177,199	145,159
-	-	-	-	22,220	24,178
-	-	-	665	665	2,205
-	36,610	-	10,717	1,429,098	1,673,181
-	-	1,156,225	-	1,156,225	1,157,180
-	-	-	-	1,893,254	1,277,549
409,188	-	-	-	409,188	378,008
<u>\$5,373,131</u>	<u>\$239,566</u>	<u>\$3,565,692</u>	<u>\$4,456,288</u>	<u>\$26,299,136</u>	<u>\$26,315,542</u>
\$550,708	\$23,227	\$655	\$203,075	\$1,057,674	\$2,256,157
3,292	-	-	10,640	36,358	56,583
-	-	-	4,532	173,964	164,487
-	25,397	-	-	25,397	118,341
70,757	-	-	-	170,692	134,525
-	-	-	-	-	653,504
959,326	-	-	196,899	1,156,225	1,157,180
<u>1,584,083</u>	<u>48,624</u>	<u>655</u>	<u>415,146</u>	<u>2,620,310</u>	<u>4,540,777</u>
-	-	-	-	1,893,254	1,277,549
10,876	36,610	-	14,589	1,460,141	1,774,971
10,876	36,610	-	14,589	3,353,395	3,052,520
554	-	-	671	199,419	169,337
3,777,618	113,111	-	828,669	8,692,356	7,102,437
-	-	-	840,754	1,010,290	895,109
-	140,187	3,565,037	2,356,459	6,061,683	6,715,192
-	(98,966)	-	-	4,361,683	3,840,170
<u>3,778,172</u>	<u>154,332</u>	<u>3,565,037</u>	<u>4,026,553</u>	<u>20,325,431</u>	<u>18,722,245</u>
<u>\$5,373,131</u>	<u>\$239,566</u>	<u>\$3,565,692</u>	<u>\$4,456,288</u>	<u>\$26,299,136</u>	<u>\$26,315,542</u>
Fund balance reported above				\$20,325,431	\$18,722,245
Amounts reported for governmental activities in the statement of net position are different because:					
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.				31,648,215	33,424,119
Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable in the funds.				1,460,141	1,774,971
Net pension asset and corresponding deferred outflows and inflows of resources related to the Saint Anthony Fire Department pension plan.				433,414	421,414
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.				(24,479,076)	(27,848,702)
Internal service funds are used by management to charge the cost of employee vacation, severance, pension benefits, and other post employment benefits to individual funds. The assets and liabilities are included in the governmental activities on the statement of net position.				(6,865,810)	(6,455,535)
Net position of governmental activities				<u>\$22,522,315</u>	<u>\$20,038,512</u>

The accompanying notes are an integral part of these financial statements.

CITY OF ST. ANTHONY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2023
With Comparative Totals For December 31, 2022

	General Fund	Community Center Fund	Street Improvement Debt Service Fund	HRA TIF Improvement Fund
Revenues:				
General property taxes	\$5,678,378	\$ -	\$1,994,274	\$ -
Tax increment collections	-	-	-	3,089,129
Licenses, fees and permits	687,640	-	-	-
Intergovernmental	1,530,633	-	-	-
Special assessments	5,990	-	291,316	-
Charges for services	1,164,210	127,300	-	-
Cable franchise fees	89,882	-	-	-
Fines and forfeits	101,713	-	-	-
Investment income (loss)	190,205	6,653	84,065	223,205
Contributions and donations	1,000	-	-	-
Refunds and reimbursements	6,725	-	-	-
Miscellaneous	13,284	-	-	-
Total revenues	9,469,660	133,953	2,369,655	3,312,334
Expenditures:				
Current:				
General government	1,299,114	-	-	27,721
Public safety	5,763,413	-	-	-
Public works	919,739	-	6,652	-
Parks and recreation	324,728	165,342	-	-
Housing and redevelopment	-	-	-	10,716
Nondepartmental	88,013	-	-	-
Capital outlay	-	-	-	-
Debt service:	-	-	-	-
Principal	-	-	2,065,000	-
Interest	-	-	537,787	93,150
Other costs	-	-	3,177	-
Construction/acquisition costs	-	-	-	-
Developer incentives	-	-	-	1,123,986
Total expenditures	8,395,007	165,342	2,612,616	1,255,573
Revenues over (under) expenditures	1,074,653	(31,389)	(242,961)	2,056,761
Other financing sources (uses):				
Bonds issued	-	-	-	-
Premium on bonds issued	-	-	-	-
Sale of capital assets	-	-	-	-
Transfers in	290,000	165,950	291,041	-
Transfers out	(312,250)	(120,000)	(2,892)	(646,414)
Total other financing sources (uses)	(22,250)	45,950	288,149	(646,414)
Net change in fund balance	1,052,403	14,561	45,188	1,410,347
Fund balance - January 1	4,004,857	158,059	3,526,269	2,367,825
Fund balance - December 31	\$5,057,260	\$172,620	\$3,571,457	\$3,778,172

The accompanying notes are an integral part of these financial statements.

Statement 4

Street Improvement Project Fund	Public Utilities Infrastructure Fund	Other Governmental Funds	Total Governmental Funds	
			2023	2022
\$ -	\$ -	\$1,222,203	\$8,894,855	\$8,438,461
-	-	-	3,089,129	2,273,952
-	-	-	687,640	530,924
-	-	494,614	2,025,247	1,471,972
20,179	-	1,763	319,248	460,873
-	3,400	-	1,294,910	1,221,419
-	-	-	89,882	96,099
-	-	9,276	110,989	118,558
32,013	159,242	184,953	880,336	(288,249)
-	-	50,844	51,844	6,174
-	-	45	6,770	14,023
-	-	-	13,284	55,291
52,192	162,642	1,963,698	17,464,134	14,399,497
-	-	81,212	1,408,047	1,226,942
-	-	142,842	5,906,255	5,312,282
-	56,392	49,455	1,032,238	971,898
-	-	13,587	503,657	516,460
-	-	145,618	156,334	358,780
-	-	-	88,013	45,609
-	40,737	1,628,027	1,668,764	1,669,930
-	-	1,135,000	3,200,000	3,170,000
-	-	176,514	807,451	815,417
-	-	2,910	6,087	87,435
187,332	-	-	187,332	2,063,945
-	-	-	1,123,986	1,046,435
187,332	97,129	3,375,165	16,088,164	17,285,133
(135,140)	65,513	(1,411,467)	1,375,970	(2,885,636)
-	-	-	-	2,385,000
-	-	-	-	15,093
-	-	38,516	38,516	608,497
-	-	975,131	1,722,122	2,877,068
(235,041)	-	(216,825)	(1,533,422)	(2,557,000)
(235,041)	-	796,822	227,216	3,328,658
(370,181)	65,513	(614,645)	1,603,186	443,022
524,513	3,499,524	4,641,198	18,722,245	18,279,223
\$154,332	\$3,565,037	\$4,026,553	\$20,325,431	\$18,722,245

The accompanying notes are an integral part of these financial statements.

CITY OF ST. ANTHONY, MINNESOTA**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS****Statement 5**

For The Year Ended December 31, 2023

With Comparative Amounts For The Year Ended December 31, 2021

	<u>2023</u>	<u>2022</u>
Amounts reported for governmental activities in the statement of activities (Statement 2) are different because:		
Net changes in fund balances - total governmental funds (Statement 4)	\$1,603,186	\$443,022
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capitalized capital outlays exceeded depreciation in the current period.	(358,974)	1,356,696
Transfer out of governmental capital assets contributed to Enterprise Funds.	(1,416,930)	(1,156,331)
The statement of activities reports losses arising from the trade-in or disposal of existing capital assets to acquire new capital assets. Conversely, governmental funds do not report any gain or loss on a trade-in of capital assets.	-	(630,861)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(314,830)	143,860
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.	3,369,626	887,438
Internal Service Funds are used by management to charge the cost of severance pension, and other post employment expenses to individual funds. This amount is the net income (loss) attributable to governmental activities.	(410,275)	(204,201)
Governmental funds report pension contributions as expenditures, however, pension expense is reported in the statement of activities. This is the amount by which pension expense differed from pension contributions for the St. Anthony Fire Department pension plan (Note 8).	<u>12,000</u>	<u>60,712</u>
Change in net position of governmental activities (Statement 2)	<u><u>\$2,483,803</u></u>	<u><u>\$900,335</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF ST. ANTHONY, MINNESOTA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2023
With Comparative Totals For December 31, 2022

Statement 6

	Business-Type Activities Enterprise Funds					Governmental
	Liquor	Water/Sewer/ Water Plant	Stormwater Utility	Totals		Internal Service Fund
				2023	2022	
Assets:						
Current assets:						
Cash and cash equivalents	\$1,486,054	\$2,914,231	\$400,931	\$4,801,216	\$4,014,769	\$299,915
Accounts receivable - net	5,429	810,859	5,625	821,913	793,515	-
Prepaid items	13,309	87,162	-	100,471	35,611	-
Inventories - at cost	980,155	115,618	-	1,095,773	1,053,380	-
Total current assets	<u>2,484,947</u>	<u>3,927,870</u>	<u>406,556</u>	<u>6,819,373</u>	<u>5,897,275</u>	<u>299,915</u>
Noncurrent assets:						
Capital assets:						
Land	-	5,653	2,084,301	2,089,954	2,089,954	-
Permanent easements	-	-	57,695	57,695	57,695	-
Land improvements	-	-	1,062,122	1,062,122	1,062,122	-
Buildings and structures	1,888,593	7,123,210	-	9,011,803	8,985,360	-
Furniture, fixtures and equipment	476,643	4,771,788	225,218	5,473,649	5,459,355	-
Distribution and collection system	-	13,985,966	8,182,924	22,168,890	20,792,697	-
Software intangibles	62,894	-	-	62,894	62,894	-
Total capital assets	<u>2,428,130</u>	<u>25,886,617</u>	<u>11,612,260</u>	<u>39,927,007</u>	<u>38,510,077</u>	<u>-</u>
Less: Allowance for depreciation	<u>(1,688,876)</u>	<u>(10,316,002)</u>	<u>(2,453,735)</u>	<u>(14,458,613)</u>	<u>(13,370,620)</u>	<u>-</u>
Net capital assets	<u>739,254</u>	<u>15,570,615</u>	<u>9,158,525</u>	<u>25,468,394</u>	<u>25,139,457</u>	<u>-</u>
Total assets	<u>3,224,201</u>	<u>19,498,485</u>	<u>9,565,081</u>	<u>32,287,767</u>	<u>31,036,732</u>	<u>299,915</u>
Deferred outflows of resources:						
Related to OPEB	-	-	-	-	-	482,359
Related to pensions	-	-	-	-	-	6,460,732
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,943,091</u>
Liabilities:						
Current liabilities:						
Accounts payable	100,687	15,306	47,755	163,748	224,217	-
Due to other governmental units	82,765	5,041	-	87,806	78,785	-
Salaries payable	27,401	29,041	-	56,442	59,172	-
Accrued interest payable	-	167	-	167	1,375	-
Refundable deposits	-	47,570	-	47,570	49,330	-
Compensated absences payable - current	25,320	27,581	-	52,901	58,111	182,968
Bonds and notes payable - current	-	155,376	-	155,376	145,000	-
Other post employment benefits liability - current	-	-	-	-	-	55,980
Total current liabilities	<u>236,173</u>	<u>280,082</u>	<u>47,755</u>	<u>564,010</u>	<u>615,990</u>	<u>238,948</u>
Noncurrent liabilities:						
Compensated absences payable - noncurrent	51,406	55,998	-	107,404	117,981	371,480
Bonds and notes payable - noncurrent	-	-	-	-	159,884	-
Other post employment benefits liability - noncurrent	-	-	-	-	-	868,635
Net pension liability	-	-	-	-	-	5,857,913
Total noncurrent liabilities	<u>51,406</u>	<u>55,998</u>	<u>-</u>	<u>107,404</u>	<u>277,865</u>	<u>7,098,028</u>
Total liabilities	<u>287,579</u>	<u>336,080</u>	<u>47,755</u>	<u>671,414</u>	<u>893,855</u>	<u>7,336,976</u>
Deferred inflows of resources:						
Related to OPEB	-	-	-	-	-	506,832
Related to pensions	-	-	-	-	-	6,484,791
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,991,623</u>
Net position:						
Net investments in capital assets	739,254	15,415,239	9,158,525	25,313,018	24,834,573	-
Unrestricted	2,197,368	3,747,166	358,801	6,303,335	5,308,304	(7,085,593)
Total net position	<u>\$2,936,622</u>	<u>\$19,162,405</u>	<u>\$9,517,326</u>	<u>\$31,616,353</u>	<u>\$30,142,877</u>	<u>(\$7,085,593)</u>
Net position reported above				\$31,616,353	\$30,142,877	
Adjustment to report the cumulative internal balance for the net effect of activity between the internal service fund and the enterprise funds over time.				(219,783)	(171,440)	
Net position of business-type activities (Statement 1)				<u>\$31,396,570</u>	<u>\$29,971,437</u>	

The accompanying notes are an integral part of these financial statements.

CITY OF ST. ANTHONY, MINNESOTA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For The Year Ended December 31, 2023
With Comparative Totals For December 31, 2022

Statement 7

	Business-Type Activities Enterprise Funds				Governmental Activities	
	Liquor	Water/Sewer/ Water Plant	Stormwater Utility	Totals		Internal Service Fund
				2023	2022	
Sales	\$7,065,954	\$ -	\$ -	\$7,065,954	\$7,040,797	\$ -
Cost of sales	(5,246,548)	-	-	(5,246,548)	(5,212,277)	-
Gross profit	1,819,406	-	-	1,819,406	1,828,520	-
Operating revenues:						
Customer billings	-	2,953,454	229,089	3,182,543	2,896,237	-
Charges for services	-	-	-	-	-	738,984
Total operating revenues	-	2,953,454	229,089	3,182,543	2,896,237	738,984
Total gross profit and operating revenues	1,819,406	2,953,454	229,089	5,001,949	4,724,757	738,984
Operating expenses:						
Personal services	903,409	963,986	-	1,867,395	1,781,037	1,311,508
Supplies	383,575	163,941	527	548,043	514,881	-
Contracted services	82,832	189,075	269,711	541,618	373,212	-
Treatment charges (MCES)	-	760,026	-	760,026	711,020	-
Other	7,827	234,716	6,875	249,418	240,441	-
Total operating expenses, excluding depreciation	1,377,643	2,311,744	277,113	3,966,500	3,620,591	1,311,508
Depreciation	80,143	688,452	319,398	1,087,993	1,042,367	-
Total operating expenses	1,457,786	3,000,196	596,511	5,054,493	4,662,958	1,311,508
Operating income (loss)	361,620	(46,742)	(367,422)	(52,544)	61,799	(572,524)
Nonoperating revenues (expenses):						
Investment income	63,934	124,189	10,494	198,617	(85,871)	16,368
Intergovernmental revenue	-	-	158,891	158,891	-	11,239
Interest expense	-	928	-	928	(2,300)	-
Gain on disposal of asset	-	-	-	-	1,400	-
Miscellaneous	831	5,796	19,027	25,654	24,875	-
Total nonoperating revenues (expenses)	64,765	130,913	188,412	384,090	(61,896)	27,607
Income (loss) before contributions and transfers	426,385	84,171	(179,010)	331,546	(97)	(544,917)
Contributions and transfers:						
Capital contributions	-	1,044,885	372,045	1,416,930	1,156,331	-
Transfers in	-	-	-	-	30,535	86,300
Transfers out	(275,000)	-	-	(275,000)	(436,903)	-
Total contributions and transfers	(275,000)	1,044,885	372,045	1,141,930	749,963	86,300
Change in net position	151,385	1,129,056	193,035	1,473,476	749,866	(458,617)
Net position - January 1	2,785,237	18,033,349	9,324,291	30,142,877	29,393,011	(6,626,976)
Net position - December 31	\$2,936,622	\$19,162,405	\$9,517,326	\$31,616,353	\$30,142,877	(\$7,085,593)
Change in net position reported for business-type activities above				\$1,473,476	\$749,866	
Transfer in of capital assets from governmental activities				1,416,930	1,156,331	
Transfers in reported as contribution revenue reported above				(1,416,930)	(1,156,331)	
Adjustment for the net effect of the current year activity between the internal service fund and the enterprise funds.				(48,343)	(81,128)	
Change in net position of business-type activities (Statement 2)				\$1,425,133	\$668,738	

The accompanying notes are an integral part of these financial statements.

CITY OF ST. ANTHONY, MINNESOTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For The Year Ended December 31, 2023
With Comparative Totals For December 31, 2022

Statement 8

	Business-Type Activities Enterprise Funds				Governmental Activities
	Liquor	Water/Sewer/ Water Plant	Stormwater Utility	Totals	Internal Service Fund
				2023	2022
Cash flows from operating activities:					
Receipts from customers and users	\$7,067,702	\$2,921,548	\$229,089	\$10,218,339	\$9,884,366
Receipts from interfund charges for pension benefits	-	-	-	-	738,984
Payment to suppliers	(5,849,891)	(1,414,151)	(240,312)	(7,504,354)	(7,156,121)
Payment to employees	(901,448)	(984,464)	-	(1,885,912)	(1,775,834)
Miscellaneous revenue	831	5,796	19,027	25,654	24,875
Net cash flows provided by (used in) operating activities	317,194	528,729	7,804	853,727	977,286
Cash flows from noncapital financing activities:					
Transfer from General Fund	-	-	-	-	30,535
Transfer to General Fund	(275,000)	-	-	(275,000)	(275,000)
Intergovernmental revenue	-	-	158,891	158,891	-
Net cash flows provided by (used in) noncapital financing activities	(275,000)	-	158,891	(116,109)	(244,465)
Cash flows from capital and related financing activities:					
Acquisition of capital assets	-	-	-	-	(12,139)
Proceeds from disposal of capital assets	-	-	-	-	1,400
Transfer to project Fund	-	-	-	-	(161,903)
Principal paid on debt	-	(145,000)	-	(145,000)	(140,000)
Interest paid on debt	-	(4,788)	-	(4,788)	(7,975)
Net cash flows provided by (used in) capital and related financing activities	-	(149,788)	-	(149,788)	(320,617)
Cash flows from investing activities:					
Investment income	63,934	124,189	10,494	198,617	(85,872)
Net increase (decrease) in cash and cash equivalents	106,128	503,130	177,189	786,447	326,332
Cash and cash equivalents - January 1	1,379,926	2,411,101	223,742	4,014,769	3,688,437
Cash and cash equivalents - December 31	\$1,486,054	\$2,914,231	\$400,931	\$4,801,216	\$4,014,769
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$361,620	(\$46,742)	(\$367,422)	(\$52,544)	\$61,799
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:					
Miscellaneous revenue	831	5,796	19,027	25,654	24,875
Depreciation	80,143	688,452	319,398	1,087,993	1,042,367
Changes in assets and liabilities:					
Decrease (increase) in receivables	1,748	(30,146)	-	(28,398)	(49,763)
Decrease (increase) in prepaid items	6,146	(71,006)	-	(64,860)	(7,263)
Decrease (increase) in inventory	(66,620)	24,227	-	(42,393)	(44,178)
Decrease (increase) in deferred outflows of resources	-	-	-	-	-
Increase (decrease) in payables	(66,674)	(41,852)	36,801	(71,725)	(50,551)
Increase (decrease) in OPEB liability	-	-	-	-	-
Increase (decrease) in net pension liability	-	-	-	-	-
Increase (decrease) in deferred inflows of resources	-	-	-	-	-
Total adjustments	(44,426)	575,471	375,226	906,271	915,487
Net cash provided by (used in) operating activities	\$317,194	\$528,729	\$7,804	\$853,727	\$977,286

Noncash investing, capital and financing activities:

Assets in the amount of \$1,044,885 and \$845,081 were contributed to the Water/Sewer/Water Plant Fund in 2023 and 2022, respectively.

Assets in the amount of \$372,045 and \$311,250 were contributed to the Stormwater Utility Fund in 2023 and 2022, respectively.

The accompanying notes are an integral part of these financial statements.

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Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of St. Anthony, Minnesota (the City) operates pursuant to applicable Minnesota laws and statutes under the council-manager plan (Statutory Plan B) as defined by state statutes. The government of the City is directed by a Council composed of an elected mayor and four other elected members. The Council exercises legislative authority and determines matters of policy. The Council appoints the City Manager who is responsible for the administration of all affairs relating to the City.

The financial statements of the City have been prepared in conformity with generally accepted accounting principles as applied to governmental units by the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies.

A. FINANCIAL REPORTING ENTITY

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City (the primary government) and its component units. The component unit discussed below is included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

COMPONENT UNITS

In conformity with generally accepted accounting principles, the financial statements of the component unit have been included in the financial reporting entity as a blended component unit.

The Housing and Redevelopment Authority (HRA) is an entity legally separate from the City. However, for financial reporting purposes, the HRA is reported as if it were part of the City's operations because the members of the City Council serve as HRA board members and its activity is confined to the City. The City established the HRA under state statutes to assist and support housing and redevelopment projects undertaken within the City which are under the statutory authority of the HRA. The City reviews and approves tax levies and other financial matters related to the HRA. The City provides major financing of HRA activities and debt issued in connection with HRA projects are general obligations of the City. The activity of the HRA is reported in the HRA TIF Debt Service Fund, the HRA TIF Improvement Fund and the HRA Special Revenue Fund. Separate financial statements are not prepared for the HRA.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent, on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or business-type activity is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or business-type activity. *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 business-type activity; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or business-type activity. Taxes and other items not included among program revenues are reported instead as *general revenues*.

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

The City reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Community Center Fund* is used to account for the operation and maintenance of City Hall and Community Services.

The *Street Improvement Debt Service Fund* was established to account for debt associated with a systematic plan to reconstruct substandard residential streets and alleys. Annual debt service payments are funded through special assessments and tax levies.

The *HRA TIF Improvement Fund* was established to account for the construction and redevelopment costs within the City.

The *Street Improvement Project Fund* was established to account for the construction costs associated with a systematic plan to reconstruct substandard residential streets and alleys.

The *Public Utilities Infrastructure Fund* was established to account for costs associated with the City's utilities infrastructure.

The City reports the following major proprietary funds:

The *Liquor Fund* is an enterprise fund that is used to account for operations of the City's off-sale liquor operation.

The *Water/Sewer/Water Plant Fund* accounts for the water and sewer service charges which are used to finance the water and sewer system operating expenses, and the operation and maintenance of the City's water purification plant.

The *Stormwater Utility Fund* accounts for stormwater service charges which are used to finance the construction and operation of the stormwater and flood protection projects.

Additionally, the City reports the following fund type:

Internal Service Fund - the *Employee Benefit Fund* accounts for the liability the City has for employee vacation and severance payments, and is also used to provide pension benefits and other post-employment benefits to other departments of the City on a cost reimbursement basis.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the

current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers all revenues, except property taxes and reimbursement grants, to be available if they are collected within 90 days of the end of the current fiscal period. Property taxes are considered available if they are collected within 60 days of the end of the current year. Reimbursement grants are considered available if they are collected within one year of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, special assessments, intergovernmental revenues, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are transactions that would be treated as revenues, expenditures or expenses if they involved external organizations, such as buying goods and services or payments in lieu of taxes, are similarly treated when they involve other funds of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the liquor, water and sewer enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. BUDGETS

Budgets are legally adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are legally adopted for the General and all Special Revenue Funds. Budgeted expenditure appropriations lapse at year end.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the appropriation, is not employed by the City because it is at present not considered necessary to assure effective budgetary control or to facilitate effective cash management.

E. LEGAL COMPLIANCE - BUDGETS

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- 1) The City Manager submits to the City Council a proposed operating budget for the upcoming year in August. The operating budget includes proposed revenues and expenditures and the operating levy associated with operations.
- 2) The City Council and staff meet to review the proposed budget and Council recommends any appropriate changes.

- 3) Public hearings are conducted in April and December to obtain taxpayer comments and recommendations to the operating budget.
- 4) The budget and tax levy is legally enacted through the passage of a resolution on a department basis for the General Fund and on a fund basis for Special Revenue and Enterprise Funds that can be expended by each department based upon detailed budget estimates.
- 5) The City Manager and Finance Director are authorized to transfer appropriations within any department budget. Interdepartmental or interfund appropriations and deletions are authorized by the City Council with fund contingency reserves or additional revenues.
- 6) Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue, Capital Equipment and Enterprise Funds. The General Fund, Special Revenue Funds and Enterprise Funds all have Council adopted annual budgets.
- 7) Legal debt obligation indentures determine the appropriation level of debt service tax levies for the Debt Service Funds. Supplementary budgets are adopted for the Proprietary Funds to determine and calculate user charges. These debt service and budget amounts represent general obligation bond indenture provisions and net income for operation and capital maintenance and are not reflected in the financial statements.
- 8) A capital improvement program is reviewed annually by the City Council for the Capital Project Funds. However, appropriations for major projects are not adopted until the actual bid award of the improvement. The appropriations are not reflected in the financial statements.
- 9) The legal level of budgetary control is at the department level for the General Fund and the fund level for the Special Revenue Funds. Monitoring of budgets is maintained at the expenditure category level (i.e., personal services; materials and supplies; contractual services; and capital outlay) within each program. All amounts over budget have been approved by the City Council through the disbursement process.
- 10) The City Council may authorize transfer of budgeted amounts between City funds. The City Council made supplemental budgetary appropriations throughout the year. Individual amendments were not material in relation to the original appropriations which were adjusted.

The following is a listing of the General Fund departments and Special Revenue Funds whose expenditures exceed budget appropriations:

	<u>Final Budget</u>	<u>Actual</u>	<u>Over Budget</u>
Major Fund:			
General Fund			
Mayor and council	\$120,143	\$121,514	\$1,371
General management	203,146	203,952	806
General government			
buildings	127,308	145,313	18,005
Protective inspections	164,100	375,139	211,039
DARE program	-	4,800	4,800
Nondepartmental	87,206	88,013	807
Nonmajor Funds:			
Special Revenue Funds:			
Police forfeiture	18,050	22,673	4,623

The over expenditures were funded by available fund balance.

F. CASH AND INVESTMENTS

Cash and investment balances from all funds are pooled and invested to the extent available in authorized investments. Investment income is allocated to individual funds on the basis of the fund's equity in the cash and investment pool.

Investments are stated at fair value except for investments in external investment pools that meet the GASB 79 requirement, which are stated at amortized cost. Investment income is accrued at the balance sheet date.

For purposes of the statement of cash flows, the City considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. All of the cash and investments allocated to the Proprietary Funds have original maturities of 90 days or less. Therefore, the entire balance in the Proprietary Funds is considered cash equivalents.

G. RECEIVABLES

The estimated portion of uncollectible property taxes, special assessments, loans and leases receivable is not material and has not been reported. Because utility bills are considered liens on property, no estimated uncollectible amounts are established. Uncollectible amounts are not material for other receivables and have not been reported.

Lease receivables are measured at the present value of lease payments expected to be received during the lease term. The City may receive additional variable lease payments that are dependent upon the lessee's revenue/the lessee's usage levels. These variable payments are excluded from the lease receivable. A deferred inflow of resources is reported in relation to lease receivables. The deferred inflow of resources is recorded at the commencement of the lease in an amount equal to the initial recording of the lease receivable, and is recognized as revenue over the lease term.

H. PROPERTY TAX REVENUE RECOGNITION

The City Council annually adopts a tax levy and certifies it to the county in December (levy/ assessment date) of each year for collection in the following year. The county is responsible for billing and collecting all property taxes for itself, the City, the local school district and other taxing authorities. Such taxes become a lien on January 1 and are recorded as receivables by the City at that date. Real property taxes are payable (by property owners) on May 15 and October 15 of each calendar year. Personal property taxes are payable by taxpayers on February 28 and June 30 of each year. These taxes are collected by the county and remitted to the City on or before July 7 and December 2 of the same year. Delinquent collections for November and December are received the following January. The City has no ability to enforce payment of property taxes by property owners. The county possesses this authority.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The City recognizes property tax revenue in the period for which the taxes were levied. Uncollectible property taxes are not material and have not been reported.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

The City recognizes property tax revenue when it becomes both measurable and available to finance expenditures of the current period. In practice, current and delinquent taxes and received by the City in July, December and January are recognized as revenue for the current year. Taxes collected by the county by December 31 (remitted to the City the following January) are classified as due from county. Taxes not collected by the county by December 31 are classified as delinquent taxes receivable. The portion of

delinquent taxes not collected by the City in January is fully offset by deferred inflow of resources because they are not available to finance current expenditures.

I. SPECIAL ASSESSMENT REVENUE RECOGNITION

Special assessments are levied against benefited properties for the cost or a portion of the cost of special assessment improvement projects in accordance with state statutes. These assessments are collectible by the City over a term of years usually consistent with the term of the related bond issue. Collection of annual installments (including interest) is handled by the County Auditor in the same manner as property taxes. Property owners are allowed to (and often do) prepay future installments without interest or prepayment penalties.

Once a special assessment roll is adopted, the amount attributed to each parcel is a lien upon that property until full payment is made or the amount is determined to be excessive by the City Council or court action. If special assessments are allowed to go delinquent, the property is subject to tax forfeit sale. Proceeds of sales from tax forfeit properties are allocated first to the county's costs of administering all tax forfeit properties. Pursuant to state statutes, a property shall be subject to a tax forfeit sale after three years unless it is homesteaded, agricultural or seasonal recreational land in which event the property is subject to such sale after five years.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The City recognizes special assessment revenue in the period that the assessment roll was adopted by the City Council. Uncollectible special assessments are not material and have not been reported.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Revenue from special assessments is recognized by the City when it becomes measurable and available to finance expenditures of the current fiscal period. In practice, current and delinquent special assessments received by the City are recognized as revenue for the current year. Special assessments that are collected by the county by December 31 (remitted to the City the following January) are also recognized as revenue for the current year. All remaining delinquent, deferred and special deferred assessments receivable in governmental funds are completely offset by deferred inflow of resources.

J. INVENTORIES

For governmental funds, inventories are valued at cost using the first-in, first-out (FIFO) method. The cost of such inventories are recorded as expenditures when consumed rather than when purchased.

Inventories of the Proprietary Funds are stated at weighted average cost, which approximates market, using the first-in, first-out (FIFO) method.

K. PREPAID ITEMS

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

L. CAPITAL ASSETS

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) and intangible assets such as easements and computer software, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets are depreciated/amortized using the straight-line method over the following estimated useful lives:

Assets	
Buildings and structures	5 – 40 years
Furniture, fixtures and equipment (including software)	3 – 20 years
Distribution and collection systems	20 – 50 years
Streets	20 – 50 years
Storm sewers	25 years
Stormwater treatment systems	25 – 40 years

M. COMPENSATED ABSENCES

It is the City's policy to permit employees to accumulate earned but unused personal leave benefits. All personal leave benefits which are attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts associated with governmental fund employees is reported in the Internal Service Employee Benefit Fund.

N. LONG-TERM OBLIGATIONS

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary funds statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium discount.

In the governmental fund financial statements, governmental funds recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

O. FUND BALANCE CLASSIFICATIONS

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

Nonspendable - consists of amounts that are not in spendable form, such as prepaid items.

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

Committed - consists of internally imposed constraints. These constraints are established by resolution of the City Council.

Assigned - consists of internally imposed constraints. These constraints reflect the specific purpose for which it is the City's intended use. These constraints are established by the City Council and/or management. Pursuant to City Council policy, the City's Finance Director and/or City Manager are authorized to establish assignments of fund balance.

Unassigned - is the residual classification for the general fund and also reflects negative residual amounts in other funds.

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

When committed, assigned or unassigned resources are available for use, it is the City's policy to use resources in the following order: 1) committed, 2) assigned and 3) unassigned.

P. INTERFUND BALANCES AND TRANSACTIONS

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

The City provides temporary advances to funds that have insufficient cash balances by means of an advance from another fund. Such advances are classified as "due to/from other funds." Long-term interfund loans are classified as "interfund loan receivable/payable." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." All other interfund transactions are reported as transfers.

Q. USE OF ESTIMATES

The preparation of financial statements in accordance with generally accepted accounting principles (GAAP) requires management to make estimates that affect amounts reported in the financial statements during the reporting period. Actual results could differ from such estimates.

R. RECLASSIFICATIONS

Certain amounts presented in the prior year data has been reclassified in order to be consistent with the current year's presentation.

S. COMPARATIVE TOTALS

The basic financial statements, required supplementary information, combining and individual fund financial statements and schedules and supplementary financial information include certain prior-year summarized comparative information in total but not at the level of detail required for presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the City's financial statements for the year ended December 31, 2022, from which the summarized information was derived.

T. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to future periods and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The City has two items that qualify for reporting in this category. They are the pension related deferred outflows of resources and the OPEB related deferred outflows of resources reported in the government-wide Statement of Net Position and the proprietary funds Statement of Net Position.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future periods and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has pension and OPEB related deferred inflows of resources reported in the government-wide Statement of Net Position and the proprietary funds Statement of Net Position, and reports deferred inflows of resources related to leases in the government-wide Statement of Net Position and the governmental funds Balance Sheet. The government also has a 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 fund balance sheet. The governmental funds report unavailable revenues from the following sources: property taxes, special assessments, tax increment and intergovernmental revenue.

U. DEFINED BENEFIT PENSION PLANS

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

V. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE GOVERNMENT-WIDE STATEMENT OF NET POSITION

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds”. The details of this (\$24,479,076) difference are as follows:

Bonds payable	(\$23,500,000)
Accrued interest payable	(269,492)
Unamortized bond premium	<u>(709,584)</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities.	<u><u>(\$24,479,076)</u></u>

2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

The governmental fund statement of revenues, expenditures and changes in fund balances includes 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 activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this (\$358,974) difference are as follows:

Capital outlay	\$1,668,764
Construction/acquisition costs	187,332
Capital outlay not capitalized	(15)
Depreciation expense	<u>(2,215,055)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	<u><u>(\$358,974)</u></u>

CITY OF ST. ANTHONY, MINNESOTA
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Another element of that reconciliation states that “revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds”. The details of this (\$314,830) difference are as follows:

Unavailable revenue - general property taxes:	
At December 31, 2022	(\$79,525)
At December 31, 2023	20,167
Unavailable revenue - tax increment taxes:	
At December 31, 2022	(8,060)
At December 31, 2023	10,876
Unavailable revenue - special assessments:	
At December 31, 2022	(1,673,181)
At December 31, 2023	1,429,098
Unavailable revenue - intergovernmental:	
At December 31, 2022	(14,205)
At December 31, 2023	<u>-</u>
Net adjustments to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	<u><u>(\$314,830)</u></u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of principal of the long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.” The details of this \$3,369,626 difference are as follows:

Debt issued or incurred:	
Issuance of general obligation bonds	\$ -
Premium on issued bonds	-
Principal repayments	3,200,000
Change in accrued interest payable	50,941
Amortization of bond premium	<u>118,685</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	<u><u>\$3,369,626</u></u>

Note 2 DEPOSITS AND INVESTMENTS

A. DEPOSITS

In accordance with Minnesota Statutes, the City maintains deposits at those depository banks authorized by the City Council, all of which are members of the Federal Reserve System.

Minnesota Statutes require that insurance, surety bonds or collateral protect all City deposits. The market value of collateral pledged must equal at least 110% of deposits not covered by insurance or bonds. Securities pledged as collateral are required to be held in safekeeping by the City or in a financial institution other than that furnishing the collateral. Minnesota Statute 118A.03 identifies allowable forms of collateral.

Custodial Credit Risk – Deposits: Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. As of December 31, 2023, the bank balance of the City's deposits was covered by federal depository insurance or supplementary collateral.

B. INVESTMENTS

Subject to rating, yield, maturity and issuer requirements as prescribed by statute, Minnesota Statutes 118A.04 and 118A.05 authorize the City to invest in United States securities, state and local securities, commercial paper, time deposits, temporary general obligation bonds, repurchase agreements, Minnesota joint powers investment trusts and guaranteed investment contracts.

As of December 31, 2023, the City had the following investments and maturities:

Investment Type	Rating	Fair Value	Investment Maturities (in Years)			
			Less Than 1	1-5	6-10	10+
Federal Home Loan Bank	AA+	\$3,316,967	\$289,314	\$3,027,653	\$ -	\$ -
Federal Home Loan Mortgage Corporation	AA+	95,010	-	95,010	-	-
Money market funds	AAAm	743,637	743,637	-	-	-
External investment pool - 4M Fund	Not rated	8,747,844	8,747,844	-	-	-
External investment pool - 4M Plus Fund	Not rated	30,124	30,124	-	-	-
External investment pool - 4M Term Series	Not rated	1,300,000	1,300,000	-	-	-
Municipal Securities	AA+, AAA	716,066	198,185	131,388	286,446	100,047
Brokered Certificates of Deposit	Not rated	10,963,761	4,401,380	6,507,080	-	55,301
Total		<u>\$25,913,409</u>	<u>\$15,710,484</u>	<u>\$9,761,131</u>	<u>\$286,446</u>	<u>\$155,348</u>
Total investments		\$25,913,409				
Total deposits		31,363				
Petty cash		5,430				
Total cash and investments		<u>\$25,950,202</u>				

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy has three levels. Level 1 investments are valued using inputs that are based on quoted prices in active markets for identical assets. Level 2 investments are valued using inputs that are based on quoted prices for similar assets or inputs that are observable, either directly or indirectly. Level 3 investments are valued using inputs that are unobservable.

The City has the following recurring fair value measurements as of December 31, 2023:

Investment Type	12/31/2023	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
Investments at fair value:				
Brokered Certificates of Deposit	\$10,963,761	\$ -	\$10,963,761	\$ -
Municipal Securities	716,066	-	716,066	-
Federal Agencies	3,411,977	-	3,411,977	-
Total/Subtotal	15,091,804	<u>\$0</u>	<u>\$15,091,804</u>	<u>\$0</u>
Investments not categorized:				
External investment pool - 4M, 4M Plus	10,077,968			
Money market funds	743,637			
Total	<u>\$25,913,409</u>			

The City's external investment pool investment is with the 4M fund which is regulated by Minnesota Statutes and the Board of Directors of the League of Minnesota Cities. The 4M fund is an unrated pool and the fair value of the position in the pool is the same as the value of pool shares. The pool is managed to maintain a portfolio weighted average maturity of no greater than 60 days and seeks to maintain a constant net asset value (NAV) per share of \$1. The pool measures its investments at amortized cost in accordance with Government Accounting Standards Board Statement No. 79.

The 4M Liquid Asset Fund has no redemption requirements. The 4M Plus Fund requires funds to be deposited for a minimum of 14 calendar days. Withdrawals prior to the 14-day restriction period are subject to a penalty equal to 7 days interest on the amount withdrawn. The 4M Term Series investments are designed to be held to maturity. Withdrawal prior to maturity requires 7 days notice of redemption and is subject to penalties.

C. INVESTMENT RISKS

Custodial credit risk – investments – For investments in securities, custodial credit risk is the risk that in the event of failure of the counterparty to a transaction, the City will not be able to recover the value of its investment securities that are in the possession of an outside party. Investments in investment pools and money markets are not evidenced by securities that exist in physical or book entry form, and therefore are not subject to custodial credit risk disclosures. The City's investment policy does not address custodial risk. However, investments in securities are held by the City's broker-dealers of which \$500,000 is insured through SIPC. The broker-dealer has provided additional protection by providing additional insurance. This insurance is subject to aggregate limits applied to all of the broker-dealers' accounts.

Interest rate risk – Interest rate risk is the risk that changes in interest rates of debt investments could adversely affect the fair value of an investment. The City's investment policy requires the City to diversify its investment portfolio to eliminate the risk of loss resulting from over concentration of assets in a specific maturity. The policy also states the City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.

Credit risk – Credit risk is the risk that an issuer or other counterparty to an investment will be unable to fulfill its obligation to the holder of the investment. State law limits investments in commercial paper to those rated in the highest quality category by at least two nationally recognized rating agencies; in any security of the State of Minnesota or any of its municipalities which is rated "A" or better by a national bond rating service for general obligation and rated "AA" or better for a revenue obligation; a general obligation of the Minnesota Housing Finance Agency to those rated "A" or better by a national bond rating agency; mutual funds or money market funds whose investments are restricted to securities described in MS 118A.04. The City's investment policy does not place further restrictions on investment options.

CITY OF ST. ANTHONY, MINNESOTA
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Concentration of credit risk – Concentration of credit risk is the risk of loss that may be attributed to the magnitude of a government’s investment in a single issuer. The City places no limit on the amount the City may invest in any one issuer. As of December 31, 2023, the following investments subject to concentration of credit risk disclosures were greater than 5% of total investments held by the City:

- Federal Home Loan Bank – 12.8%

Note 3 RECEIVABLES

Significant receivables balances not expected to be collected within one year of December 31, 2023 are as follows:

	Major Funds					
			Street			
	General	Community Center	Improvement Debt Service	HRA TIF Improvements	Nonmajor Funds	Total
Special assessments receivable	\$6,158	\$ -	\$1,198,147	\$ -	\$7,879	\$1,212,184
Delinquent property taxes	8,000	-	1,900	-	2,300	12,200
Delinquent tax increment	-	8,000	-	6,600	-	14,600
Lease receivable	1,164,060	590,360	-	-	-	1,754,420
	<u>\$1,178,218</u>	<u>\$598,360</u>	<u>\$1,200,047</u>	<u>\$6,600</u>	<u>\$10,179</u>	<u>\$2,993,404</u>

LEASE RECEIVABLES

The City leases a portion of its water tower for two cellular tower antenna sites. The leases each contain an initial noncancelable period of 5 years, with four renewal periods of 5 years each at the lessee’s option. Options on the first lease extend through 2038. Options on the second lease extend through 2047. The City considers the likelihood of these options being exercised to be greater than 50%. The agreements call for monthly lease payments of \$2,534 - \$4,066, with increases of 2.5% - 3.0% per year. The lease receivable is measured at the present value of future minimum lease payments expected to be received during the lease term.

The City leases space within its City Hall to the school district. The lease is non-cancellable through 2029. The agreement calls for monthly lease payments of \$10,608. The lease receivable is measured at the present value of future minimum lease payments expected to be received during the lease term.

At December 31, 2023, the City recorded \$1,893,254 in lease receivables and deferred inflows of resources for these arrangements.

	2023
Amortization of lease-related deferred inflows:	
Antenna leases	\$28,340
Community Space leases	104,642
Total revenue recognized in relation to deferred inflow amortization	132,982
Interest revenue	58,420
Total revenue recognized in relation to leased assets	<u>\$191,402</u>

Note 4 UNAVAILABLE REVENUES

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of unavailable revenue reported in the governmental funds were as follows:

	Property Taxes	Special Assessments	Tax Increment	Total
Major Funds:				
General Fund	\$13,183	\$6,285	\$ -	19,468
Street Improvement Debt Service	3,112	1,375,486	-	1,378,598
HRA TIF Improvements	-	-	10,876	10,876
Street Improvement Project	-	36,610	-	36,610
Nonmajor Funds	3,872	10,717	-	14,589
Total unavailable revenue	<u>\$20,167</u>	<u>\$1,429,098</u>	<u>\$10,876</u>	<u>\$1,460,141</u>

Note 5 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$1,062,883	\$ -	\$ -	\$1,062,883
Permanent easements	73,984	-	-	73,984
Construction in progress	4,732,425	284,296	4,820,778	195,943
Total capital assets, not being depreciated	5,869,292	284,296	4,820,778	1,332,810
Capital assets, being depreciated:				
Buildings and improvements	10,571,734	165,203	-	10,736,937
Land improvements	584,800	53,231	-	638,031
Furniture, fixtures and equipment	4,928,320	1,598,241	403,552	6,123,009
Streets	43,420,367	3,143,664	-	46,564,031
Storm sewers	428,469	-	-	428,469
Intangible assets	56,823	15,294	-	72,117
Total capital assets, being depreciated	59,990,513	4,975,633	403,552	64,562,594
Less accumulated depreciation for:				
Buildings and improvements	6,242,721	335,339	-	6,578,060
Land improvements	464,526	9,270	-	473,796
Furniture, fixtures and equipment	3,344,160	246,828	403,552	3,187,436
Streets	22,112,865	1,615,534	-	23,728,399
Storm sewers	241,827	-	-	241,827
Intangible assets	29,587	8,084	-	37,671
Total accumulated depreciation	32,435,686	2,215,055	403,552	34,247,189
Total capital assets being depreciated - net	27,554,827	2,760,578	-	30,315,405
Governmental activities capital assets - net	\$33,424,119	\$3,044,874	\$4,820,778	\$31,648,215

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	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$2,089,954	\$ -	\$ -	\$2,089,954
Permanent easements	57,695	-	-	57,695
Total capital assets, not being depreciated	2,147,649	-	-	2,147,649
Capital assets, being depreciated:				
Buildings and structures	8,985,360	26,443	-	9,011,803
Land improvements	1,062,122	-	-	1,062,122
Furniture, fixtures and equipment	5,459,355	14,294	-	5,473,649
Software and intangibles	62,894	-	-	62,894
Stormwater	7,810,879	372,045	-	8,182,924
Distribution and collection system	12,981,818	1,004,148	-	13,985,966
Total capital assets, being depreciated	36,362,428	1,416,930	-	37,779,358
Less accumulated depreciation for:				
Buildings and structures	3,263,465	230,677	-	3,494,142
Land improvements	163,846	43,891	-	207,737
Furniture, fixtures and equipment	1,703,509	224,238	-	1,927,747
Software and intangibles	26,022	10,534	-	36,556
Stormwater	1,055,913	89,349	-	1,145,262
Distribution and collection system	7,157,865	489,304	-	7,647,169
Total accumulated depreciation	13,370,620	1,087,993	-	14,458,613
Total capital assets being depreciated - net	22,991,808	328,937	-	23,320,745
Business-type activities capital assets - net	\$25,139,457	\$328,937	\$ -	\$25,468,394

CITY OF ST. ANTHONY, MINNESOTA
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Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$125,216
Public safety	224,774
Public works, including depreciation of general infrastructure assets	1,843,395
Parks and recreation	21,670
Total depreciation expense - governmental activities	<u>2,215,055</u>
Business-type activities:	
Liquor	80,143
Water/Sewer/Water Plant	688,452
Stormwater	319,398
Total depreciation expense - business-type activities	<u>1,087,993</u>
Total depreciation expense	<u><u>\$3,303,048</u></u>

Note 6 LONG-TERM DEBT

The City issues general obligation bonds to finance its street improvement program, tax increment projects and other City purposes. General obligation bonds are direct obligations of the City and are supported by the full faith and credit of the City. The City has several types of general obligation bonds outstanding at December 31, 2023. Following is a brief description of the different bond types:

- Improvement bonds are issued to finance street improvement projects. These bonds are payable primarily from special assessments levied on benefited properties. The costs of these projects are shared by the City; general property taxes levied provide the revenues for these costs.
- Tax increment bonds were used to finance redevelopment projects and are payable primarily from incremental property taxes derived from the tax increment districts with any deficiency to be provided from general property taxes.
- Tax abatement bonds were issued to finance a portion of park, sidewalk, and traffic signal improvements, and are payable from a special general property tax levy.
- Certificates of indebtedness issued to finance various equipment acquisitions are payable from a special general property tax levy.
- Revenue bonds are issued to finance business-type activities. These bonds are Utility Revenue Bonds. The liability for these bonds is recorded in the Proprietary Funds.

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As of December 31, 2023, the long-term debt of the City consisted of the following:

	Interest Rates	Issue Date	Maturity Date	Original Issue	Payable 12/31/2023
<u>Governmental Activities:</u>					
G.O. Improvement Bonds:					
G.O. Improvement Bonds, Series 2012A	2.00-2.75%	4/25/2012	2/1/2028	\$5,440,000	\$810,000
G.O. Improvement Bonds, Series 2014A	2.00-3.00%	4/10/2014	2/1/2030	2,070,000	1,030,000
G.O. Improvement Bonds, Series 2015A	2.00-3.00%	5/19/2015	2/1/2031	2,580,000	1,450,000
G.O. Improvement Bonds, Series 2016A	2.00-2.75%	6/2/2016	2/1/2032	1,455,000	915,000
G.O. Improvement Refunding Bonds, Series 2017A	3.00%	5/18/2017	2/1/2033	1,355,000	370,000
G.O. Improvement Bonds, Series 2017A	3.00%	5/18/2017	2/1/2033	2,600,000	1,835,000
G.O. Improvement Bonds, Series 2018A	3.00-4.00%	5/15/2018	2/1/2034	2,610,000	2,005,000
G.O. Improvement Refunding Bonds, Series 2019A	2.25-4.00%	7/18/2019	2/1/2027	3,315,000	765,000
G.O. Improvement Bonds, Series 2020A	2.00-3.00%	5/19/2020	2/1/2036	3,000,000	2,675,000
G.O. Improvement Refunding Bonds, Series 2021A	2.00%	5/18/2021	2/1/2029	885,000	670,000
G.O. Improvement Bonds, Series 2021A	1.10-2.00%	5/18/2021	2/1/2037	2,085,000	1,935,000
G.O. Improvement Bonds, Series 2022A	3-3.25%	5/26/2022	2/1/2038	2,385,000	2,385,000
Total improvement bonds				<u>29,780,000</u>	<u>16,845,000</u>
G.O. Tax Increment Revenue Bonds:					
G.O. Tax Increment Refunding Bonds, Series 2014B	2.00-3.50%	7/24/2014	2/1/2031	3,665,000	1,995,000
G.O. Tax Increment Refunding Bonds, Series 2015B	2.00-3.00%	12/29/2015	2/1/2031	4,310,000	2,380,000
Total tax increment revenue bonds				<u>7,975,000</u>	<u>4,375,000</u>
G.O. Tax Abatement Bonds:					
G.O. Tax Abatement Bonds, Series 2016B	2.00%	6/2/2016	2/1/2026	1,445,000	280,000
G.O. Tax Abatement Refunding Bonds, Series 2017A	3.00%	5/18/2017	2/1/2025	835,000	235,000
G.O. Tax Abatement Refunding Bonds, Series 2019A	3.00-4.00%	7/18/2019	2/1/2035	1,145,000	960,000
Total tax abatement bonds				<u>3,425,000</u>	<u>1,475,000</u>
G.O. Lease Revenue Refunding Bonds:					
G.O. Lease Revenue Refunding Bonds, Series 2012A	2.00-2.75%	4/25/2012	2/1/2024	3,995,000	395,000
Other G.O. Bonds:					
G.O. Street Reconstruction Bonds, Series 2014C	2.00-3.00%	7/24/2014	2/1/2024	1,305,000	160,000
G.O. Equipment Certificate, Series 2017A	3.00%	5/18/2017	2/1/2027	520,000	250,000
Total other G.O. bonds				<u>1,825,000</u>	<u>410,000</u>
Unamortized bond premiums				<u>N/A</u>	<u>709,584</u>
Total - bonded indebtedness				<u>47,000,000</u>	<u>24,209,584</u>
Compensated absences payable				<u>N/A</u>	<u>554,448</u>
Total - governmental activities				<u>47,000,000</u>	<u>24,764,032</u>
<u>Business-type activities</u>					
Revenue Bonds:					
G.O. Water and Sewer Revenue Refunding Bonds, Series 2013A	2.00%	4/16/2013	2/1/2024	1,440,000	155,000
Unamortized bond premiums				<u>N/A</u>	<u>376</u>
Total - bonded indebtedness				<u>1,440,000</u>	<u>155,376</u>
Compensated absences				<u>N/A</u>	<u>160,305</u>
Total City indebtedness - business-type activities				<u>1,440,000</u>	<u>315,681</u>
Total City indebtedness				<u>\$48,440,000</u>	<u>\$25,079,713</u>

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

Year Ending December 31	Governmental Activities			
	G.O. Improvement Bonds		G.O. Tax Increment Bonds	
	Principal	Interest	Principal	Interest
2024	\$1,860,000	\$433,308	\$510,000	\$122,062
2025	1,900,000	378,316	530,000	109,313
2026	1,750,000	325,349	555,000	95,700
2027	1,680,000	276,672	580,000	80,081
2028	1,595,000	231,990	605,000	62,975
2029	1,460,000	190,495	635,000	43,787
2030	1,370,000	151,867	655,000	23,025
2031	1,235,000	117,379	305,000	4,876
2032	1,070,000	87,861	-	-
2033	900,000	62,240	-	-
2034	665,000	41,934	-	-
2035	470,000	28,138	-	-
2036	475,000	17,298	-	-
2037	255,000	8,519	-	-
2038	160,000	2,600	-	-
Total	<u>\$16,845,000</u>	<u>\$2,353,966</u>	<u>\$4,375,000</u>	<u>\$541,819</u>

Year Ending December 31	Governmental Activities					
	G.O. Tax Abatement Bonds		G.O. Lease Revenue Bonds		Other General Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$275,000	\$40,275	\$395,000	\$4,542	\$220,000	\$9,000
2025	285,000	32,150	-	-	60,000	4,800
2026	160,000	25,700	-	-	65,000	2,925
2027	75,000	21,900	-	-	65,000	975
2028	75,000	19,275	-	-	-	-
2029	80,000	16,950	-	-	-	-
2030	80,000	14,550	-	-	-	-
2031	85,000	12,075	-	-	-	-
2032	85,000	9,525	-	-	-	-
2033	90,000	6,900	-	-	-	-
2034	90,000	4,200	-	-	-	-
2035	95,000	1,425	-	-	-	-
Total	<u>\$1,475,000</u>	<u>\$204,925</u>	<u>\$395,000</u>	<u>\$4,542</u>	<u>\$410,000</u>	<u>\$17,700</u>

Year Ending December 31	Business-Type Activities	
	Revenue Bonds	
	Principal	Interest
2024	<u>\$155,000</u>	<u>\$1,550</u>

CITY OF ST. ANTHONY, MINNESOTA
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It is not practicable to determine the specific year for payment of long-term accrued compensated absences.

CHANGE IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
G.O. improvement bonds	\$18,520,000	\$ -	\$1,675,000	\$16,845,000	\$1,860,000
G.O. tax increment refunding bonds	4,870,000	-	495,000	4,375,000	510,000
G.O. tax abatement bonds	1,740,000	-	265,000	1,475,000	275,000
G.O. lease revenue refunding bonds	780,000	-	385,000	395,000	395,000
G.O. refunding bonds	170,000	-	170,000	-	-
G.O. street reconstruction bonds	315,000	-	155,000	160,000	160,000
G.O. equipment certificates	305,000	-	55,000	250,000	60,000
Total bonds payable	26,700,000	-	3,200,000	23,500,000	3,260,000
Unamortized bond premiums	828,269	-	118,685	709,584	-
Total bonded indebtedness	27,528,269	-	3,318,685	24,209,584	3,260,000
Compensated absences*	612,629	-	58,181	554,448	182,968
Total governmental activities	<u>\$28,140,898</u>	<u>\$ -</u>	<u>\$3,376,866</u>	<u>\$24,764,032</u>	<u>\$3,442,968</u>
Business-type activities:					
Revenue bonds	\$300,000	\$ -	\$145,000	\$155,000	\$155,000
Unamortized bond premiums	4,884	-	4,508	376	376
Total bonded indebtedness	304,884	-	149,508	155,376	155,376
Compensated absences*	176,092	-	15,787	160,305	52,901
Total business-type activities	<u>\$480,976</u>	<u>\$ -</u>	<u>\$165,295</u>	<u>\$315,681</u>	<u>\$208,277</u>

*The change in compensated absences is presented as a net change.

All long-term bonded indebtedness outstanding at December 31, 2023 is backed by the full faith and credit of the City, including improvement and revenue bond issues. Delinquent assessments receivable at December 31, 2023 totaled \$2,915.

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PLEDGED REVENUE

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

Bond Issue	Use of Proceeds	Revenue Pledged				Remaining Principal and Interest	Current Year	
		Type	Percent of Total Debt Service	Debt service as a % of Net Revenues	Term of Pledge		Principal and Interest Paid	Pledged Revenue Received
2022A Road Improvements	2022 road construction 2022 Mill & Overlay	Special assessments Property tax levy	13% 87%	N/A	2022-2038	2,942,921	86,473	266,222
2021A Road Improvements	2021 road construction 2021 Mill & Overlay	Special assessments Property tax levy	17% 83%	N/A	2021-2037	2,130,205	185,010	198,931
2021A Refunding of 2013B Road Improvements	2013 road construction	Special assessments Property tax levy	17% 83%	N/A	2013 - 2029	710,500	119,450	89,184
2020A Street Reconstruction	2020 road construction	Special assessments Property tax levy	4% 96%	N/A	2020-2036	3,075,175	242,475	200,908
2019A Improvement Refunding	Refunding of 2010A road reconstruction	Special assessments Property tax levy	N/A	N/A	2019-2026	821,300	234,600	220,832
2019A Tax Abatement	2019 Utility improvements, trails	Tax abatement revenue	100%	N/A	2019-2035	1,149,500	97,900	81,630
2018A Improvement	2018 road construction	Special assessments Property tax levy	30% 70%	N/A	2018-2034	2,375,437	225,175	168,118
2017A Improvements Refunding	Refunding of 2009A road reconstruction	Special assessments Property tax levy	5% 95%	N/A	2017-2025	381,100	193,800	194,524
2017A Tax Abatement Refunding	Refunding of 2009A Emerald Park improvements	Tax abatement revenue	100%	N/A	2017-2025	242,125	118,700	68,428
2017A Improvement	2017 road reconstruction	Special assessments Property tax levy	17% 83%	N/A	2017 - 2033	2,122,300	217,450	222,107
2017A Equipment Certificate	2017 Equipment note	Property tax levy	100%	N/A	2017 - 2033	265,300	63,325	338,954
2016A Improvement	2016 road reconstruction	Special assessments Property tax levy	52% 48%	N/A	2016 - 2032	1,015,519	116,388	83,672
2016B Tax Abatement	Mirror Lake improvements and pedestrian safety improvements	Tax abatement revenue	100%	N/A	2016 - 2026	288,300	96,500	105,898
2015A Road Improvements	2015 road construction	Special assessments Property tax levy	19% 81%	N/A	2015-2031	1,612,356	208,613	178,238
2015B Tax Increment	Refunding 2006B TIF Bonds	Tax Increment	100%	N/A	2015-2031	2,665,981	337,613	#####
2014A Improvement	2014 road construction	Special assessments Property tax levy	18% 82%	N/A	2014 - 2030	1,147,128	168,870	167,781
2014B Tax Increment	Refunding 2007 TIF Bonds	Tax Increment	100%	N/A	2015 -2031	2,250,838	291,800	890,334
2014C Road Improvements	Refunding of 2008A Sikver Lake Road improvements	Property tax levy	100%	N/A	2014 - 2024	162,400	162,125	103,497
2013A G.O. Water/Sewer Revenue Refunding	Refunding 2003B G.O. Water/Sewer Revenue Bonds	Charges for services	100%	5%	2013-2024	156,550	149,550	2,953,454
2012A Road Improvements	2012 road construction Refunding Road improvement Bonds 2006A,2007A	Special assessments Property tax levy	13% 87%	N/A	2012 - 2028	865,021	344,458	130,125
2012A Lease Revenue	2012 building improvements Refunding Lease Revenue Bonds 2003A	Property tax levy	100%	N/A	2012 - 2024	399,543	398,320	325,183

Note 7 DEFINED BENEFIT PENSION PLANS – CITY

A. PLAN DESCRIPTION

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

1. General Employees Retirement Fund (GERF)

All full-time (with the exception of employees covered by PEPFF) and certain part-time employees of the City are covered by the General Employees Retirement Fund (GERF). GERF members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

2. Public Employees Police and Fire Fund (PEPFF)

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

B. BENEFITS PROVIDED

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

1. GERF Benefits

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

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1% and a maximum of 1.5%. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. For recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. In 2023, legislation repealed the statute delaying increases for members retiring before full retirement age.

2. PEPFF Benefits

Benefits for the PEPFF members first hired after June 30, 2010 but before July 1, 2014 vest on a prorated basis from 50% after five years up to 100% after ten years of credited service. Benefits for PEPFF members first hired after June 30, 2014 vest on a prorated basis from 50% after ten years up to 100% after twenty years of credited service. The annuity accrual rate is 3% of average salary for each year of service. For PEPFF members who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equal at least 90.

Benefit increases are provided to benefit recipients each January. The postretirement increase is fixed at 1%. Recipients that have been receiving the annuity or benefit for at least 36 months as of the June 30 before the effective date of the increase will receive the full increase. For recipients receiving the annuity or benefit for at least 25 months but less than 36 months as of the June 30 before the effective date of the increase will receive a reduced prorated increase.

C. CONTRIBUTIONS

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the state legislature.

1. GERS Contributions

Coordinated Plan members were required to contribute 6.5% of their annual covered salary in fiscal year 2023 and the City was required to contribute 7.5% for Coordinated Plan members. The City's contributions to the GERS for the year ended December 31, 2023 were \$209,206. The City's contributions were equal to the required contributions as set by state statute.

2. PEPFF Contributions

Police and Fire Plan members were required to contribute 11.80% of their annual covered salary in fiscal year 2023 and the City was required to contribute 17.70% for Police and Fire Plan members. The City's contributions to the PEPFF for the year ended December 31, 2023 were \$532,143. The City's contributions were equal to the required contributions as set by state statute.

D. PENSION COSTS

1. GERS Pension Costs

At December 31, 2023, the City reported a liability of \$1,906,834 for its proportionate share of GERS's net pension liability. The City's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$52,505.

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2022 through June 30, 2023, relative to the total employer contributions received from all of PERA's participating employers. The

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City's proportionate share was 0.0341% at the end of the measurement period and 0.0334% for the beginning of the period.

City's proportionate share of the net pension liability	\$1,906,834
State of Minnesota's proportionate share of the net pension liability associated with the City	<u>52,505</u>
Total	<u>\$1,959,339</u>

For the year ended December 31, 2023, the City recognized pension expense of \$297,401 for its proportionate share of the GERS's pension expense. In addition, the City recognized an additional \$236 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the GERS.

At December 31, 2023, the City reported its proportionate share of the GERS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$62,621	\$13,271
Changes in actuarial assumptions	311,732	522,647
Net difference between projected and actual investment earnings	-	74,954
Changes in proportion	36,015	12,834
Contributions paid to PERA subsequent to the measurement date	<u>105,488</u>	<u>-</u>
Total	<u>\$515,856</u>	<u>\$623,706</u>

The \$105,488 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31	Pension Expense
2024	\$49,323
2025	(274,451)
2026	53,156
2027	(41,366)
2028	-
Thereafter	-

2. PEPFF Pension Costs

At December 31, 2023, the City reported a liability of \$3,951,079 for its proportionate share of the PEPFF's net pension liability. The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2022 through June 30, 2023, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.2288% at the end of the measurement period and 0.2348% for the beginning of the period.

The State of Minnesota contributed \$18 million to PEPFF during the plan fiscal year ended June 30, 2023. The contribution consisted of \$9 million in direct state aid that meets the definition of a special funding situation and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. The \$9 million direct state aid was paid on October 1, 2022. Thereafter, by October 1 of each year, the state will pay \$9 million to the PEPFF until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid will continue until the fund is 90% funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90% funded, whichever occurs later. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$159,208.

City's proportionate share of the net pension liability	\$3,951,079
State of Minnesota's proportionate share of the net pension liability associated with the City	<u>159,208</u>
Total	<u><u>\$4,110,287</u></u>

The State of Minnesota is included as a non-employer contributing entity in the PEPFF Schedule of Employer Allocations and Schedule of Pension Amounts by Employer, Current Reporting Period Only (pension allocation schedules) for the \$9 million in direct state aid. PEPFF employers need to recognize their proportionate share of the State of Minnesota's pension expense (and grant revenue) under GASB 68 special funding situation accounting and financial reporting requirements. For the year ended December 31, 2023, the City recognized pension expense of \$938,001 for its proportionate share of the Police and Fire Plan's pension expense. The City recognized an additional (\$9,589) as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$9 million to the PEPFF.

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$9 million in supplemental state aid. The City recognized \$20,592 for the year ended December 31, 2023, as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.

At December 31, 2023, the City reported its proportionate share of the PEPFF's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$1,087,774	\$ -
Changes in actuarial assumptions	4,574,695	5,554,548
Net difference between projected and actual investment earnings	-	177,404
Changes in proportion	12,736	129,133
Contributions paid to PERA subsequent to the measurement date	269,671	-
Total	<u>\$5,944,876</u>	<u>\$5,861,085</u>

The \$269,671 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31	Pension Expense
2024	\$139,763
2025	16,414
2026	938,268
2027	(286,086)
2028	(994,239)
Thereafter	5

The net pension liability will be liquidated by the Employee Benefit Internal Service Fund.

E. ACTUARIAL ASSUMPTIONS

The total pension liability in the June 30, 2023 actuarial valuation was determined using an individual entry-age normal actuarial cost method and the following actuarial assumptions:

Inflation	2.25% per year
Investment Rate of Return	7.00%

The long-term investment rate of return is based on a review of inflation and investment return assumptions from a number of national investment consulting firms. The review provided a range of investment return rates deemed to be reasonable by the actuary. An investment return of 7.00% was deemed to be within that range of reasonableness for financial reporting purposes.

Benefit increases after retirement are assumed to be 1.25% for the GERF and 1.00% for the PEPFF.

Salary growth assumptions in the GERS range in annual increments from 10.25% after one year of service to 3.0% after 27 years of service. In the PEPFF, salary growth assumptions range from 11.75% after one year of service to 3.0% after 24 years of service.

Mortality rates for GERS were based on the Pub-2010 General Employee Mortality Table. Mortality rates for PEPFF were based on the Pub-2010 Public Safety Employee Mortality tables. The tables are adjusted slightly to fit PERA's experience.

Actuarial assumptions for GERS are reviewed every four years. The most recent four-year experience study for GERS was completed in 2022. The assumption changes were adopted by the Board and become effective with the July 1, 2023 actuarial valuation. The most recent four-year experience study for PEPFF was completed in 2020 and adopted by the Board and became effective with the July 1, 2021 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2023:

General Employees Fund

Changes in Actuarial Assumptions:

- The investment return assumption and single discount rate were changed from 6.50% to 7.00%.

Changes in Plan Provisions:

- An additional one-time direct state aid contribution of \$170.1 million was contributed to the Plan on October 1, 2023.
- The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service.
- The benefit increase delay for early retirements on or after January 1, 2024, was eliminated.
- A one-time, non-compounding benefit increase of 2.50% minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

Police and Fire Fund

Changes in Actuarial Assumptions:

- The investment return assumption was changed from 6.50% to 7.00%.
- The single discount rate changed from 5.40% to 7.00%.

Changes in Plan Provisions:

- An additional one-time direct state aid contribution of \$19.4 million was contributed to the Plan on October 1, 2023.
- Vesting requirement for new hires after June 30, 2014, was changed from a graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50% vesting after five years, increasing incrementally to 100% after 10 years.
- A one-time, non-compounding benefit increase of 3.00% will be payable in a lump sum for calendar year 2024 by March 31, 2024.
- Psychological treatment is required effective July 1, 2023, prior to approval for a duty disability benefit for a psychological condition relating to the member's occupation.
- The total and permanent duty disability benefit was increased, effective July 1, 2023.

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

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	33.5%	5.10%
International equity	16.5%	5.30%
Bonds	25%	0.75%
Unallocated cash	25%	5.90%
Total	100%	

F. DISCOUNT RATE

The discount rate used to measure the total pension liability in 2023 was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the GERP and PEPFF were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

G. PENSION LIABILITY SENSITIVITY

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

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
Proportionate share of the GERP net pension liability	\$3,373,342	\$1,906,834	\$700,575
Proportionate share of the PEPFF net pension liability	\$7,839,411	\$3,951,079	\$754,349

H. PENSION PLAN FIDUCIARY NET POSITION

Detailed information about each pension plan's fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained at www.mnpera.org.

I. PENSION EXPENSE

Pension expense recognized by the City for the year ended December 31, 2023 is as follows:

GERF	\$297,637
PEPFF	928,412
Fire Relief	<u>72,289</u>
Total	<u><u>\$1,298,338</u></u>

Note 8 DEFINED BENEFIT PENSION PLAN – FIRE DEPARTMENT

A. PLAN DESCRIPTION

The City's Fire Department participates in the Statewide Volunteer Firefighter Retirement Plan (SVF), an agent multiple-employer lump-sum defined benefit pension plan administered by the Public Employees Retirement Association of Minnesota (PERA). The SVF plan covers volunteer firefighters of municipal fire departments or independent nonprofit firefighting corporations that have elected to join the plan. As of December 31, 2022 (measurement date), the plan covered 23 active firefighters and 10 vested terminated firefighters whose pension benefits are deferred. The plan is established and administered in accordance with Minnesota Statutes, Chapter 353G.

B. BENEFITS PROVIDED

The SVF provides lump-sum retirement, death, and supplemental benefits to covered firefighters and survivors. Benefits are paid based on the number of years of service multiplied by a benefit level approved by the City. Members are eligible for a lump-sum retirement benefit at 50 years of age with five years of service. Plan provisions include a pro-rated vesting schedule that increases from 5 years at 40 percent through 20 years at 100 percent.

C. CONTRIBUTIONS

The SVF is funded by fire state aid, investment earnings and, if necessary, employer contributions as specified in Minnesota statutes, and voluntary City contributions. The State of Minnesota contributed \$72,289 in fire state aid to the plan for the year ended December 31, 2023. Required employer contributions are calculated annually based on statutory provisions. The City was not statutorily required to make any contributions to the SVF plan for the year ended December 31, 2023. The City's contributions were equal to the required contributions as set by state statute, if applicable. In addition, the City made voluntary contributions of \$12,000 to the plan.

D. PENSION COSTS

At December 31, 2023, the City reported a net pension asset of \$397,881 for the SVF plan. The total pension liability used to calculate the net pension asset in accordance with GASB 68 was determined by PERA applying an actuarial formula to specific census data certified by the fire department. The net pension asset was measured as of December 31, 2022. Previously, the City's fiscal year-end and the measurement date were the same. However current year SVF plan information from PERA is not available.

The effect of re-reporting SVF plan information is not considered material to the financial statements. The following table presents the changes in net pension asset during the year.

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Asset
	(a)	(b)	(b) - (a)
Balance at December 31, 2021	\$787,316	\$1,373,737	\$586,421
Changes for the year:			
Service cost	33,436	-	(33,436)
Interest	49,245	-	(49,245)
Differences between expected and actual experience	(32,532)	-	32,532
Changes of assumptions	-	-	-
Changes in benefit terms	-	-	-
Contributions - employer	-	-	-
Contributions - State of MN	-	67,800	67,800
Contributions - employee	-	-	-
Net investment income	-	(205,177)	(205,177)
Benefit payments	-	-	-
Administrative expense	-	(1,014)	(1,014)
Net changes	50,149	(138,391)	(188,540)
Balance at December 31, 2022	\$837,465	\$1,235,346	\$397,881

There were no benefit provision changes during the measurement period.

For the year ended December 31, 2023, the City recognized pension expense of \$72,289.

At December 31, 2023, the City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$133,883
Changes of assumptions	10,497	9,881
Net differences between projected and actual investment earnings	156,800	-
Contributions paid subsequent to the measurement date	12,000	-
Total	\$179,297	\$143,764

The \$12,000 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an increase to the net pension asset in the year ending December 31, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31	Pension Expense
2024	(\$16,487)
2025	(6,994)
2026	19,405
2027	42,515
2028	(8,656)
Thereafter	(6,250)

E. ACTUARIAL ASSUMPTIONS

The total pension liability, which was measured as of December 31, 2022 was determined using the entry age normal actuarial cost method and the following actuarial assumptions:

- Retirement eligibility at the later of age 50 or 20 years of service
- Investment rate of return of 6.0%
- Inflation rate of 3.0%

There were no changes in actuarial assumptions during 2022

F. DISCOUNT RATE

The discount rate used to measure the total pension liability was 6.0%. The projection of cash flows used to determine the discount rate assumed that contributions to the SVF plan will be made as specified in statute. Based on that assumption and considering the funding ratio of the plan, the fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

G. PENSION LIABILITY SENSITIVITY

The following presents the City's net pension asset for the SVF plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's net pension asset would be if it were calculated using a discount rate 1% lower or 1% higher than the current discount rate:

	1% Decrease (5.0%)	Current Discount Rate (6.0%)	1% Increase (7.0%)
Net pension asset	\$372,333	\$397,881	\$421,379

H. PLAN INVESTMENTS

1. Investment Policy

The Minnesota State Board of Investment (SBI) is established by Article XI of the Minnesota Constitution to invest all state funds. Its membership as specified in the Constitution is comprised of the Governor (who is designated as chair of the Board), State Auditor, Secretary of State and State Attorney General.

All investments undertaken by the SBI are governed by the prudent person rule and other standards codified in *Minnesota Statutes*, Chapter 11A and Chapter 353G.

Within the requirements defined by state law, the SBI, with assistance of the SBI staff and the Investment Advisory Council, establishes investment policies for all funds under its control. These investment policies are tailored to the particular needs of each fund and specify investment objectives, risk tolerance, asset allocation, investment management structure and specific performance standards. Studies guide the on-going management of the funds and are updated periodically.

2. Asset Allocation

To match the long-term nature of the pension obligations, the SBI maintains a strategic asset allocation for the SVF that includes allocations to domestic equity, international equity, bonds and cash equivalents. The long-term target asset allocation and long-term expected real rate of return is the following:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	33.5%	5.10%
International equity	16.5%	5.30%
Bonds	25%	0.75%
Unallocated cash	25%	5.90%
Total	100%	

The 6% long-term expected rate of return on pension plan investments was determined using a building-block method. Best estimates for expected future real rates of return (expected returns, net of inflation) were developed for each asset class using both long-term historical returns and long-term capital market expectations from a number of investment management and consulting organizations. The asset class estimates and the target allocations were then combined to produce a geometric, long-term expected real rate of return for the portfolio. Inflation expectations were applied to derive the nominal rate of return for the portfolio.

3. Description of Significant Investment Policy Changes During the Year

The SBI made no significant changes to their investment policy during fiscal year 2022 for the Volunteer Firefighter Fund.

I. PENSION PLAN FIDUCIARY NET POSITION

Detailed information about the SVF plan's fiduciary net position at December 31, 2022 is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained at www.mnpera.org.

Note 9 POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

A. PLAN DESCRIPTION

The City provides post-employment health care benefits, as defined in paragraph B, through its group health insurance plan (the plan). The plan is a single-employer defined benefit OPEB plan administered by the City. The authority to provide these benefits is established in Minnesota Statutes Sections 471.61 Subd. 2a and 299A.465. The benefits, benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and collective bargaining agreements with employee groups. OPEB is funded on a pay-as-you go basis. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The plan does not issue a stand-alone financial report.

B. BENEFITS PROVIDED

The City is required by state statute to allow retirees to continue participation in the City's group health insurance plan if the individual terminates service with the City through service retirement or disability retirement. Active employees, who retire from the City when over age 50 and with 20 years of service, may continue coverage with respect to both themselves and their eligible dependent(s) under the City's health benefits program until age 65.

The City provides health coverage for peace officers or firefighters disabled or killed in the line of duty in accordance with Minnesota Statute 299A.465. The amount of coverage provided is equal to the employer portion of health insurance premiums that would have otherwise been paid if the officer or firefighter was an active employee. During 2023, the City did not have any police officers or firefighters eligible for this benefit.

All health care coverage is provided through the City's group health insurance plans. The retiree is required to pay 100% of their premium cost for the City-sponsored group health insurance plan in which they participate. The premium is a blended rate determined on the entire active and retiree population. Since the projected claims costs for retirees exceed the blended premium paid by retirees, the retirees are receiving an implicit rate subsidy (benefit). The coverage levels are the same as those afforded to active employees. Upon a retiree reaching age 65, Medicare becomes the primary insurer and the City's plan becomes secondary.

C. PARTICIPANTS

As of the December 31, 2021 actuarial valuation, participants of the plan consisted of:

Active employees	54
Inactive employees or beneficiaries currently receiving benefits	<u>5</u>
Total	<u><u>59</u></u>

D. TOTAL OPEB LIABILITY AND CHANGES IN TOTAL OPEB LIABILITY

The City's total OPEB liability of \$924,615 was measured as of December 31, 2022 and was determined by an actuarial valuation as of December 31, 2021. Changes in the total OPEB liability during the measurement period were:

Balance - beginning of year	\$1,007,566
Changes for the year:	
Service cost	79,666
Interest	21,820
Changes of benefit terms	-
Differences between expected and actual experience	2,116
Changes in assumptions	(130,573)
Benefit payments	<u>(55,980)</u>
Net changes	<u>(82,951)</u>
Balance - end of year	<u><u>\$924,615</u></u>

Changes in assumptions reflect a change in the discount rate from 2.06% for the measurement date of December 31, 2021 to 4.05% for the measurement date of December 31, 2022.

E. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS

The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Discount rate	4.05%
Investment rate of return	NA
Healthcare cost trend rates	6.2% for 2022, decreasing each year to an ultimate rate of 3.9% for 2075 and beyond
Retirees' share of benefit-related costs	100%

Since the plan is funded on a pay-as-you-go basis, the discount rate was based on the 20-year municipal bond index.

Mortality, salary, and retirement rates are the rates used in the PERA plan of which the employee, retiree or beneficiary is a participant.

F. SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN THE DISCOUNT RATE

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

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB liability	\$988,987	\$924,615	\$863,355

G. SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN THE HEALTHCARE COST TREND RATES

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

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$824,223	\$924,615	\$1,040,602

H. OPEB EXPENSE AND DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES RELATED TO OPEB

For the year ended December 31, 2023, the City recognized \$23,679 of OPEB expense. At December 31, 2023, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$52,042	\$307,775
Differences between expected and actual experience	374,337	199,057
Contributions subsequent to the measurement date	55,980	-
Total	<u>\$482,359</u>	<u>\$506,832</u>

\$55,980 reported as deferred outflows of resources resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2024.

CITY OF ST. ANTHONY, MINNESOTA
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Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31,	OPEB Expense
2024	(\$15,615)
2025	(15,615)
2026	(15,615)
2027	(15,615)
2028	(16,774)
Thereafter	(1,219)

Note 10 INTERFUND LOANS AND TRANSFERS

Interfund loans receivable and payable balances at December 31, 2023 are as follows:

Fund	Receivable	Payable	Purpose
Major funds:			
Public Utilities Infrastructure	\$1,156,225	\$ -	
HRA TIF Improvements	-	959,326	Provide financing for pay off of Fannie Mae loan
Nonmajor funds:			
Revolving Improvement	-	5,620	Provide financing for Arbors Alley
Park Improvement Fund	-	191,279	Provide financing for tennis court maintenance
	-		
Total	<u>\$1,156,225</u>	<u>\$1,156,225</u>	

Interfund transfers:

Transfer out	Transfer In							Total
	Governmental Funds					Proprietary Funds		
	General Fund	Community Center	Street	Street	Nonmajor	Stormwater	Internal	
			Improvement	Improvement	Governmental		Service	
			Debt Service	Project	Funds	Utility	Fund	
Governmental activities:								
General Fund	\$ -	\$165,950	\$ -	\$ -	\$60,000	\$ -	\$86,300	\$312,250
Community Center	-	-	-	-	120,000	-	-	120,000
Street Improvement Debt Service	-	-	-	-	2,892	-	-	2,892
HRA TIF Improvements	15,000	-	-	-	631,414	-	-	646,414
Street Improvement Project	-	-	235,041	-	-	-	-	235,041
Public Utilities Infrastructure	-	-	-	-	-	-	-	-
Nonmajor	-	-	56,000	-	160,825	-	-	216,825
Business-type activities:								
Liquor	275,000	-	-	-	-	-	-	275,000
Stormwater Utility	-	-	-	-	-	-	-	-
Total transfers	\$290,000	\$165,950	\$291,041	\$0	\$975,131	\$0	\$86,300	\$1,808,422

All 2023 transfers are considered routine and consistent with previous practices.

Note 11 DEFICIT FUND BALANCES/NET POSITION

The City reported deficit fund balances/net position at December 31, 2023 as follows:

<u>Fund</u>	<u>Amount</u>
Nonmajor funds:	
Internal Service Fund	\$7,085,593

The Internal Service Fund includes the state retirement plans and OPEB and the retirement of pension and OPEB deficits are dependent upon variables, including contribution rates, investment earnings, and actuarial assumptions.

Note 12 CONTINGENCIES

A. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Workers compensation coverage is provided through a pooled self-insurance program through the League of Minnesota Cities Insurance Trust (LMCIT). The City pays an annual premium to the LMCIT. The City is subject to supplemental assessments if deemed necessary by the LMCIT. The LMCIT reinsures through Workers Compensation Reinsurance Association (WCRA) as required by law. The City has no deductible and a managed care program to assist employees with their rehabilitation plan. Annual employee hours of service are audited and final premiums are then determined. The amount of premium adjustment, if any, is considered immaterial and not recorded until received or paid.

Property, casualty and automobile insurance coverage are provided through a pooled self-insurance program through the LMCIT. The City pays an annual premium to the LMCIT. The City is subject to supplemental assessments if deemed necessary by the LMCIT. The LMCIT reinsures through commercial companies for claims in excess of various amounts. The City retains risk for the deductible portions. These deductibles are considered immaterial to the financial statements.

The City continues to carry commercial insurance for all other risks of loss, including liquor liability, employee health and disability insurance.

There were no significant reductions in insurance from the previous year. The City did not have significant settlements in excess of insurance coverage for any of the past three fiscal years.

B. LITIGATION

Existing and pending lawsuits, claims and other actions in which the City is a defendant are either covered by insurance; of an immaterial amount; or, in the judgement of the City management, remotely recoverable by plaintiffs.

C. FEDERAL AND STATE FUNDS

The City receives financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the applicable fund. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements included herein or on the overall financial position of the City at December 31, 2023.

D. TAX INCREMENT DISTRICTS

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

E. PAY-AS-YOU-GO TAX INCREMENT

The City has three tax increment pay-as-you-go agreements. The agreements are not a general obligation of the City and are payable solely from available tax increment. Accordingly, these agreements are not reflected in the financial statements of the City. Details of the pay-as-you-go notes are as follows:

TIF District #3-5, Landings at Silver Lake Village:

Issued in 2004 in the principal sum of \$4,464,407 with an interest rate of 6.75% per annum. Principal and interest shall be paid on February 1 and August 1 thereafter to and including February 1, 2029. Payments are payable solely from available tax increment derived from the developed/redeveloped property and paid to the City. The pay-as-you-go note provides for payment to the developer equal to 90% of all tax increment received in the prior six months. The payment reimburses the developer for public improvements. The City shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on February 1, 2029. The current year abatement amounts to \$907,022. At December 31, 2023, the principal amount outstanding on the note was \$834,092.

TIF District #3-5, Phase II Town Homes:

Issued in 2006 in the principal sum of \$937,520 with an interest rate of 6% per annum. Principal and interest shall be paid on February 1 and August 1 thereafter to and including August 1, 2031. Payments are payable solely from available tax increment derived from the developed/redeveloped property and paid to the City. The pay-as-you-go note provides for payment to the developer equal to 95% of all tax increment received in the prior six months. The payment reimburses the developer for public improvements. The City shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on August 1, 2031. The current year abatement amounts to \$75,559. At December 31, 2023, the principal and unpaid interest amount outstanding on the note was \$1,132,475.

TIF District #3-5, The Legends

Issued in 2016 in the principal sum of \$1,023,000 with an interest rate of 5% per annum. Principal and interest shall be paid on February 1 and August 1 thereafter to and including February 1, 2028. Payments are payable solely from available tax increment derived from the developed/redeveloped property and paid to the City. The pay-as-you-go note provides for payment to the developer equal to 90% of all tax increment received in the prior six months. The payment reimburses the developer

for public improvements. The City shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on February 1, 2028. The current year abatement amounts to \$382,192. At December 31, 2023, the principal amount outstanding on the note was \$0.

TIF District #3-5, Doran Apartments

Issued in 2023 in the principal sum of \$1,950,000 with an interest rate of 5% per annum. Principal and interest shall be paid on February 1 and August 1 thereafter to and including February 1, 2028. Payments are payable solely from available tax increment derived from the developed/redeveloped property and paid to the City. The pay-as-you-go note provides for payment to the developer equal to 90% of all tax increment received in the prior six months. The payment reimburses the developer for public improvements. The City shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on February 1, 2028. The current year abatement amounts to \$27,919. At December 31, 2023, the principal amount outstanding on the note was \$966,095.

TIF District # 1953, Lowry Grove

Issued in 2023 in the principle sum of \$2,350,000 with an interest rate of 4.0% per annum. Principal and interest shall be paid on February 1 and august1 thereafter and including February 1, 2032. Payments are payable solely from available tax increment derived from the developed/redeveloped property and paid to the City. The pay-as-you-go-note provides for payment to the developer equal to 90% of all tax increments received in the prior six months. The payment reimburses the developer for public improvements The City has no obligation for any unpaid balance of principal and interest that may remain after the final payment on February 1, 2032. The current year abatement amounts to \$16,470. At December 31, 2023, the principal and interest amount outstanding on the note was \$2,418,782.

F. ARBITRAGE

The City issued greater than \$5 million of bonds in the years 2006, 2007 and 2011 and, therefore, is required to rebate excess investment income relating to these issues to the federal government. The City calculates arbitrage rebate every five years as permitted by arbitrage regulations. The extent of the City's liability for arbitrage rebates for bond issues not currently requiring five year rebate calculations is not determinable at this time. However, in the opinion of management, any such liability would be immaterial.

Note 13 DEFERRED AD VALOREM TAX LEVIES - BONDED DEBT

General obligation bond issues sold by the City are financed by ad valorem tax levies and improvement bond issues sold by the City are partially financed by ad valorem tax levies in addition to special assessments levied against the benefiting properties. When a bond issue to be financed partially or completely by ad valorem tax levies is sold, specific annual amounts of such tax levies are stated in the bond resolution and the County Auditor is notified and instructed to levy these taxes over the appropriate years. The future tax levies are subject to cancellation when and if the City has provided alternative sources of financing. The City Council is required to levy any additional taxes found necessary for full payment of principal and interest. These future scheduled tax levies are not shown as assets in the accompanying financial statements at December 31, 2023.

CITY OF ST. ANTHONY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

Note 14 FUND BALANCE

A. CLASSIFICATIONS

At December 31, 2023, a summary of the governmental fund balance classifications are as follows:

	General Fund	Community Center	Street Improvement Debt Service	HRA TIF Projects	Street Improvement Projects	Public Utilities Infrastructure	Other Governmental Funds	Total
Nonspendable:								
Prepaid items	\$172,890	\$3,084	\$ -	\$554	\$ -	\$ -	\$671	\$177,199
Inventory	22,220	-	-	-	-	-	-	22,220
Total nonspendable	195,110	3,084	-	554	-	-	671	199,419
Restricted for:								
Tax increment	-	-	-	3,777,618	-	-	-	3,777,618
Public safety	401,501	-	-	-	-	-	59,045	460,546
Capital Improvements	-	-	-	-	113,111	-	-	113,111
Debt service	-	-	3,571,457	-	-	-	769,624	4,341,081
Total restricted	401,501	0	3,571,457	3,777,618	113,111	0	828,669	8,692,356
Committed to:								
Community Center	-	169,536	-	-	-	-	-	169,536
Redevelopment activities	-	-	-	-	-	-	840,754	840,754
Total committed	0	169,536	0	0	0	0	840,754	1,010,290
Assigned to:								
Street improvements/rehab	-	-	-	-	140,187	-	-	140,187
Building improvements	-	-	-	-	-	-	711,034	711,034
Public utilities infrastructure	-	-	-	-	-	3,565,037	-	3,565,037
Parks and recreation	-	-	-	-	-	-	215,395	215,395
Other capital improvements	-	-	-	-	-	-	1,430,030	1,430,030
Total assigned	0	0	0	0	140,187	3,565,037	2,356,459	6,061,683
Unassigned	4,460,649	-	-	-	(98,966)	-	-	4,361,683
Total	\$5,057,260	\$172,620	\$3,571,457	\$3,778,172	\$154,332	\$3,565,037	\$4,026,553	\$20,325,431

B. MINIMUM UNASSIGNED FUND BALANCE POLICY

The City Council has formally adopted a policy regarding the minimum unassigned fund balance for the General Fund. The most significant revenue source of the General Fund is property taxes. This revenue source is received in two installments during the year – June and December. As such, it is the City’s goal to begin each fiscal year with sufficient working capital to fund operations between each semi-annual receipt of property taxes.

The policy establishes a year-end targeted unassigned fund balance amount for cash-flow timing needs in the range of 35-50% of the subsequent year’s budgeted operating expenditures (net of expenditures for police and financial services to other cities). At December 31, 2023, the unassigned fund balance of the General Fund was 54% of the subsequent year’s budgeted expenditures.

Note 15 CONDUIT DEBT OBLIGATION

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

As of December 31, 2023, there was one series of Multi-family Housing Revenue Bonds outstanding. The aggregate issued amount was \$16,950,000. The balance outstanding at December 31, 2023 is \$15,780,000.

Note 16 LEGAL DEBT MARGIN

The City is subject to a statutory limitation by the State of Minnesota for bonded indebtedness payable principally from property taxes. The City's legal debt margin for 2023 and 2022 is computed as follows:

	December 31, 2023	December 31, 2022
Market value:		
Ramsey County	\$489,648,800	\$428,489,400
Hennepin County	871,731,200	798,681,700
Total market value	1,361,380,000	1,227,171,100
Debt limit percentage	3%	3%
Debt limit	40,841,400	36,815,133
Amount of debt applicable to debt limit:		
Total bonded debt	23,655,000	27,000,000
Less nonapplicable debt:		
Revenue bonds (water, sewer)	(155,000)	(300,000)
Tax abatement bonds	(1,475,000)	(1,740,000)
Improvement bonds	(13,870,000)	(15,445,000)
Tax increment bonds	(4,375,000)	(4,870,000)
Total amount of debt applicable to debt limit	3,780,000	4,645,000
Legal debt margin	\$37,061,400	\$32,170,133

Note 17 RECENTLY ISSUED ACCOUNTING STANDARDS

The Governmental Accounting Standards Board (GASB) recently approved the following statements which were not implemented for these financial statements:

Statement No. 99 *Omnibus 2022*. The provisions of this Statement contain multiple effective dates, the first being for reporting periods beginning after June 15, 2022.

Statement No. 100 *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*. The provisions of this Statement are effective for reporting periods beginning after June 15, 2023.

Statement No. 102 *Certain Risk Disclosures*. The provisions of this Statement are effective for reporting periods beginning after June 15, 2024.

Statement No. 103 *Financial Reporting Model Improvements*. The provisions of this Statement are effective for fiscal years beginning after June 15, 2025.

The effect these standards may have on future financial statements is not determinable at this time.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ST. ANTHONY, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
For The Year Ended December 31, 2023
With Comparative Totals For December 31, 2022

Statement 9
Page 1 of 5

	Budgeted Amounts		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
Revenues:					
General property taxes	\$5,632,793	\$5,632,793	\$5,678,378	\$45,585	\$5,303,007
Special assessments	-	-	5,990	5,990	5,935
Licenses and permits	314,930	314,930	687,640	372,710	530,924
Intergovernmental:					
Federal:					
Public safety grants	210,539	210,539	37,047	(173,492)	357,065
State:					
Local government aid	652,707	652,707	652,707	-	649,440
Police aid	204,043	204,043	208,047	4,004	214,782
Municipal state aid - street maintenance	107,826	107,826	104,814	(3,012)	135,784
Public safety aid			401,501	401,501	-
Fire aid	-	-	72,289	72,289	-
County:					
Other	24,384	24,384	40,445	16,061	13,240
Local:					
Other	24,929	24,929	13,783	(11,146)	71,195
Total intergovernmental	1,224,428	1,224,428	1,530,633	306,205	1,441,506
Charges for services:					
Police contracts	860,310	860,310	860,310	-	802,283
Antenna rental - water tower	47,903	47,903	66,806	18,903	62,118
Other	226,767	226,767	237,094	10,327	219,518
Total charges for services	1,134,980	1,134,980	1,164,210	29,230	1,083,919
Cable franchise fees	93,053	93,053	89,882	(3,171)	96,099
Fines and forfeits	73,605	73,605	101,713	28,108	74,027
Contributions and donations	1,000	1,000	1,000	-	6,162
Other revenue:					
Investment income	500	500	190,205	189,705	(92,847)
Refunds and reimbursements	3,500	3,500	6,725	3,225	9,652
Miscellaneous - other	19,249	19,249	13,284	(5,965)	42,264
Total other revenue	23,249	23,249	210,214	186,965	(40,931)
Total revenues	8,498,038	8,498,038	9,469,660	971,622	8,500,648
Expenditures:					
General government:					
Mayor and council:					
Current:					
Personal services	40,819	40,819	40,810	9	40,819
Other services and charges	79,324	79,324	80,704	(1,380)	73,298
Total mayor and council	120,143	120,143	121,514	(1,371)	114,117

See accompanying notes to the required supplementary information.

CITY OF ST. ANTHONY, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
For The Year Ended December 31, 2023
With Comparative Totals For December 31, 2022

Statement 9
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	Budgeted Amounts		2023	Variance with	2022
	Original	Final	Actual	Final Budget	Actual
			Amounts	Positive	Amounts
				(Negative)	
Expenditures: (continued)					
General government: (continued)					
Public relations/cable:					
Current:					
Personal services	\$11,694	\$11,694	\$11,895	(\$201)	\$11,371
Supplies	700	700	-	700	-
Other services and charges	46,015	46,015	43,723	2,292	40,782
Total public relations/cable	58,409	58,409	55,618	2,791	52,153
General management:					
Current:					
Personal services	172,607	172,607	177,569	(4,962)	164,144
Supplies	250	250	243	7	226
Other services and charges	30,289	30,289	26,140	4,149	24,297
Total general management	203,146	203,146	203,952	(806)	188,667
Elections:					
Current:					
Personal services	130,797	130,797	120,025	10,772	113,944
Supplies	1,910	1,910	1,077	833	555
Other services and charges	12,170	12,170	9,146	3,024	16,474
Total elections	144,877	144,877	130,248	14,629	130,973
Finance:					
Current:					
Personal services	255,765	255,765	257,953	(2,188)	227,092
Supplies	9,652	9,652	5,253	4,399	10,861
Other services and charges	126,956	126,956	127,374	(418)	119,164
Total finance	392,373	392,373	390,580	1,793	357,117
Assessing:					
Current:					
Personal services	5,281	5,281	4,669	612	4,759
Supplies	200	200	55	145	55
Other services and charges	78,000	78,000	78,000	-	73,000
Total assessing	83,481	83,481	82,724	757	77,814
Legal:					
Current:					
Contracted services	142,000	142,000	86,247	55,753	76,776
Planning and zoning:					
Current:					
Personal services	14,685	14,685	14,053	632	13,815
Supplies	125	125	68	57	18
Other services and charges	75,195	75,195	68,797	6,398	64,459
Total planning and zoning	90,005	90,005	82,918	7,087	78,292

See accompanying notes to the required supplementary information.

CITY OF ST. ANTHONY, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
For The Year Ended December 31, 2023
With Comparative Totals For December 31, 2022

Statement 9
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	Budgeted Amounts		2023	Variance with	2022
	Original	Final	Actual	Final Budget	Actual
			Amounts	Positive	Amounts
				(Negative)	
Expenditures: (continued)					
General government: (continued)					
General government buildings:					
Current:					
Other services and charges	\$127,308	\$127,308	\$145,313	(\$18,005)	\$124,428
Total general government	1,361,742	1,361,742	1,299,114	62,628	1,200,337
Public safety:					
Emergency management:					
Current:					
Personal services	92,281	92,281	86,446	5,835	87,581
Supplies	570	570	-	570	-
Other services and charges	3,298	3,298	2,937	361	2,142
Total civil defense	96,149	96,149	89,383	6,766	89,723
Police protection:					
Current:					
Personal services	3,581,000	3,581,000	3,463,784	117,216	3,378,024
Supplies	118,949	118,949	132,778	(13,829)	95,275
Other services and charges	336,632	336,632	325,018	11,614	282,100
Total police protection	4,036,581	4,036,581	3,921,580	115,001	3,755,399
Fire protection:					
Current:					
Personal services	1,350,677	1,350,677	1,172,608	178,069	1,045,835
Supplies	57,641	57,641	54,307	3,334	62,073
Other services and charges	121,266	121,266	145,596	(24,330)	105,300
Total fire protection	1,529,584	1,529,584	1,372,511	157,073	1,213,208
Protective inspections:					
Current:					
Personal services	15,058	15,058	15,243	(185)	14,276
Supplies	150	150	-	150	161
Other services and charges	148,892	148,892	359,896	(211,004)	225,445
Total protective inspections	164,100	164,100	375,139	(211,039)	239,882
DARE program:					
Current:					
Personal services	-	-	4,800	(4,800)	47
Total public safety	5,826,414	5,826,414	5,763,413	63,001	5,298,259

See accompanying notes to the required supplementary information.

CITY OF ST. ANTHONY, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
For The Year Ended December 31, 2023
With Comparative Totals For December 31, 2022

Statement 9
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	Budgeted Amounts		2023	Variance with	2022
	Original	Final	Actual	Final Budget	Actual
			Amounts	Positive	Amounts
				(Negative)	
Public works:					
Street maintenance:					
Current:					
Personal services	\$517,919	\$517,919	\$475,355	\$42,564	\$463,671
Supplies	26,800	26,800	29,664	(2,864)	22,012
Other services and charges	127,852	127,852	160,835	(32,983)	169,655
Total street maintenance	672,571	672,571	665,854	6,717	655,338
Equipment maintenance:					
Current:					
Personal services	55,286	55,286	55,332	(46)	51,962
Supplies	99,830	99,830	70,344	29,486	94,727
Other services and charges	71,164	71,164	72,625	(1,461)	67,199
Total equipment maintenance	226,280	226,280	198,301	27,979	213,888
Tree and weed care:					
Current:					
Personal services	52,228	52,228	51,590	638	47,485
Other services and charges	3,875	3,875	3,994	(119)	1,801
Total tree and weed care	56,103	56,103	55,584	519	49,286
Total public works	954,954	954,954	919,739	35,215	918,512
Parks and recreation:					
Park maintenance:					
Current:					
Personal services	193,264	193,264	196,925	(3,661)	183,378
Supplies	20,352	20,352	16,221	4,131	18,654
Other services and charges	72,180	72,180	59,406	12,774	65,422
Total park maintenance	285,796	285,796	272,552	13,244	267,454
Recreation:					
Current:					
Community services	52,176	52,176	52,176	-	52,176
Total parks and recreation	337,972	337,972	324,728	13,244	319,630

See accompanying notes to the required supplementary information.

CITY OF ST. ANTHONY, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
For The Year Ended December 31, 2023
With Comparative Totals For December 31, 2022

Statement 9
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	Budgeted Amounts		2023	Variance with	2022
	Original	Final	Actual	Final Budget	Actual
			Amounts	Positive	Amounts
				(Negative)	
Expenditures: (continued)					
Nondepartmental:					
Supplies	\$72,206	\$72,206	\$50,641	\$21,565	\$40,250
Insurance deductible costs	15,000	15,000	37,372	(22,372)	5,359
Total nondepartmental	87,206	87,206	88,013	(807)	45,609
Total expenditures	8,568,288	8,568,288	8,395,007	173,281	7,782,347
Revenues over (under) expenditures	(70,250)	(70,250)	1,074,653	1,144,903	718,301
Other financing sources (uses):					
Transfers in	290,000	290,000	290,000	-	290,000
Transfers out	(206,300)	(206,300)	(312,250)	(105,950)	(880,230)
Total other financing sources (uses)	83,700	83,700	(22,250)	(105,950)	(590,230)
Net change in fund balance	\$13,450	\$13,450	1,052,403	\$1,038,953	128,071
Fund balance - January 1			4,004,857		3,876,786
Fund balance - December 31			\$5,057,260		\$4,004,857

See accompanying notes to the required supplementary information.

CITY OF ST. ANTHONY, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION

Statement 10

BUDGETARY COMPARISON SCHEDULE - COMMUNITY CENTER FUND

For The Year Ended December 31, 2023

With Comparative Totals For December 31, 2022

	Budgeted Amounts		2023	Variance with	2022
	Original	Final	Actual	Final Budget	Actual
			Amounts	Positive	Amounts
				(Negative)	
Revenues:					
Charges for services:					
Rental receipts	\$127,300	\$127,300	\$127,300	\$ -	\$127,300
Investment income	50	50	6,653	6,603	(2,852)
Total revenues	<u>127,350</u>	<u>127,350</u>	<u>133,953</u>	<u>6,603</u>	<u>124,448</u>
Expenditures:					
Parks and recreation:					
Current:					
Personal services	51,675	51,675	52,509	(834)	49,425
Supplies	5,500	5,500	6,418	(918)	5,592
Contractual services	<u>129,650</u>	<u>129,650</u>	<u>106,415</u>	<u>23,235</u>	<u>128,477</u>
Total expenditures	<u>186,825</u>	<u>186,825</u>	<u>165,342</u>	<u>21,483</u>	<u>183,494</u>
Revenues over (under) expenditures	<u>(59,475)</u>	<u>(59,475)</u>	<u>(31,389)</u>	<u>28,086</u>	<u>(59,046)</u>
Other financing sources (uses):					
Transfer in	120,000	120,000	165,950	45,950	170,474
Transfer out	<u>(110,000)</u>	<u>(110,000)</u>	<u>(120,000)</u>	<u>(10,000)</u>	<u>(105,474)</u>
Total other financing sources (uses)	<u>10,000</u>	<u>10,000</u>	<u>45,950</u>	<u>35,950</u>	<u>65,000</u>
Net change in fund balance	<u>(\$49,475)</u>	<u>(\$49,475)</u>	14,561	<u>\$64,036</u>	5,954
Fund balance (deficit) - January 1			<u>158,059</u>		<u>152,105</u>
Fund balance (deficit) - December 31			<u>\$172,620</u>		<u>\$158,059</u>

CITY OF ST. ANTHONY, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS
For The Year Ended December 31, 2023

Statement 11

	2023	2022	2021	2020	2019	2018
Total OPEB liability:						
Service cost	\$79,666	\$72,464	\$62,011	\$49,034	\$66,821	\$60,682
Interest	21,820	15,890	18,122	36,179	29,763	28,711
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	2,116	479,711	8,294	(347,833)	-	-
Changes in assumptions	(130,573)	(222,336)	19,545	52,159	(43,327)	21,006
Benefit payments	(55,980)	(30,409)	(30,213)	(21,165)	(11,075)	(10,672)
Net change in total OPEB liability	(82,951)	315,320	77,759	(231,626)	42,182	99,727
Total OPEB liability - beginning	1,007,566	692,246	614,487	846,113	803,931	704,204
Total OPEB liability - ending	<u>\$924,615</u>	<u>\$1,007,566</u>	<u>\$692,246</u>	<u>\$614,487</u>	<u>\$846,113</u>	<u>\$803,931</u>
Covered-employee payroll	\$5,000,000	\$4,900,000	\$4,600,000	\$4,500,000	\$4,897,999	\$4,627,624
Total OPEB liability as a percentage of covered-employee payroll	18.5%	20.6%	15.0%	13.7%	17.3%	17.4%

The schedule is provided prospectively beginning with the City's fiscal year ended December 31, 2018 and is intended to show a ten year trend. Additional years will be added as they become available.

CITY OF ST. ANTHONY, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION

Statement 12

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY -

GENERAL EMPLOYEES RETIREMENT FUND

For The Last Ten Years

Measurement Date June 30	Fiscal Year Ending December 31	St. Anthony's Proportionate Share (Percentage) of the Net Pension Liability	St. Anthony's Proportionate Share (Amount) of the Net Pension Liability (a)	State's Proportionate Share (Amount) of the Net Pension Liability Associated with St. Anthony (b)	Total (a+b)	Covered Payroll (c)	St. Anthony's Proportionate Share of the Net Pension Liability as a Percentage of its covered Payroll ((a+b)/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	2015	0.0343%	\$1,777,604	\$ -	\$1,777,604	\$2,012,851	88.3%	78.2%
2016	2016	0.0353%	2,866,185	37,474	2,903,659	2,192,080	132.5%	68.9%
2017	2017	0.0338%	2,157,770	27,098	2,184,868	2,174,769	100.5%	75.9%
2018	2018	0.0345%	1,913,919	62,724	1,976,643	2,318,754	85.2%	79.5%
2019	2019	0.0334%	1,846,611	57,331	1,903,942	2,363,174	80.6%	80.2%
2020	2020	0.0341%	2,044,451	62,951	2,107,402	2,431,586	86.7%	79.1%
2021	2021	0.0333%	1,422,059	43,405	1,465,464	2,398,987	61.1%	87.0%
2022	2022	0.0334%	2,645,291	77,599	2,722,890	2,499,959	108.9%	76.7%
2023	2023	0.0341%	1,906,834	52,505	1,959,339	2,709,607	72.3%	83.1%

The schedule is provided prospectively beginning with the City's fiscal year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

CITY OF ST. ANTHONY, MINNESOTA**REQUIRED SUPPLEMENTARY INFORMATION****Statement 13****SCHEDULE OF PENSION CONTRIBUTIONS - GENERAL EMPLOYEES RETIREMENT FUND**

For The Last Ten Years

Fiscal Year Ending December 31	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
2015	\$161,326	\$161,326	\$ -	\$2,151,016	7.50%
2016	160,607	160,607	-	2,141,425	7.50%
2017	167,798	167,798	-	2,237,307	7.50%
2018	175,748	175,748	-	2,343,317	7.50%
2019	179,816	179,816	-	2,397,523	7.50%
2020	184,656	184,656	-	2,462,125	7.50%
2021	178,190	178,190	-	2,375,875	7.50%
2022	197,027	197,027	-	2,627,030	7.50%
2023	209,206	209,206	-	2,789,412	7.50%

The schedule is provided prospectively beginning with the City's fiscal year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

See accompanying notes to the required supplementary information.

CITY OF ST. ANTHONY, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY -

PUBLIC EMPLOYEES POLICE AND FIRE FUND

For The Last Ten Years

Statement 14

Measurement Date June 30	Fiscal Year Ending December 31	St. Anthony's Proportionate Share (Percentage) of the Net Pension Liability	St. Anthony's Proportionate Share (Amount) of the Net Pension Liability (a)	State's Proportionate Share (Amount) of the Net Pension Liability Associated with St. Anthony (b)	Total (a+b)	Covered Payroll (c)	St. Anthony's Proportionate Share of the Net Pension Liability as a Percentage of its covered Payroll ((a+b)/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	2015	0.2770%	\$3,147,368	\$ -	\$3,147,368	\$2,535,887	124.1%	86.6%
2016	2016	0.2920%	11,718,468	-	11,718,468	2,816,408	416.1%	63.9%
2017	2017	0.2650%	3,577,815	-	3,577,815	2,722,821	131.4%	85.4%
2018	2018	0.2426%	2,585,866	-	2,585,866	2,553,675	101.3%	88.8%
2019	2019	0.2442%	2,599,756	-	2,599,756	2,576,175	100.9%	89.2%
2020	2020	0.2369%	3,122,595	73,538	3,196,133	2,672,439	116.8%	87.2%
2021	2021	0.2368%	1,827,845	82,193	1,910,038	2,798,746	65.3%	93.7%
2022	2022	0.2348%	10,217,569	446,256	10,663,825	2,851,986	358.3%	70.5%
2023	2023	0.2288%	3,951,079	159,208	4,110,287	3,005,197	131.5%	86.5%

The schedule is provided prospectively beginning with the City's fiscal year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

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CITY OF ST. ANTHONY, MINNESOTA**REQUIRED SUPPLEMENTARY INFORMATION****Statement 15****SCHEDULE OF PENSION CONTRIBUTIONS - PUBLIC EMPLOYEES POLICE AND FIRE FUND**

For The Last Ten Years

Fiscal Year Ending December 31	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
2015	\$435,571	\$435,571	\$ -	\$2,688,709	16.20%
2016	447,527	447,527	-	2,762,512	16.20%
2017	424,887	424,887	-	2,622,760	16.20%
2018	419,242	419,242	-	2,587,918	16.20%
2019	440,545	440,545	-	2,599,085	16.95%
2020	488,862	488,862	-	2,761,934	17.70%
2021	498,302	498,302	-	2,815,267	17.70%
2022	521,212	521,212	-	2,944,701	17.70%
2023	532,143	532,143	-	3,006,456	17.70%

The schedule is provided prospectively beginning with the City's fiscal year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

See accompanying notes to the required supplementary information.

CITY OF ST. ANTHONY, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS -

ST. ANTHONY FIRE DEPARTMENT RELIEF ASSOCIATION

For The Last Ten Years

Fiscal year ending - December 31	2023 & 2022*	2021	2020
Measurement date - December 31	2022	2021	2020
Total pension liability:			
Service cost	\$33,436	\$28,986	\$28,181
Interest	49,245	48,237	46,153
Changes in benefit terms	-	-	-
Differences between expected and actual experience	(32,532)	(58,248)	(33,785)
Changes of assumptions	-	-	-
Benefit payments	-	(13,240)	-
Net change in total pension liability	50,149	5,735	40,549
Total pension liability - beginning	787,316	781,581	741,032
Total pension liability - ending (a)	<u>\$837,465</u>	<u>\$787,316</u>	<u>\$781,581</u>
Plan fiduciary net position:			
Contributions - employer	\$ -	\$7,890	\$6,000
Contributions - State of Minnesota	67,800	60,530	58,407
Contributions - employee	-	-	-
Net investment income	(205,177)	117,572	150,122
Benefit payments	-	(13,240)	-
Administrative expense	(1,014)	(2,919)	(12,185)
Net change in plan fiduciary net position	(138,391)	169,833	202,344
Plan fiduciary net position - beginning	1,373,737	1,203,904	1,001,560
Plan fiduciary net position - ending (b)	<u>\$1,235,346</u>	<u>\$1,373,737</u>	<u>\$1,203,904</u>
Net pension asset - ending (b) - (a)	<u>\$397,881</u>	<u>\$586,421</u>	<u>\$422,323</u>
Plan fiduciary net position as a percentage of the total pension liability	147.5%	174.5%	154.0%
Covered-employee payroll	N/A	N/A	N/A
Net pension liability as a percentage of covered employee payroll	N/A	N/A	N/A
Pension benefit per year of service	\$3,800	\$3,800	\$3,800
Number of plan participants	34	31	33

GASB 68 was implemented in 2015. Information prior to 2015 is not available.

N/A - the Relief Association is comprised of paid on-call firefighters whose pay does not meet the definition of covered payroll.

* Prior to 2023, the fiscal year end and measurement date were the same. However, 2023 SVF plan information from PERA is not available and therefore, 2022 amounts were re-reported in the City's 2023 ACFR.

See accompanying notes to the required supplementary information.

Statement 16

2019	2018	2017	2016	2015
2019	2018	2017	2016	2015
\$40,799	\$37,633	\$37,542	\$47,233	\$44,095
42,195	40,951	44,308	31,829	30,759
35,173	26,091	-	-	-
(71,654)	-	(35,041)	-	-
15,462	-	2,699	(36,075)	-
(27,928)	(144,500)	(7,260)	(80,200)	(25,472)
34,047	(39,825)	42,248	(37,213)	49,382
706,985	746,810	704,562	741,775	692,393
<u>\$741,032</u>	<u>\$706,985</u>	<u>\$746,810</u>	<u>\$704,562</u>	<u>\$741,775</u>
\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
54,716	53,083	51,206	51,174	48,725
-	-	-	-	-
98,394	(54,281)	93,511	39,971	(23,129)
(27,928)	(144,500)	(7,260)	(80,200)	(25,472)
(11,640)	(11,547)	(11,829)	(8,653)	(10,561)
119,542	(151,245)	131,628	8,292	(4,437)
882,018	1,033,263	901,635	893,343	897,780
<u>\$1,001,560</u>	<u>\$882,018</u>	<u>\$1,033,263</u>	<u>\$901,635</u>	<u>\$893,343</u>
<u>\$260,528</u>	<u>\$175,033</u>	<u>\$286,453</u>	<u>\$197,073</u>	<u>\$151,568</u>
135.2%	124.8%	138.4%	128.0%	120.4%
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
\$3,800	\$3,500	\$3,300	\$3,300	\$3,300
30	33	35	32	32

See accompanying notes to the required supplementary information.

CITY OF ST. ANTHONY, MINNESOTA**REQUIRED SUPPLEMENTARY INFORMATION****Statement 17****SCHEDULE OF CONTRIBUTIONS - ST. ANTHONY FIRE DEPARTMENT RELIEF ASSOCIATION**

For The Last Ten Years

Fiscal Year Ending December 31	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll*	Contributions as a Percentage of Covered Payroll* (b/c)
2015	\$22,977	\$22,977	\$ -	\$ -	NA
2016	-	6,000	(6,000)	-	NA
2017	-	6,000	(6,000)	-	NA
2018	-	6,000	(6,000)	-	NA
2019	-	6,000	(6,000)	-	NA
2020	-	6,000	(6,000)	-	NA
2021	-	7,890	(7,890)	-	NA
2022	-	-	-	-	NA
2023	-	12,000	(12,000)	-	NA

*The Relief Association is comprised of volunteers, therefore, there are no payroll expenditures.
(i.e., there are no covered payroll amounts or percentage calculations.)

GASB 68 was implemented in 2015. Information prior to 2015 is not available.

See accompanying notes to the required supplementary information.

Note A LEGAL COMPLIANCE – BUDGETS

The General Fund budget is legally adopted on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control is at the department level for the General Fund.

Note B OPEB INFORMATION

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits. There are no factors that affect trends in the amounts reported.

Note C PENSION INFORMATION

PERA – General Employees Retirement Fund

2023 Changes in Actuarial Assumptions:

- The investment return assumption and single discount rate were changed from 6.50% to 7.00%.

2023 Changes in Plan Provisions:

- An additional one-time direct state aid contribution of \$170.1 million was contributed to the Plan on October 1, 2023.
- The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service.
- The benefit increase delay for early retirements on or after January 1, 2024, was eliminated.
- A one-time, non-compounding benefit increase of 2.50% minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

2022 Changes in Actuarial Assumptions:

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

2021 Changes in Actuarial Assumptions:

- The investment return and single discount rates were changed from 7.50% to 6.50% for financial reporting purposes.
- The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

2020 Changes in Actuarial Assumptions:

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- Assumed salary increase rates were decreased 0.25% and assumed rates of retirement were changed resulting in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements. Assumed rates of termination and disability were also changed.
- Base mortality tables were changed from RP-2014 tables to Pub-2010 tables, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

2020 Changes in Plan Provisions:

- Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023 and 0.0% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2019 Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2017 to MP-2018.

2019 Changes in the Plan Provisions:

- The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The State's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

2018 Changes in Actuarial Assumptions:

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

2017 Changes in Actuarial Assumptions:

- The Combined Service Annuity (CSA) loads were changed from 0.8% for active members and 60% for vested and non-vested deferred members. The revised CSA loads are now 0.0% for active member liability, 15.0% for vested deferred member liability and 3.0% for non-vested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.0% per year for all years to 1.0% per year through 2044 and 2.5% per year thereafter.

2016 Changes in Actuarial Assumptions:

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2035 and 2.5% per year thereafter to 1.0% per year for all future years.
- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate was changed from 7.9% to 7.5%.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

PERA – Public Employees Police and Fire Fund

2023 Changes in Actuarial Assumptions:

- The investment return assumption was changed from 6.50% to 7.00%.
- The single discount rate changed from 5.40% to 7.00%.

2023 Changes in Plan Provisions:

- An additional one-time direct state aid contribution of \$19.4 million was contributed to the Plan on October 1, 2023.
- Vesting requirement for new hires after June 30, 2014, was changed from a graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50% vesting after five years, increasing incrementally to 100% after 10 years.
- A one-time, non-compounding benefit increase of 3.00% will be payable in a lump sum for calendar year 2024 by March 31, 2024.
- Psychological treatment is required effective July 1, 2023, prior to approval for a duty disability benefit for a psychological condition relating to the member's occupation.
- The total and permanent duty disability benefit was increased, effective July 1, 2023.

2022 Changes in Actuarial Assumptions:

- The single discount rate changed from 6.50% to 5.4%.
- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

2021 Changes in Actuarial Assumptions:

- The investment return and single discount rates were changed from 7.50% to 6.50% for financial reporting purposes.
- The inflation assumption was changed from 2.50% to 2.25%.
- The payroll growth assumption was changed from 3.25% to 3.00%.
- The base mortality tables for healthy annuitants, disabled annuitants and employees were changed from RP-2014 tables to Pub-2010 Public Safety Mortality tables. The mortality improvement scale was changed from MP-2019 to MN-2020.
- Assumed salary increase and retirement rates were modified as recommended in the July 14, 2020 experience study. The changes result in a decrease in gross salary increase rates, slightly more unreduced retirements and fewer assumed early retirements.
- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations.
- Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities.
- Assumed percent married for active female members was changed from 60% to 70%.

2020 Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2018 to MP-2019.

2019 Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2017 to MP-2018.

2018 Changes in Actuarial Assumptions:

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

2017 Changes in Actuarial Assumptions:

- The single discount rate was changed from 5.6% to 7.5%.
- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34% lower than the previous rates.
- Assumed rates of retirement were changed, resulting in fewer retirements.
- The Combined Service Annuity (CSA) load was 30% for vested and non-vested deferred members. The CSA has been changed to 33% for vested members and 2 percent for non-vested members.
- The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees.
- Assumed termination rates were decreased to 3% for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
- Assumed percentage of married female members was decreased from 65% to 60%.
- Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.
- The assumed percentage of female members electing Joint and Survivor annuities was increased.
- The assumed post-retirement benefit increase rate was changed from 1.00% for all years to 1.00% per year through 2064 and 2.50% thereafter.

2016 Changes in Actuarial Assumptions:

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2037 and 2.5% per year thereafter to 1.0% per year for all future years.
- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate changed from 7.9% to 5.6%.
- The assumed future salary increases, payroll growth, and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

Statewide Volunteer Firefighter Retirement Plan*

2020 Changes in Actuarial Assumptions:

- The assumed investment return and discount rate were changed from 5.25% to 6.00%.

2019 Changes in Actuarial Assumptions:

- The assumed investment return and discount rate were changed from 5.75% to 5.25%.

2018 Changes in Actuarial Assumptions:

- None

2017 Changes in Actuarial Assumptions:

- The assumed investment return and discount rate were changed from 6.00% to 5.75%.

2016 Changes in Actuarial Assumptions:

- The assumed investment return and discount rate were changed from 4.25% to 6.00%.

*The St. Anthony Fire Department joined the Statewide Volunteer Firefighter Retirement Plan during December 2019. Changes in actuarial assumptions prior to 2020 occurred when the Fire Department's pension plan assets were held in a special pension trust fund of the St. Anthony Fire Department Relief Association.

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

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SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

DEBT SERVICE FUNDS

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

CAPITAL PROJECT FUNDS

Capital Project Funds account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).

CITY OF ST. ANTHONY, MINNESOTA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2023
With Comparative Totals For December 31, 2022

Statement 18

	Special Revenue	Debt Service	Capital Project	Total Nonmajor Governmental Funds	
				2023	2022
Assets					
Cash and investments	\$915,830	\$767,216	\$2,751,439	\$4,434,485	\$4,809,318
Accounts receivable - net	132	-	-	132	35,498
Property taxes receivable:					
Delinquent	1,383	1,072	1,417	3,872	11,611
Due from county	818	2,408	2,520	5,746	4,558
Prepaid items	671	-	-	671	1,419
Loans receivable	665	-	-	665	2,205
Special assessments receivable	-	-	10,717	10,717	3,174
Total assets	\$919,499	\$770,696	\$2,766,093	\$4,456,288	\$4,867,783
Liabilities, Deferred Inflows of Resources, and Fund Balance					
Liabilities:					
Accounts payable	\$2,500	\$ -	\$200,575	\$203,075	\$8,949
Due to other governmental units	10,614	-	26	10,640	967
Salaries payable	4,532	-	-	4,532	4,031
Interfund loan payable	-	-	196,899	196,899	197,854
Total liabilities	17,646	-	397,500	415,146	211,801
Deferred inflows of resources:					
Unavailable revenue	1,383	1,072	12,134	14,589	14,784
Fund balance:					
Nonspendable	671	-	-	671	1,419
Restricted	59,045	769,624	-	828,669	926,184
Committed	840,754	-	-	840,754	739,729
Assigned	-	-	2,356,459	2,356,459	2,973,866
Total fund balance	900,470	769,624	2,356,459	4,026,553	4,641,198
Total liabilities, deferred inflows of resources, and fund balance	\$919,499	\$770,696	\$2,766,093	\$4,456,288	\$4,867,783

CITY OF ST. ANTHONY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
Statement 19
CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS

For The Year Ended December 31, 2023

With Comparative Totals For December 31, 2022

	Special Revenue	Debt Service	Capital Project	Total Nonmajor Governmental Funds	
				2023	2022
Revenues:					
General property taxes	\$210,381	\$499,509	\$512,313	\$1,222,203	\$1,167,527
Intergovernmental	-	-	494,614	494,614	-
Special assessments	-	-	1,763	1,763	1,846
Fines and forfeits	9,276	-	-	9,276	44,531
Investment income (loss)	39,821	20,050	125,082	184,953	(77,329)
Contributions and donations	-	-	50,844	50,844	12
Refunds and reimbursements	45	-	-	45	2,051
Total revenues	259,523	519,559	1,184,616	1,963,698	1,138,638
Expenditures:					
Current:					
General government	-	-	81,212	81,212	-
Public safety	11,353	-	131,489	142,842	12,712
Public works	-	-	49,455	49,455	50,123
Parks and recreation	-	-	13,587	13,587	13,336
Housing and redevelopment	145,618	-	-	145,618	156,938
Capital outlay	11,320	-	1,616,707	1,628,027	970,860
Debt service:					
Principal	-	1,135,000	-	1,135,000	1,095,000
Interest	-	171,258	5,256	176,514	203,199
Paying agent fees	-	2,910	-	2,910	2,863
Total expenditures	168,291	1,309,168	1,897,706	3,375,165	2,505,031
Revenues over (under) expenditures	91,232	(789,609)	(713,090)	(1,411,467)	(1,366,393)
Other financing sources:					
Sale of capital assets	-	-	38,516	38,516	608,497
Transfers in	-	702,239	272,892	975,131	1,871,305
Transfers out	-	-	(216,825)	(216,825)	(109,721)
Total other financing sources	-	702,239	94,583	796,822	2,370,081
Net change in fund balance	91,232	(87,370)	(618,507)	(614,645)	1,003,688
Fund balance - January 1	809,238	856,994	2,974,966	4,641,198	3,637,510
Fund balance - December 31	\$900,470	\$769,624	\$2,356,459	\$4,026,553	\$4,641,198

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NONMAJOR GOVERNMENTAL FUNDS

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NONMAJOR SPECIAL REVENUE FUNDS

The City's Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The City of St. Anthony, Minnesota had the following Special Revenue Funds during the year:

Police Forfeiture Fund (230) is used to account for revenue and expenditures related to the forfeiture of property.

HRA Fund (301) was established to oversee the commercial and residential redevelopment activities in the community.

CITY OF ST. ANTHONY, MINNESOTA
SUBCOMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
December 31, 2023
With Comparative Totals For December 31, 2022

Statement 20

	Police Forfeiture Fund	HRA Fund	Total Nonmajor Special Revenue Funds	
			2023	2022
Assets				
Cash and investments	\$59,045	\$856,785	\$915,830	\$809,757
Accounts receivable - net	-	132	132	132
Property taxes receivable:				
Delinquent	-	1,383	1,383	2,674
Due from county	-	818	818	1,086
Prepaid items	-	671	671	319
Loans receivable	-	665	665	2,205
Total assets	\$59,045	\$860,454	\$919,499	\$816,173
Liabilities, Deferred Inflows of Resources, and Fund Balance				
Liabilities:				
Accounts payable	\$ -	\$2,500	\$2,500	\$ -
Due to other governments	-	10,614	10,614	230
Salaries payable	-	4,532	4,532	4,031
Total liabilities	-	17,646	17,646	4,261
Deferred inflows of resources:				
Unavailable revenue	-	1,383	1,383	2,674
Fund balance:				
Nonspendable	-	671	671	319
Restricted	59,045	-	59,045	69,190
Committed	-	840,754	840,754	739,729
Total fund balance	59,045	841,425	900,470	809,238
Total liabilities, deferred inflows of resources, and fund balance	\$59,045	\$860,454	\$919,499	\$816,173

CITY OF ST. ANTHONY, MINNESOTA
SUBCOMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
For The Year Ended December 31, 2023
With Comparative Totals For December 31, 2022

Statement 21

	Police Forfeiture Fund	HRA Fund	Total Nonmajor Special Revenue Funds	
			2023	2022
Revenues:				
General property taxes	\$ -	\$210,381	\$210,381	\$208,746
Fines and forfeits	9,276	-	9,276	44,531
Investment income (loss)	3,252	36,569	39,821	(12,851)
Refunds and reimbursements	-	45	45	101
Total revenues	12,528	246,995	259,523	240,527
Expenditures:				
Current:				
Public safety	11,353	-	11,353	12,712
Housing and redevelopment	-	145,618	145,618	156,938
Capital outlay	11,320	-	11,320	-
Total expenditures	22,673	145,618	168,291	169,650
Revenues over (under) expenditures	(10,145)	101,377	91,232	70,877
Other financing sources (uses):				
Sale of city property	-	-	-	511,991
Net change in fund balance	(10,145)	101,377	91,232	582,868
Fund balance - January 1	69,190	740,048	809,238	226,370
Fund balance - December 31	\$59,045	\$841,425	\$900,470	\$809,238

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NONMAJOR DEBT SERVICE FUNDS

The City's Debt Service Funds are used to account for the accumulation of resources for, and payment of, interest, principal and related costs of long-term debt other than proprietary fund debt. The City of St. Anthony, Minnesota had the following nonmajor Debt Service Funds during the year.

Public Facilities Revenue Bonds (311) accounts for debt service for the public works building and fire station.

Tax Abatement Fund (502) was established to account for debt service payments associated with the improvements to City parks.

Equipment Certificates Fund (402) was established to account for the debt service related to the 2018 purchase of a fire engine.

HSIP Tax Abatement Fund (536) was established to account for debt service for sidewalks and signal light improvements.

HRA TIF Debt Service Fund (335/336) was established to account for debt associated with Tax Increment Financing Districts of the City.

CITY OF ST. ANTHONY, MINNESOTA
SUBCOMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
December 31, 2023
With Comparative Totals For December 31, 2022

Statement 22

	Public Facilities Revenue Bonds	Tax Abatement Fund	Equipment Certificates Fund	HSIP Tax Abatement	HRA TIF Debt Service	Total Nonmajor Debt Service Funds	
						2023	2022
Assets							
Cash and investments	\$391,003	\$188,193	\$5,706	\$177,483	\$4,831	\$767,216	\$857,490
Property taxes receivable:							
Delinquent	656	217	-	199	-	1,072	4,957
Due from county	1,565	334	-	509	-	2,408	1,801
Total assets	\$393,224	\$188,744	\$5,706	\$178,191	\$4,831	\$770,696	\$864,248
Liabilities, Deferred Inflows of Resources, and Fund Balance							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$1,825
Due to other governments	-	-	-	-	-	-	472
Total liabilities	-	-	-	-	-	-	2,297
Deferred inflows of resources:							
Unavailable revenue	656	217	-	199	-	1,072	4,957
Fund balance:							
Restricted	392,568	188,527	5,706	177,992	4,831	769,624	856,994
Total liabilities, deferred inflows of resources, and fund balance	\$393,224	\$188,744	\$5,706	\$178,191	\$4,831	\$770,696	\$864,248

CITY OF ST. ANTHONY, MINNESOTA
SUBCOMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR DEBT SERVICE FUNDS
For The Year Ended December 31, 2023
With Comparative Totals For December 31, 2022

Statement 23

	Public Facilities Revenue Bonds	Tax Abatement Fund	Equipment Certificates Fund	HSIP Tax Abatement	HRA TIF Debt Service	Total Nonmajor Debt Service Funds	
						2023	2022
Revenues:							
General property taxes	\$325,183	\$68,428	\$ -	\$105,898	\$ -	\$499,509	\$496,867
Investment income (loss)	7,646	6,796	287	5,047	274	20,050	(12,863)
Total revenues	<u>332,829</u>	<u>75,224</u>	<u>287</u>	<u>110,945</u>	<u>274</u>	<u>519,559</u>	<u>484,004</u>
Expenditures:							
Debt service:							
Principal	385,000	110,000	55,000	90,000	495,000	1,135,000	1,095,000
Interest	13,320	8,700	8,325	6,500	134,413	171,258	197,761
Paying agent fees	-	377	352	727	1,454	2,910	2,863
Total expenditures	<u>398,320</u>	<u>119,077</u>	<u>63,677</u>	<u>97,227</u>	<u>630,867</u>	<u>1,309,168</u>	<u>1,295,624</u>
Revenues over (under) expenditures	<u>(65,491)</u>	<u>(43,853)</u>	<u>(63,390)</u>	<u>13,718</u>	<u>(630,593)</u>	<u>(789,609)</u>	<u>(811,620)</u>
Other financing sources (uses):							
Transfers in	<u>7,500</u>	<u>-</u>	<u>63,325</u>	<u>-</u>	<u>631,414</u>	<u>702,239</u>	<u>635,863</u>
Net change in fund balance	<u>(57,991)</u>	<u>(43,853)</u>	<u>(65)</u>	<u>13,718</u>	<u>821</u>	<u>(87,370)</u>	<u>(175,757)</u>
Fund balance - January 1	<u>450,559</u>	<u>232,380</u>	<u>5,771</u>	<u>164,274</u>	<u>4,010</u>	<u>856,994</u>	<u>1,032,751</u>
Fund balance - December 31	<u><u>\$392,568</u></u>	<u><u>\$188,527</u></u>	<u><u>\$5,706</u></u>	<u><u>\$177,992</u></u>	<u><u>\$4,831</u></u>	<u><u>\$769,624</u></u>	<u><u>\$856,994</u></u>

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NONMAJOR CAPITAL PROJECT FUNDS

The City's Capital Project Funds account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The City of St. Anthony, Minnesota had the following Capital Project Funds during the year:

Infrastructure Improvement Fund (509) was established to provide funding for street improvement projects.

Park Improvement Fund (501) accounts for the revenues and expenditures associated with the renovations and refurbishing of the City's park system.

Capital Equipment Fund (401) is used by all City Departments and accounts for the annual purchases of capital equipment.

Building Improvement Fund (510) was established to provide funding for existing City owned building improvements and renovations.

CITY OF ST. ANTHONY, MINNESOTA
SUBCOMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
December 31, 2023
With Comparative Totals For December 31, 2022

Statement 24

	Infrastructure Improvement Fund	Park Improvement Fund	Capital Equipment Fund	Building Improvement Fund	Total Nonmajor Capital Project Funds	
					2023	2022
Assets						
Cash and investments	\$973,899	\$406,627	\$633,709	\$737,204	\$2,751,439	\$3,142,071
Accounts receivable - net	-	-	-	-	-	35,366
Property taxes receivable:						
Delinquent	737	(6)	532	154	1,417	3,980
Due from county	407	47	1,620	446	2,520	1,671
Prepaid items	-	-	-	-	-	1,100
Special assessment receivable	10,717	-	-	-	10,717	3,174
Total assets	\$985,760	\$406,668	\$635,861	\$737,804	\$2,766,093	\$3,187,362
Liabilities, Deferred Inflows of Resources, and Fund Balance						
Liabilities:						
Accounts payable	\$ -	\$ -	\$173,959	\$26,616	\$200,575	\$7,124
Due to other governmental units	26	-	-	-	26	265
Interfund loan payable	5,620	191,279	-	-	196,899	197,854
Total liabilities	5,646	191,279	173,959	26,616	397,500	205,243
Deferred inflows of resources:						
Unavailable revenue	11,454	(6)	532	154	12,134	7,153
Fund balance:						
Nonspendable	-	-	-	-	-	1,100
Assigned	968,660	215,395	461,370	711,034	2,356,459	2,973,866
Total fund balance	968,660	215,395	461,370	711,034	2,356,459	2,974,966
Total liabilities, deferred inflows of resources, and fund balance	\$985,760	\$406,668	\$635,861	\$737,804	\$2,766,093	\$3,187,362

CITY OF ST. ANTHONY, MINNESOTA
SUBCOMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR CAPITAL PROJECT FUNDS
For The Year Ended December 31, 2023
With Comparative Totals For December 31, 2022

Statement 25

	Infrastructure Improvement Fund	Park Improvement Fund	Capital Equipment Fund	Building Improvement Fund	Total Nonmajor Capital Project Funds	
					2023	2022
Revenues:						
General property taxes	\$70,125	\$10,009	\$338,954	\$93,225	\$512,313	\$461,914
Special assessments	1,763	-	-	-	1,763	1,846
Intergovernmental	-	-	494,614	-	494,614	-
Investment income (loss)	49,850	21,286	22,493	31,453	125,082	(51,615)
Contributions and donations	-	40,844	10,000	-	50,844	12
Refunds and reimbursements	-	-	-	-	-	1,950
Total revenues	<u>121,738</u>	<u>72,139</u>	<u>866,061</u>	<u>124,678</u>	<u>1,184,616</u>	<u>414,107</u>
Expenditures:						
Current:						
General government	-	-	38,434	42,778	81,212	-
Public safety	-	-	131,489	-	131,489	-
Public works	43,949	-	5,506	-	49,455	50,123
Parks and recreation	-	11,856	1,731	-	13,587	13,336
Capital outlay	-	165,203	1,398,273	53,231	1,616,707	970,860
Debt service:						
Interest	591	4,665	-	-	5,256	5,438
Total expenditures	<u>44,540</u>	<u>181,724</u>	<u>1,575,433</u>	<u>96,009</u>	<u>1,897,706</u>	<u>1,039,757</u>
Revenues over (under) expenditures	<u>77,198</u>	<u>(109,585)</u>	<u>(709,372)</u>	<u>28,669</u>	<u>(713,090)</u>	<u>(625,650)</u>
Other financing sources (uses):						
Sale of capital assets	-	-	38,516	-	38,516	96,506
Transfers in	2,892	60,000	90,000	120,000	272,892	1,235,442
Transfers out	(146,000)	-	(63,325)	(7,500)	(216,825)	(109,721)
Total other financing sources (uses)	<u>(143,108)</u>	<u>60,000</u>	<u>65,191</u>	<u>112,500</u>	<u>94,583</u>	<u>1,222,227</u>
Net change in fund balance	(65,910)	(49,585)	(644,181)	141,169	(618,507)	596,577
Fund balance - January 1	<u>1,034,570</u>	<u>264,980</u>	<u>1,105,551</u>	<u>569,865</u>	<u>2,974,966</u>	<u>2,378,389</u>
Fund balance - December 31	<u>\$968,660</u>	<u>\$215,395</u>	<u>\$461,370</u>	<u>\$711,034</u>	<u>\$2,356,459</u>	<u>\$2,974,966</u>

CITY OF ST. ANTHONY, MINNESOTA**SPECIAL REVENUE FUND - 230 POLICE FORFEITURE FUND****Statement 26****SCHEDULE OF REVENUES, EXPENDITURES****AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

For The Year Ended December 31, 2023

With Comparative Totals For December 31, 2022

	2023			Variance with Final Budget	
	Budgeted Amounts			Positive	2022
	Original	Final	Actual	(Negative)	Actual
Revenues:					
Forfeiture and confiscation	\$10,000	\$10,000	\$9,276	(\$724)	\$44,531
Investment income	50	50	3,252	3,202	(1,713)
Total revenues	10,050	10,050	12,528	2,478	42,818
Expenditures:					
Public safety:					
Current:					
Supplies	13,050	13,050	6,353	6,697	8,712
Other services and charges	5,000	5,000	5,000	-	4,000
Capital outlay	-	-	11,320	(11,320)	-
Total expenditures	18,050	18,050	22,673	(4,623)	12,712
Revenues over (under) expenditures	(\$8,000)	(\$8,000)	(10,145)	\$7,101	30,106
Fund balance - January 1			69,190		39,084
Fund balance - December 31			\$59,045		\$69,190

CITY OF ST. ANTHONY, MINNESOTA**SPECIAL REVENUE FUND - 301 HRA FUND****Statement 27****SCHEDULE OF REVENUES, EXPENDITURES****AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

For The Year Ended December 31, 2023

With Comparative Totals For December 31, 2022

	2023			Variance with Final Budget	
	Budgeted Amounts			Positive	2022
	Original	Final	Actual	(Negative)	Actual
Revenues:					
General property taxes	\$209,414	\$209,414	\$210,381	\$967	\$208,746
Refunds and reimbursements	500	500	45	(455)	101
Investment income	500	500	36,569	36,069	(11,138)
Total revenues	210,414	210,414	246,995	36,581	197,709
Expenditures:					
Housing and redevelopment:					
Current:					
Personal services	127,087	127,087	120,101	6,986	115,681
Contractual services	71,650	71,650	25,517	46,133	41,257
Total expenditures	198,737	198,737	145,618	53,119	156,938
Revenues over expenditures	11,677	11,677	101,377	(16,538)	40,771
Other financing sources (uses):					
Sale of city property	-	-	-	-	511,991
Net change in fund balance	\$11,677	\$11,677	101,377	(\$16,538)	552,762
Fund balance - January 1			740,048		187,286
Fund balance - December 31			\$841,425		\$740,048

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SUPPLEMENTARY FINANCIAL INFORMATION

CITY OF ST. ANTHONY, MINNESOTA
BALANCE SHEET
STREET IMPROVEMENT DEBT SERVICE FUND
December 31, 2023
With Comparative Totals For December 31, 2022

	Prior to 2008 Street Improvement Bonds Fund	2008 Street Improvement Bond Fund	2009 Street Improvement Bond Fund	2010 Street Improvement Bond Fund	2011 Street Improvement Bond Fund	2012 Street Improvement Bond Fund	2013 Street Improvement Bond Fund
Assets							
Cash and investments	\$ -	\$160,056	\$207,638	\$103,609	\$141,400	\$240,941	\$147,394
Property taxes receivable:							
Delinquent	-	369	359	162	241	231	228
Due from county	-	508	1,029	519	472	514	371
Special assessments receivable	-	-	11,603	6,706	20,886	97,960	52,375
Total assets	\$ -	\$160,933	\$220,629	\$110,996	\$162,999	\$339,646	\$200,368
Liabilities, Deferred Inflows of Resources, and Fund Balance							
Liabilities:							
Accounts payable	\$ -	\$ -	\$75	\$ -	\$ -	\$ -	\$ -
Due to other governments	-	-	-	-	-	-	-
Deposits payable	-	-	-	-	-	-	-
Total liabilities	-	-	75	-	-	-	-
Deferred inflows of resources:							
Unavailable revenue	-	369	11,962	6,869	21,127	98,191	52,603
Fund balance:							
Restricted	-	160,564	208,592	104,127	141,872	241,455	147,765
Total liabilities, deferred inflows of resources, and fund balance (deficit)	\$ -	\$160,933	\$220,629	\$110,996	\$162,999	\$339,646	\$200,368

2014 Street Improvement Bond Fund	2015 Street Improvement Bond Fund	2016 Street Improvement Bond Fund	2017 Street Improvement Bond Fund	2018 Street Improvement Bond Fund	2019 Street Improvement Bond Fund	2020 Street Improvement Bond Fund	2021 Street Improvement Bond Fund	2022 Street Improvement Bond Fund	Street Improvement Debt Service Fund	
									2023	2022
\$168,819	\$290,206	\$213,435	\$266,241	\$388,660	\$85,738	\$445,324	\$468,931	\$244,441	\$3,572,833	\$3,534,742
268	291	172	86	291	140	369	88	(183)	3,112	18,112
728	696	383	909	667	391	860	757	890	9,694	8,622
66,378	107,318	24,292	135,906	182,967	-	184,546	256,019	228,530	1,375,486	1,606,663
\$236,193	\$398,511	\$238,282	\$403,142	\$572,585	\$86,269	\$631,099	\$725,795	\$473,678	\$4,961,125	\$5,168,139
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$2,147	\$ -	\$ -	\$2,222	\$8,411
-	-	-	-	-	-	-	-	-	-	1,003
-	8,848	-	-	-	-	-	-	-	8,848	7,681
-	8,848	-	-	-	-	2,147	-	-	11,070	17,095
66,646	107,609	24,463	135,992	183,257	140	184,916	256,107	228,347	1,378,598	1,624,775
169,547	282,054	213,819	267,150	389,328	86,129	444,036	469,688	245,331	3,571,457	3,526,269
\$236,193	\$398,511	\$238,282	\$403,142	\$572,585	\$86,269	\$631,099	\$725,795	\$473,678	\$4,961,125	\$5,168,139

CITY OF ST. ANTHONY, MINNESOTA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
STREET IMPROVEMENT DEBT SERVICE FUND
For The Year Ended December 31, 2023
With Comparative Totals For December 31, 2022

	Prior to 2008 Street Improvement Bonds Fund	2008 Street Improvement Bond Fund	2009 Street Improvement Bond Fund	2010 Street Improvement Bond Fund	2011 Street Improvement Bond Fund	2012 Street Improvement Bond Fund	2013 Street Improvement Bond Fund
Revenues:							
General property taxes	\$707	\$103,497	\$182,011	\$108,650	\$97,474	\$106,662	\$76,196
Special assessments	172	-	12,513	3,462	11,246	22,584	12,988
Investment income (loss)	95	2,037	3,588	1,162	3,407	7,456	4,261
Total revenues	<u>974</u>	<u>105,534</u>	<u>198,112</u>	<u>113,274</u>	<u>112,127</u>	<u>136,702</u>	<u>93,445</u>
Expenditures:							
Public works:							
Professional service	3	-	252	252	302	335	297
Debt service:							
Principal	170,000	155,000	180,000	95,000	105,000	150,000	105,000
Interest	1,870	7,125	13,800	13,900	20,700	22,588	14,450
Paying agent fees	477	-	125	150	150	250	225
Total expenditures	<u>172,350</u>	<u>162,125</u>	<u>194,177</u>	<u>109,302</u>	<u>126,152</u>	<u>173,173</u>	<u>119,972</u>
Revenues over (under) expenditures	<u>(171,376)</u>	<u>(56,591)</u>	<u>3,935</u>	<u>3,972</u>	<u>(14,025)</u>	<u>(36,471)</u>	<u>(26,527)</u>
Other financing sources (uses):							
Bonds issued	-	-	-	-	-	-	-
Transfers in	-	51,000	-	5,000	-	-	-
Transfers out	(2,892)	-	-	-	-	-	-
Total other financing sources (uses)	<u>(2,892)</u>	<u>51,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>(174,268)</u>	<u>(5,591)</u>	<u>3,935</u>	<u>8,972</u>	<u>(14,025)</u>	<u>(36,471)</u>	<u>(26,527)</u>
Fund balance - January 1	<u>174,268</u>	<u>166,155</u>	<u>204,657</u>	<u>95,155</u>	<u>155,897</u>	<u>277,926</u>	<u>174,292</u>
Fund balance - December 31	<u>\$0</u>	<u>\$160,564</u>	<u>\$208,592</u>	<u>\$104,127</u>	<u>\$141,872</u>	<u>\$241,455</u>	<u>\$147,765</u>

2014 Street Improvement Bond Fund	2015 Street Improvement Bond Fund	2016 Street Improvement Bond Fund	2017 Street Improvement Bond Fund	2018 Street Improvement Bond Fund	2019 Street Improvement Bond Fund	2020 Street Improvement Bond Fund	2021 Street Improvement Bond Fund	2022 Street Improvement Bond Fund	Street Improvement Debt Service Fund	
									2023	2022
\$151,855	\$144,682	\$79,538	\$192,736	\$138,378	\$81,630	\$178,744	\$158,687	\$192,827	\$1,994,274	\$1,967,927
15,926	33,556	4,134	29,371	29,740	-	22,164	40,244	53,216	291,316	301,212
2,898	8,566	7,663	6,216	13,927	1,781	15,139	5,869	-	84,065	(52,739)
170,679	186,804	91,335	228,323	182,045	83,411	216,047	204,800	246,043	2,369,655	2,216,400
325	1,522	727	322	727	427	767	239	155	6,652	3,263
135,000	170,000	95,000	160,000	155,000	65,000	175,000	150,000	-	2,065,000	2,075,000
33,870	38,613	21,388	57,450	70,175	32,900	67,475	35,010	86,473	537,787	519,068
475	475	-	125	-	-	-	250	475	3,177	5,615
169,670	210,610	117,115	217,897	225,902	98,327	243,242	185,499	87,103	2,612,616	2,602,946
1,009	(23,806)	(25,780)	10,426	(43,857)	(14,916)	(27,195)	19,301	158,940	(242,961)	(386,546)
-	-	-	-	-	-	-	-	-	-	49,849
-	-	-	-	-	-	-	235,041	-	291,041	375,066
-	-	-	-	-	-	-	-	-	(2,892)	(533,917)
-	-	-	-	-	-	-	235,041	-	288,149	(109,002)
1,009	(23,806)	(25,780)	10,426	(43,857)	(14,916)	(27,195)	254,342	158,940	45,188	(495,548)
168,538	305,860	239,599	256,724	433,185	101,045	471,231	215,346	86,391	3,526,269	4,021,817
\$169,547	\$282,054	\$213,819	\$267,150	\$389,328	\$86,129	\$444,036	\$469,688	\$245,331	\$3,571,457	\$3,526,269

CITY OF ST. ANTHONY, MINNESOTA
BALANCE SHEET
HRA TIF IMPROVEMENTS FUND
December 31, 2023
With Comparative Totals For December 31, 2022

Exhibit 3

	Tax Increment Financing Districts					HRA TIF	
	Chandler Place	Apache (Walmart)	Apache (Cub Foods)	Lowry Grove	Eliminations	Improvements Total	
						2023	2022
Assets							
Cash and investments	\$230,616	\$4,197,410	\$472,975	\$12,994	\$ -	\$4,913,995	\$5,067,037
Property taxes receivable:							
Delinquent	-	10,876	-	-	-	10,876	8,060
Due from county	-	22,245	-	4,473	-	26,718	1,265
Prepaid expenses	-	554	-	-	-	554	552
Due from other governmental units	-	11,800	-	-	-	11,800	-
Interfund loan receivable	646,850	-	722,566	-	(1,369,416)	-	-
Land held for resale	-	409,188	-	-	-	409,188	378,008
Total assets	<u>\$877,466</u>	<u>\$4,652,073</u>	<u>\$1,195,541</u>	<u>\$17,467</u>	<u>(\$1,369,416)</u>	<u>\$5,373,131</u>	<u>\$5,454,922</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance							
Liabilities:							
Accounts payable	\$ -	\$550,568	\$ -	\$140	\$ -	\$550,708	\$2,046,127
Due to other governments	-	3,292	-	-	-	3,292	2,826
Deposits payable	-	70,757	-	-	-	70,757	70,758
Interfund loans payable	-	2,328,742	-	-	(1,369,416)	959,326	959,326
Total liabilities	<u>-</u>	<u>2,953,359</u>	<u>-</u>	<u>140</u>	<u>(1,369,416)</u>	<u>1,584,083</u>	<u>3,079,037</u>
Deferred inflows of resources:							
Unavailable revenue	-	10,876	-	-	-	10,876	8,060
Fund balance:							
Nonspendable	-	554	-	-	-	554	552
Restricted	877,466	1,687,284	1,195,541	17,327	-	3,777,618	2,367,273
Total fund balance	<u>877,466</u>	<u>1,687,838</u>	<u>1,195,541</u>	<u>17,327</u>	<u>-</u>	<u>3,778,172</u>	<u>2,367,825</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$877,466</u>	<u>\$4,652,073</u>	<u>\$1,195,541</u>	<u>\$17,467</u>	<u>(\$1,369,416)</u>	<u>\$5,373,131</u>	<u>\$5,454,922</u>

CITY OF ST. ANTHONY, MINNESOTA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
Exhibit 4
IN FUND BALANCE
HRA TIF IMPROVEMENTS FUND

For The Year Ended December 31, 2023

With Comparative Totals For December 31, 2022

	Tax Increment Financing Districts				HRA TIF	
	Chandler	Apache	Apache	Lowry	Improvements Total	
	Place	(Walmart)	(Cub Foods)	Grove	2023	2022
Revenues:						
Tax increment collections	\$ -	\$3,052,398	\$ -	\$36,731	\$3,089,129	\$2,273,952
Investment income (loss)	35,810	137,162	50,233	-	223,205	(31,356)
Refunds and reimbursements	-	-	-	-	-	2,320
Total revenues	35,810	3,189,560	50,233	36,731	3,312,334	2,244,916
Expenditures:						
General government	-	27,588	-	133	27,721	27,916
Housing and redevelopment	3,957	-	3,958	2,801	10,716	201,842
Debt service:						
Interest	-	93,150	-	-	93,150	93,150
Construction/acquisition costs	-	-	-	-	-	409
Developer incentives	-	1,107,516	-	16,470	1,123,986	1,046,435
Total expenditures	3,957	1,228,254	3,958	19,404	1,255,573	1,369,752
Revenues over expenditures	31,853	1,961,306	46,275	17,327	2,056,761	875,164
Other financing sources (uses):						
Transfers out	(3,000)	(637,414)	(6,000)	-	(646,414)	(639,213)
Net change in fund balance	28,853	1,323,892	40,275	17,327	1,410,347	235,951
Fund balance - January 1	848,613	363,946	1,155,266	-	2,367,825	2,131,874
Fund balance - December 31	\$877,466	\$1,687,838	\$1,195,541	\$17,327	\$3,778,172	\$2,367,825

CITY OF ST. ANTHONY, MINNESOTA
BALANCE SHEET
STREET IMPROVEMENT PROJECT FUND
December 31, 2023
With Comparative Totals For December 31, 2022

Exhibit 5

	2021 Street Improvement Project Fund	2022 Street Improvement Project Fund	2024 Street Improvement Project Fund	Total Street Improvement Project Fund	
				2023	2022
Assets					
Cash and investments	\$ -	\$279,081	(\$76,125)	\$202,956	\$587,960
Due from other governmental units	-	-	-	-	55,466
Special assessments receivable	-	36,610	-	36,610	56,789
Total assets	\$ -	\$315,691	(\$76,125)	\$239,566	\$700,215
Liabilities and Fund Balance					
Liabilities:					
Accounts payable	\$ -	\$386	\$22,841	\$23,227	\$572
Contracts payable	-	25,397	-	25,397	118,341
Total liabilities	-	25,783	22,841	48,624	118,913
Deferred inflows of resources:					
Unavailable revenue	-	36,610	-	36,610	56,789
Fund balance (deficit):					
Restricted	-	113,111	-	113,111	282,711
Assigned	-	140,187	-	140,187	241,802
Unassigned	-	-	(98,966)	(98,966)	-
Total fund balance (deficit)	-	253,298	(98,966)	154,332	524,513
Total liabilities and fund balance	\$0	\$315,691	(\$76,125)	\$239,566	\$700,215

CITY OF ST. ANTHONY, MINNESOTA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
STREET IMPROVEMENT PROJECT FUND
For The Year Ended December 31, 2023
With Comparative Totals For December 31, 2022

Exhibit 6

	2021 Street Improvement Project Fund	2022 Street Improvement Project Fund	2024 Street Improvement Project Fund	Total Street Improvement Project Fund	
				2023	2022
Revenues:					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$30,466
Special assessments	-	20,179	-	20,179	151,880
Investment income (loss)	9,895	22,118	-	32,013	(10,410)
Miscellaneous	-	-	-	-	13,027
Total revenues	9,895	42,297	-	52,192	184,963
Expenditures:					
Debt service:					
Issuance costs	-	-	-	-	78,957
Construction/acquisition costs	738	87,628	98,966	187,332	2,063,463
Total expenditures	738	87,628	98,966	187,332	2,142,420
Revenues over (under) expenditures	9,157	(45,331)	(98,966)	(135,140)	(1,957,457)
Other financing sources (uses):					
Bonds issued	-	-	-	-	2,335,151
Premium on bonds issued	-	-	-	-	15,093
Transfers in	-	-	-	-	170,223
Transfers out	(235,041)	-	-	(235,041)	(280,125)
Total other financing sources (uses)	(235,041)	-	-	(235,041)	2,240,342
Net change in fund balance	(225,884)	(45,331)	(98,966)	(370,181)	282,885
Fund balance - January 1	225,884	298,629	-	524,513	241,628
Fund balance - December 31	\$ -	\$253,298	(\$98,966)	\$154,332	\$524,513

CITY OF ST. ANTHONY, MINNESOTA
BALANCE SHEET
HRA TIF DEBT SERVICE FUND
December 31, 2023
With Comparative Totals For December 31, 2022

Exhibit 7

	2015B G.O Tax Increment <u>Refunding Bonds</u>	2014B G.O Tax Increment <u>Refunding Bonds</u>	<u>HRA TIF Debt Service Fund Totals</u>	
			<u>2023</u>	<u>2022</u>
Assets				
Cash and investments	<u>\$2,293</u>	<u>\$2,538</u>	<u>\$4,831</u>	<u>\$4,960</u>
Liabilities and Fund Balance				
Liabilities:				
Accounts payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$950</u>
Fund balance:				
Restricted	<u>2,293</u>	<u>2,538</u>	<u>4,831</u>	<u>4,010</u>
Total liabilities and fund balance	<u>\$2,293</u>	<u>\$2,538</u>	<u>\$4,831</u>	<u>\$4,960</u>

CITY OF ST. ANTHONY, MINNESOTA**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES****Exhibit 8****IN FUND BALANCE****HRA TIF DEBT SERVICE FUND**

For The Year Ended December 31, 2023

With Comparative Totals For December 31, 2022

	2015B G.O Tax Increment Refunding Bonds	2014B G.O Tax Increment Refunding Bonds	HRA TIF Debt Service Fund Totals	
			2023	2022
Revenues	\$132	\$142	\$274	(\$334)
Expenditures:				
Debt service:				
Principal	270,000	225,000	495,000	475,000
Interest	67,613	66,800	134,413	146,213
Paying agent fees	727	727	1,454	1,295
Total expenditures	338,340	292,527	630,867	622,508
Revenues over (under) expenditures	(338,208)	(292,385)	(630,593)	(622,842)
Other financing sources (uses):				
Transfers in	338,613	292,801	631,414	624,213
Net change in fund balance	405	416	821	1,371
Fund balance - January 1	1,888	2,122	4,010	2,639
Fund balance - December 31	\$2,293	\$2,538	\$4,831	\$4,010

CITY OF ST. ANTHONY, MINNESOTA
SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND NET POSITION
WATER/SEWER/WATER PLANT ENTERPRISE FUND
For The Year Ended December 31, 2023
With Comparative Totals For December 31, 2022

Exhibit 9

	Operations		Totals	
	Water/Water Plant	Sewer	2023	2022
Operating revenues:				
Charges for services	\$1,513,076	\$1,440,378	\$2,953,454	\$2,678,069
Total operating revenues	1,513,076	1,440,378	2,953,454	2,678,069
Operating expenses:				
Personal services	627,075	336,911	963,986	950,052
Supplies	151,400	12,541	163,941	144,265
Contracted services and other	125,852	63,223	189,075	210,714
Treatment charges (MCES)	-	760,026	760,026	711,020
Utilities/insurance/other	202,254	32,462	234,716	229,621
Total operating expenses, excluding depreciation	1,106,581	1,205,163	2,311,744	2,245,672
Depreciation	664,532	23,920	688,452	650,240
Total operating expenses	1,771,113	1,229,083	3,000,196	2,895,912
Operating income (loss)	(\$258,037)	\$211,295	(46,742)	(217,843)
Nonoperating revenues (expenses):				
Investment income			124,189	(51,770)
Interest expense			928	(2,300)
Miscellaneous income			5,796	22,482
Total nonoperating revenues (expenses)			130,913	(31,588)
Income (loss) before capital contributions and transfers			84,171	(249,431)
Capital contributions			1,044,885	845,081
Change in net position			1,129,056	595,650
Net position - January 1			18,033,349	17,437,699
Net position - December 31			\$19,162,405	\$18,033,349

III. STATISTICAL SECTION (UNAUDITED)

This part of the City of St. Anthony, Minnesota's Annual Comprehensive 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 of St. Anthony, Minnesota's overall financial health.

Contents	Tables
Financial Trends These tables contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	Tables 1-4
Revenue Capacity These tables contain information to help the reader assess the City's most significant local revenue source, the property tax.	Tables 5-8
Debt Capacity 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.	Tables 9-12
Demographic and Economic Information These tables offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	Tables 13-14
Operating Information These tables contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	Tables 15-17

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

CITY OF ST. ANTHONY, MINNESOTA
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year			
	2014	2015	2016	2017
Governmental activities:				
Net invested in capital assets	\$14,953,582	\$10,604,121	\$10,024,670	\$10,274,946
Restricted for:				
Debt service	5,717,140	6,147,172	6,282,913	6,537,390
Redevelopment activity	-	12,411	-	-
Pensions	-	-	197,073	219,561
Public safety	23,471	19,283	25,634	23,865
Unrestricted	(9,513,189)	(10,391,885)	1,689,042	(5,330,379)
Total governmental activities net position	<u>\$11,181,004</u>	<u>\$6,391,102</u>	<u>\$18,219,332</u>	<u>\$11,725,383</u>
Business-type activities:				
Net invested in capital assets	\$6,036,192	\$12,143,158	\$14,011,168	\$22,151,578
Unrestricted	5,570,360	5,649,685	3,171,781	3,529,653
Total business-type activities net position	<u>\$11,606,552</u>	<u>\$17,792,843</u>	<u>\$17,182,949</u>	<u>\$25,681,231</u>
Primary government:				
Net invested in capital assets	\$20,989,774	\$22,747,279	\$24,035,838	\$32,426,524
Restricted for:				
Debt service	5,717,140	6,147,172	6,282,913	6,537,390
Redevelopment activity	-	12,411	-	-
Pensions	-	-	197,073	219,561
Public safety	23,471	19,283	25,634	23,865
Unrestricted	(3,942,829)	(4,742,200)	4,860,823	(1,800,726)
Total primary government net position	<u>\$22,787,556</u>	<u>\$24,183,945</u>	<u>\$35,402,281</u>	<u>\$37,406,614</u>

Note: GASB 65 was implemented in 2013. Net position was restated for 2012 to reflect the expensing of bond issuance costs in the year of issuance.
Net position for years prior to 2012 was not restated.

Note: GASB 68 was implemented in 2015. Net position was restated for 2014 to reflect the reporting of net pension liability and pension related deferred outflows of resources. Net position for years prior to 2014 was not restated.

Note: The City closed the Stormwater Improvement Capital Project Fund during 2015 and transferred the majority of the net position to the Stormwater Utility Fund.

Table 1

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$10,422,047	\$9,746,635	\$10,349,363	\$10,068,970	\$10,898,178	\$11,876,010
7,097,594	6,339,750	6,406,488	6,255,605	5,612,586	5,446,428
-	-	-	-	-	113,111
200,075	177,502	247,024	360,702	421,414	397,881
31,141	39,505	46,912	39,084	69,190	460,546
(5,776,551)	(4,223,098)	(776,593)	2,413,816	3,037,144	4,228,339
<u>\$11,974,306</u>	<u>\$12,080,294</u>	<u>\$16,273,194</u>	<u>\$19,138,177</u>	<u>\$20,038,512</u>	<u>\$22,522,315</u>
\$23,179,624	\$24,525,702	\$23,721,266	\$24,563,962	\$24,834,573	\$25,313,018
3,483,257	3,569,879	4,072,013	4,738,737	5,136,864	6,083,552
<u>\$26,662,881</u>	<u>\$28,095,581</u>	<u>\$27,793,279</u>	<u>\$29,302,699</u>	<u>\$29,971,437</u>	<u>\$31,396,570</u>
\$33,601,671	\$34,272,337	\$34,070,629	\$34,632,932	\$35,732,751	\$37,189,028
7,097,594	6,339,750	6,406,488	6,255,605	5,612,586	5,446,428
-	-	-	-	-	113,111
200,075	177,502	247,024	360,702	421,414	397,881
31,141	39,505	46,912	39,084	69,190	460,546
(2,293,294)	(653,219)	3,295,420	7,152,553	8,174,008	10,311,891
<u>\$38,637,187</u>	<u>\$40,175,875</u>	<u>\$44,066,473</u>	<u>\$48,440,876</u>	<u>\$50,009,949</u>	<u>\$53,918,885</u>

CITY OF ST. ANTHONY, MINNESOTA
CHANGES IN NET POSITION
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year			
	2014	2015	2016	2017
Expenses				
Governmental activities:				
General government	\$1,116,100	\$1,342,360	\$1,319,451	\$1,337,698
Public safety	4,644,185	4,757,637	7,053,595	6,018,470
Public works	2,711,291	2,741,411	4,134,783	2,988,291
Parks and recreation	608,966	592,892	472,436	472,700
Services to other cities	-	-	-	-
Nondepartmental	-	-	-	-
Housing and redevelopment	575,738	596,444	793,834	787,775
Interest on long-term debt	1,044,635	845,856	794,584	738,914
Total governmental activities expenses	10,700,915	10,876,600	14,568,683	12,343,848
Business-type activities:				
Liquor	5,879,240	5,728,876	5,676,892	5,591,683
Water	845,396	869,446	1,083,240	1,176,102
Water Filtration and Purification	239,074	185,964	-	-
Sewer	1,069,876	1,051,261	1,048,937	1,144,273
Stormwater	-	-	191,655	244,135
Total business-type activities expenses	8,033,586	7,835,547	8,000,724	8,156,193
Total primary government expenses	\$18,734,501	\$18,712,147	\$22,569,407	\$20,500,041
Program revenues				
Governmental activities:				
Charges for services:				
Services to other cities	\$ -	\$ -	\$ -	\$ -
Other activities	2,374,306	2,414,912	2,212,526	2,281,654
Operating grants and contributions	499,538	499,126	10,969,360	630,316
Capital grants and contributions	1,070,975	1,367,745	1,643,911	1,604,844
Total governmental activities program revenues	3,944,819	4,281,783	14,825,797	4,516,814
Business-type activities:				
Charges for services:				
Liquor	6,078,039	5,893,916	5,822,783	5,714,000
Water	879,007	900,412	925,577	969,638
Water filtration and purification	-	45,655	-	-
Sewer	921,242	953,568	1,012,979	1,122,738
Stormwater	-	-	192,748	197,242
Operating grants and contributions	-	-	130,932	-
Capital grants and contributions	-	-	1,166,747	569,716
Total business-type activities program revenues	7,878,288	7,793,551	9,251,766	8,573,334
Total primary government program revenues	\$11,823,107	\$12,075,334	\$24,077,563	\$13,090,148

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$1,234,274	\$1,587,360	\$1,374,449	\$1,349,129	\$1,380,846	\$1,558,834
4,886,105	4,789,232	5,125,951	4,840,277	5,853,162	6,591,967
3,005,637	2,960,916	2,915,895	2,947,640	3,135,972	2,897,194
488,132	536,095	438,126	646,257	546,537	530,990
-	-	-	-	-	-
-	-	-	-	45,609	88,013
1,189,659	975,246	1,276,274	1,217,386	1,412,758	1,284,871
795,625	803,042	680,448	695,343	697,886	637,825
11,599,432	11,651,891	11,811,143	11,696,032	13,072,770	13,589,694
5,617,377	5,903,275	6,605,500	6,765,260	6,601,179	6,728,047
1,573,857	1,617,354	1,554,879	1,377,483	1,632,017	1,783,913
-	-	-	-	-	-
1,243,591	1,253,102	1,202,141	1,240,813	1,305,957	1,237,453
249,911	308,786	367,578	337,796	419,510	599,043
8,684,736	9,082,517	9,730,098	9,721,352	9,958,663	10,348,456
\$20,284,168	\$20,734,408	\$21,541,241	\$21,417,384	\$23,031,433	\$23,938,150
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,602,792	1,847,264	1,722,036	3,041,161	1,981,023	2,190,191
560,924	494,389	1,211,012	741,397	610,856	926,803
817,077	633,142	1,862,319	624,283	633,832	75,165
2,980,793	2,974,795	4,795,367	4,406,841	3,225,711	3,192,159
5,867,452	6,160,868	7,025,468	7,260,590	7,041,690	7,065,954
1,010,722	999,082	1,133,458	1,311,611	1,362,580	1,513,076
-	-	-	-	-	-
1,162,167	1,211,209	1,224,881	1,314,285	1,337,971	1,440,378
201,729	206,700	211,360	212,308	219,668	229,089
-	-	-	-	-	-
126,991	-	-	-	-	-
8,369,061	8,577,859	9,595,167	10,098,794	9,961,909	10,248,497
\$11,349,854	\$11,552,654	\$14,390,534	\$14,505,635	\$13,187,620	\$13,440,656

CITY OF ST. ANTHONY, MINNESOTA
CHANGES IN NET POSITION
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

	Fiscal Year			
	2014	2015	2016	2017
Net (expense) revenue:				
Governmental activities	(\$6,756,096)	(\$6,594,817)	\$257,114	(\$7,827,034)
Business-type activities	(155,298)	(41,996)	1,251,042	417,141
Total primary government net (expense) revenue	(6,911,394)	(6,636,813)	1,508,156	(7,409,893)
General revenues and other changes in net position:				
Governmental activities:				
Taxes:				
Property taxes	\$6,030,558	\$5,893,900	\$6,160,156	\$6,577,570
Tax increment collections	1,131,896	1,121,627	1,455,090	1,530,093
Grants and contributions	461,964	516,015	530,110	535,422
Unrestricted investment earnings	189,441	146,023	254,396	234,572
Other	104,113	172,913	1,207,375	407,269
Gain on sale of capital assets	33,204	7,653	7,151	34,775
Transfers	(17,982)	(6,053,216)	1,956,838	(7,986,616)
Total governmental activities	7,933,194	1,804,915	11,571,116	1,333,085
Business-type activities:				
Unrestricted investment earnings	111,512	86,407	31,097	21,812
Grants and contributions	-	-	-	-
Other	61,444	88,664	64,805	72,713
Transfers	17,982	6,053,216	(1,956,838)	7,986,616
Total business-type activities	190,938	6,228,287	(1,860,936)	8,081,141
Total primary government	\$8,124,132	\$8,033,202	\$9,710,180	\$9,414,226
Change in net position:				
Governmental activities	\$1,177,098	(\$4,789,902)	\$11,828,230	(\$6,493,949)
Business-type activities	35,640	6,186,291	(609,894)	8,498,282
Total primary government	\$1,212,738	\$1,396,389	\$11,218,336	\$2,004,333

Note: GASB 65 was implemented in 2013. Governmental activity expenses were restated for 2012 to reflect the expensing of bond issuance costs in the year of issuance. Expenses for years prior to 2012 were not restated.

Note: GASB 68 was implemented for 2015. Expenses for years prior to 2015 were not restated.

Note: The City closed the Stormwater Improvement Capital Project Fund during 2015 and transferred the majority of the net position to the Stormwater Utility Fund.

Note: The City closed the Water Filtration and Purification Fund during 2016 and transferred the majority of the net position to governmental activities.

Table 2
Page 2 of 2

Fiscal Year					
2018	2019	2020	2021	2022	2023
(8,618,639)	(8,677,096)	(\$7,015,776)	(\$7,289,191)	(\$9,847,059)	(\$10,397,535)
(315,675)	(504,658)	(134,931)	377,442	3,246	(99,959)
(8,934,314)	(9,181,754)	(7,150,707)	(6,911,749)	(9,843,813)	(10,497,494)
\$7,128,703	\$7,477,523	\$7,946,178	\$8,083,595	\$8,462,357	\$8,835,497
1,870,589	2,060,375	2,077,137	2,470,757	2,272,455	3,091,945
559,437	561,062	613,302	640,386	1,002,881	1,147,322
286,519	492,834	318,653	47,420	(295,627)	896,704
225,774	15,468	40,768	49,285	55,291	13,284
48,529	-	-	-	-	38,516
(1,251,989)	(1,824,178)	212,638	(1,137,269)	(749,963)	(1,141,930)
8,867,562	8,783,084	11,208,676	10,154,174	10,747,394	12,881,338
32,771	83,886	45,267	(11,911)	(85,871)	198,617
-	-	-	-	-	158,891
12,565	29,294	-	6,620	1,400	25,654
1,251,989	1,824,178	(212,638)	1,137,269	749,963	1,141,930
1,297,325	1,937,358	(167,371)	1,131,978	665,492	1,525,092
\$10,164,887	\$10,720,442	\$11,041,305	\$11,286,152	\$11,412,886	\$14,406,430
\$248,923	\$105,988	\$4,192,900	\$2,864,983	\$900,335	\$2,483,803
981,650	1,432,700	(302,302)	1,509,420	668,738	1,425,133
\$1,230,573	\$1,538,688	\$3,890,598	\$4,374,403	\$1,569,073	\$3,908,936

CITY OF ST. ANTHONY, MINNESOTA
FUND BALANCES - GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

	Fiscal Year			
	2014	2015	2016	2017
General Fund:				
Nonspendable	\$91,136	\$107,412	\$115,482	\$119,651
Restricted	-	-	-	-
Unassigned	2,384,345	2,338,600	2,204,185	2,280,463
Total general fund	<u>\$2,475,481</u>	<u>\$2,446,012</u>	<u>\$2,319,667</u>	<u>\$2,400,114</u>
All other governmental funds:				
Nonspendable	\$1,631	\$2,157	\$57,188	\$15,339
Restricted	7,627,714	6,491,789	6,907,253	7,002,918
Committed	78,180	94,107	105,503	125,069
Assigned	1,318,583	578,258	13,148,229	6,568,756
Unassigned	<u>(2,407,745)</u>	<u>(2,062,163)</u>	<u>(1,693,729)</u>	<u>(1,452,918)</u>
Total all other governmental funds	<u>\$6,618,363</u>	<u>\$5,104,148</u>	<u>\$18,524,444</u>	<u>\$12,259,164</u>

Table 3

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$126,304	\$101,105	\$159,782	\$146,580	\$164,687	\$195,110
-	-	-	-	-	401,501
2,381,460	2,489,685	3,238,208	3,730,206	3,840,170	4,460,649
<u>\$2,507,764</u>	<u>\$2,590,790</u>	<u>\$3,397,990</u>	<u>\$3,876,786</u>	<u>\$4,004,857</u>	<u>\$5,057,260</u>
\$97,687	\$1,451	\$2,969	\$35,953	\$4,650	\$4,309
7,466,883	7,176,386	7,955,365	7,396,858	7,102,437	8,290,855
124,355	102,948	201,822	337,173	895,109	1,010,290
5,374,785	5,502,668	6,513,862	6,632,453	6,715,192	6,061,683
<u>(1,409,874)</u>	<u>(892,137)</u>	<u>(524,166)</u>	<u>-</u>	<u>-</u>	<u>(98,966)</u>
<u>\$11,653,836</u>	<u>\$11,891,316</u>	<u>\$14,149,852</u>	<u>\$14,402,437</u>	<u>\$14,717,388</u>	<u>\$15,268,171</u>

CITY OF ST. ANTHONY, MINNESOTA
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

	Fiscal Year			
	2014	2015	2016	2017
Revenues:				
General property taxes	\$6,053,119	\$5,897,070	\$6,161,036	\$6,633,308
Tax increment collections	1,117,824	1,106,582	1,476,275	1,541,874
Licenses, fees and permits	351,102	296,465	304,079	358,230
Intergovernmental	1,464,479	1,644,481	2,283,016	1,925,460
Special assessments	491,988	621,931	570,549	589,332
Charges for services	1,787,611	1,879,520	1,701,246	1,732,288
Cable franchise fees	109,009	108,104	113,672	115,079
Fines and forfeits	126,584	130,823	93,529	76,057
Investment income	189,216	145,447	252,830	233,668
Contributions and donations	45,640	15,903	4,120	102,340
Miscellaneous	104,113	172,913	11,637,694	407,269
Total revenues	11,840,685	12,019,239	24,598,046	13,714,905
Expenditures:				
Current:				
General government	926,501	948,089	1,066,236	1,119,746
Public safety	4,357,563	4,352,048	5,164,270	5,346,521
Public works	1,001,378	1,043,791	1,051,747	1,034,427
Parks and recreation	463,057	446,684	409,979	406,748
Services to other cities	-	-	-	-
Nondepartmental	59,265	40,139	38,421	45,095
Housing and redevelopment	143,863	119,294	156,312	132,437
Capital outlay		386,652	398,844	431,511
Debt service:				
Principal retirement	7,785,000	3,750,000	2,620,000	5,815,000
Interest	1,139,216	1,020,262	820,607	846,526
Paying agent fees	7,853	10,386	14,793	5,760
Professional service	17,104	16,971	16,339	6,677
Issuance costs	185,800	142,682	80,294	104,887
Construction/acquisition costs	2,959,264	3,750,269	4,867,870	9,908,037
Developer incentives	431,875	475,886	627,639	649,910
Total expenditures	19,902,361	16,503,153	17,333,351	25,853,282
Revenues over (under) expenditures	(8,061,676)	(4,483,914)	7,264,695	(12,138,377)
Other financing sources (uses):				
Bonds issued	2,070,000	2,580,000	2,900,000	3,120,000
Refunding bonds issued	4,970,000	4,310,000	-	2,190,000
Redemption of refunded bonds	-	-	-	-
Payment to refunded bond escrow agent	-	(4,332,935)	-	-
Premium on debt issued	158,044	188,693	69,485	302,540
Sale of capital assets	13,390	25,860	15,186	28,244
Transfers in	1,908,166	2,069,259	4,003,953	312,760
Transfers out	(1,514,667)	(1,900,647)	(959,368)	-
Total other financing sources(uses)	7,604,933	2,940,230	6,029,256	5,953,544
Net change in fund balance	(\$456,743)	(\$1,543,684)	\$13,293,951	(\$6,184,833)
Debt service as a percentage of noncapital expenditures	54.2%	36.5%	25.7%	41.5%
Debt service as percentage of total expenditures	44.8%	28.9%	19.8%	25.8%

Table 4

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$7,107,947	\$7,484,962	\$7,932,488	\$8,089,661	\$8,438,461	\$8,894,855
1,861,251	2,093,697	2,076,472	2,474,570	2,273,952	3,089,129
295,955	268,565	318,232	1,116,447	530,924	687,640
1,136,456	1,595,355	3,181,190	1,066,555	1,471,972	2,025,247
658,532	463,256	377,937	520,805	460,873	319,248
1,097,940	1,153,385	1,186,119	1,679,720	1,221,419	1,294,910
101,612	97,200	95,517	103,768	96,099	89,882
85,538	96,292	87,539	120,694	118,558	110,989
284,452	485,833	313,955	48,456	(288,249)	880,336
16,046	1,550	1,050	263,635	6,174	51,844
217,071	253,239	75,397	69,817	69,314	20,054
12,862,800	13,993,334	15,645,896	15,554,128	14,399,497	17,464,134
1,048,214	1,327,603	1,225,447	1,188,512	1,226,942	1,408,047
4,861,358	4,698,695	5,169,275	5,437,381	5,312,282	5,906,255
1,208,232	1,071,071	944,755	878,009	971,898	1,032,238
431,091	474,430	403,034	635,920	516,460	503,657
-	-	-	-	-	-
61,262	78,233	28,475	33,949	45,609	88,013
160,255	169,010	499,439	250,492	358,780	156,334
1,037,417	165,581	533,874	778,766	1,669,930	1,668,764
2,895,000	4,910,000	2,900,000	3,155,000	3,170,000	3,200,000
887,798	897,980	842,600	858,152	815,417	807,451
29,308	11,822	10,995	6,655	9,773	6,087
2,823	-	-	-	-	-
42,563	71,382	72,756	86,180	77,662	-
2,720,619	1,970,296	2,485,227	2,943,077	2,063,945	187,332
1,029,217	804,391	782,009	975,485	1,046,435	1,123,986
16,415,157	16,650,494	15,897,886	17,227,578	17,285,133	16,088,164
(3,552,357)	(2,657,160)	(251,990)	(1,673,450)	(2,885,636)	1,375,970
2,610,000	1,145,000	3,000,000	2,085,000	2,385,000	-
-	1,335,000	-	885,000	-	-
-	-	-	-	-	-
-	-	-	(885,000)	-	-
92,831	225,916	154,026	137,040	15,093	-
64,754	23,050	-	19,091	608,497	38,516
287,094	335,000	250,000	250,000	436,903	1,722,122
-	(86,300)	(86,300)	(86,300)	(116,835)	(1,533,422)
3,054,679	2,977,666	3,317,726	2,404,831	3,328,658	227,216
(\$497,678)	\$320,506	\$3,065,736	\$731,381	\$443,022	\$1,603,186
29.8%	0.0%	29.1%	29.7%	29.4%	28.2%
23.0%	34.9%	23.5%	5.0%	4.8%	5.1%

CITY OF ST. ANTHONY, MINNESOTA
TAX CAPACITY VALUE AND ESTIMATED MARKET VALUE OF TAXABLE PROPERTY
 Last Ten Fiscal Years

Table 5

Payable Year	Residential Property	Commercial/ Industrial Property	All Other	Total Tax Capacity	Adjustments to Tax Capacity *	Adjusted Tax Capacity Value	Total Direct Tax Rate	Estimated Market Value	Tax Capacity as a Percent of EMV
2014	5,863,304	2,146,080	78,927	8,088,311	(765,126)	7,323,185	77.16%	720,018,700	1.12%
2015	6,286,042	2,172,970	85,325	8,544,337	(607,841)	7,936,496	72.93%	760,404,500	1.12%
2016	7,352,669	2,105,556	94,478	9,552,703	(695,828)	8,856,875	67.64%	860,925,700	1.11%
2017	7,800,780	2,136,787	117,840	10,055,407	(751,642)	9,303,765	69.59%	906,848,000	1.11%
2018	8,225,455	2,301,748	121,376	10,648,579	(708,105)	9,940,474	70.02%	954,111,600	1.12%
2019	8,962,344	2,362,141	119,600	11,444,085	(1,027,837)	10,416,248	70.22%	1,023,687,200	1.12%
2020	9,800,198	2,337,325	118,670	12,256,193	(1,054,049)	11,202,144	68.02%	1,094,841,000	1.12%
2021	10,602,682	2,514,579	130,188	13,247,449	(1,319,311)	11,928,138	66.39%	1,176,094,300	1.13%
2022	11,254,876	2,336,244	153,142	13,744,262	(1,311,643)	12,432,619	63.22%	1,230,732,700	1.12%
2023	12,566,717	2,478,695	163,618	15,209,030	(1,539,918)	13,669,112	63.73%	1,361,448,600	1.12%

Source: Official Statements for the City of St. Anthony. (Hennepin and Ramsey Counties Combined)

* Includes tax increment tax capacity and net fiscal disparities impact.

CITY OF ST. ANTHONY, MINNESOTA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
Last Ten Fiscal Years

Table 6

Fiscal Year	City Direct Rate	Overlapping Rates*			Total
		School District	Other Districts	Hennepin County	
2014	77.16%	33.09%	13.22%	49.96%	173.43%
2015	72.93%	29.95%	12.23%	46.40%	161.51%
2016	67.64%	33.13%	11.63%	45.36%	157.76%
2017	69.59%	33.43%	11.69%	44.09%	158.80%
2018	70.02%	37.56%	11.07%	42.81%	161.45%
2019	70.22%	36.01%	10.63%	41.86%	158.73%
2020	68.02%	33.82%	9.87%	41.08%	152.79%
2021	66.39%	31.31%	9.52%	38.54%	145.76%
2022	63.22%	28.81%	8.68%	34.54%	135.25%
2023	63.73%	27.77%	8.29%	34.54%	134.33%

Source: Hennepin County

*Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all City property owners; for example, although the county property tax rates apply to all City property owners, other District rates apply only to the approximately one-third of City property owners whose property is located within that District's geographic boundaries.

CITY OF ST. ANTHONY, MINNESOTA
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Ten Years Ago

Table 7

Taxpayer	2023			2013		
	Tax Capacity Value	Rank	Percentage of Total City Capacity Value	Tax Capacity Value	Rank	Percentage of Total City Capacity Value
St. Anthony Leased Housing Assoc. I	\$755,350	1	5.50%	311,073	2	3.63%
L/L Equinox Associates LLC	420,164	2	3.06%	178,030	5	2.08%
Inland Silver Lake Village LLC	420,074	3	3.06%	720,064	1	8.29%
Autumn Woods Partners LP	306,875	4	2.23%	185,275	4	2.16%
Northern Gopher Enterprises Inc	222,990	5	1.62%	-		-
St. Anthony Leased Housing Assoc. II	221,443	6	1.61%	-		-
Autumn Woods III LLC	142,413	7	1.04%	-		-
Landau - 3925 Pleasant LLC	142,175	8	1.03%	75,799	9	-
St. Anthony Shopping Center	136,250	9	0.99%	99,690	7	1.11%
Chandler Place LP	133,659	10	0.97%	101,446	6	1.18%
St. Anthony Nursing Home LP	-		-	78,364	8	0.91%
Xcel Energy	-		-	194,886	3	2.27%
Highcrest Manor LP	-		-	52,395	10	0.61%
Total	<u>\$2,901,393</u>		<u>21.11%</u>	<u>\$1,997,022</u>		<u>22.24%</u>
Total All Property	<u>\$13,744,262</u>			<u>\$8,573,245</u>		

Source: Official Statements for the City of St. Anthony

Note: 2022 information was not updated to 2023, source unavailable for 2023

CITY OF ST. ANTHONY, MINNESOTA
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Table 8

Fiscal Year Ended December 31,	Taxes Levied For The Fiscal Year	Collected Within The Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	5,633,007	5,564,141	98.78%	(35,583)	5,528,558	98.15%
2015	5,831,737	5,733,450	98.31%	(9,206)	5,724,244	98.16%
2016	6,050,812	5,974,249	98.73%	27,498	6,001,747	99.19%
2017	6,450,785	6,400,683	99.22%	7,264	6,407,947	99.34%
2018	6,850,011	6,801,704	99.29%	3,875	6,805,579	99.35%
2019	7,311,453	7,226,085	98.83%	15,655	7,241,740	99.05%
2020	7,609,458	7,611,336	100.02%	19,959	7,631,295	100.29%
2021	7,865,595	7,836,798	99.63%	(12,146)	7,824,652	99.48%
2022	8,243,092	8,161,743	99.01%	15,555	8,177,298	99.20%
2023	8,687,425	8,684,218	99.96%	Not Available		

Sources: St. Anthony Finance Department

CITY OF ST. ANTHONY, MINNESOTA
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year	Governmental Activities						Total Governmental Activities
	G.O. Improvement Bonds	G.O. Reconstruction Bonds	Tax Increment Bonds	Lease Revenue Bonds	G.O. Revenue Bonds	Other G.O. Bonds	
2014	16,910,000	2,695,000	7,920,000	3,415,000	150,000	1,285,000	32,375,000
2015	18,010,000	1,305,000	7,865,000	3,125,000	-	1,090,000	31,395,000
2016	19,280,000	1,170,000	7,450,000	2,825,000	-	950,000	31,675,000
2017	18,920,000	1,035,000	7,065,000	2,510,000	-	1,640,000	31,170,000
2018	19,685,000	895,000	6,660,000	2,185,000	-	1,460,000	30,885,000
2019	18,330,000	755,000	6,240,000	1,850,000	-	1,280,000	28,455,000
2020	18,400,000	610,000	5,795,000	1,505,000	-	2,245,000	28,555,000
2021	18,530,000	465,000	5,345,000	1,150,000	-	1,995,000	27,485,000
2022	18,995,000	315,000	4,870,000	780,000	-	1,740,000	26,700,000
2023	17,095,000	160,000	4,375,000	395,000	-	1,475,000	23,500,000

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

Source: St. Anthony Finance Department
*See Table 13 for Population and Personal Income Data.
* See Table 5 for Adjusted Tax Capacity data

Table 9

Percentage of Adjusted Tax Capacity	Business-Type Activities		Sewer/ Water Bonds Per Customer	Total Primary Government	Percentage of Personal Income	Per Capita*
	Sewer/ Water Bonds	Total Business-Type Activities				
442.09%	1,330,000	1,330,000	578	33,705,000	10.05%	3,760
395.58%	1,215,000	1,215,000	528	32,610,000	9.41%	3,532
357.63%	1,100,000	1,100,000	478	32,775,000	9.37%	3,533
335.03%	975,000	975,000	424	32,145,000	8.59%	3,494
310.70%	845,000	845,000	367	31,730,000	8.12%	3,500
273.18%	715,000	715,000	311	29,170,000	7.65%	3,234
254.91%	580,000	580,000	242	29,135,000	6.67%	3,147
230.42%	440,000	440,000	183	27,925,000	5.78%	3,044
214.76%	300,000	300,000	125	27,000,000	5.21%	2,980
171.92%	155,000	155,000	65	23,655,000	Not Available	

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CITY OF ST. ANTHONY, MINNESOTA**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**

As of December 31, 2023

Table 10

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable*	Estimated Share of Overlapping Debt
Debt repaid with property taxes: ⁽¹⁾			
School Districts:			
ISD No. 282	\$26,525,000	89.8794%	\$23,840,511
Counties:			
Hennepin	1,065,595,000	0.3847%	4,099,344
Ramsey	138,095,000	0.4880%	673,904
Other:			
Metropolitan Council	166,860,000	0.2442%	407,472
Three Rivers Park District	51,320,000	0.5499%	282,226
Subtotal - overlapping debt			29,303,457
City direct debt ⁽²⁾			26,700,000
Total direct and overlapping debt			\$56,003,457

Sources: ⁽¹⁾ Official Statements for City of St. Anthony

Note: source unavailable for 2023, reused 2022 figures

⁽²⁾ St. Anthony Finance Department

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

*For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

CITY OF ST. ANTHONY, MINNESOTA
LEGAL DEBT MARGIN INFORMATION
 Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2023

Market value				
Debt limit percentage				
Debt limit				
Debt applicable to limit:				
General obligation bonds				
Legal debt margin				
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Debt limit	\$20,226,682	\$21,500,127	\$24,651,217	\$26,027,076
Total net debt applicable to limit	<u>4,031,063</u>	<u>3,615,981</u>	<u>3,176,798</u>	<u>3,244,392</u>
Legal debt margin	<u><u>\$16,195,619</u></u>	<u><u>\$17,884,147</u></u>	<u><u>\$21,474,419</u></u>	<u><u>\$22,782,684</u></u>
Total net debt applicable to the limit as a percentage of debt limit	19.93%	16.82%	12.89%	12.47%

Source: Market Value - Hennepin County and Ramsey County, Minnesota Assessor's Offices

Table 11

Legal Debt Margin Calculation for Fiscal Year 2023					
					\$1,361,380,000
					3%
					40,841,400
					3,780,000
					\$37,061,400
2018	2019	2020	2021	2022	2023
\$27,507,354	\$30,710,616	\$32,845,230	\$35,282,829	\$36,815,133	\$40,841,400
2,804,561	3,640,000	6,095,000	5,460,000	4,645,000	3,780,000
\$24,702,793	\$27,070,616	\$26,750,230	\$29,822,829	\$32,170,133	\$37,061,400
10.20%	11.85%	18.56%	15.47%	12.62%	9.26%

CITY OF ST. ANTHONY, MINNESOTA**PLEDGED REVENUE COVERAGE**

Last Ten Fiscal Years

Fiscal Year	Storm Sewer Revenue Bonds					
	Stormwater Service Charges	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2014	146,423	-	146,423	145,000	6,675	97%
2015	9,619	-	9,619	150,000	2,250	6%
2016	-	-	-	-	-	-
2017	-	-	-	-	-	-
2018	-	-	-	-	-	-
2019	-	-	-	-	-	-
2020	-	-	-	-	-	-
2021	-	-	-	-	-	-
2022	-	-	-	-	-	-
2023	-	-	-	-	-	-

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

Water and Sewer Revenue Bonds					
Utility Service Charges	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
			Principal	Interest	
1,800,249	1,603,359	196,890	110,000	26,783	144%
1,853,980	1,584,133	269,847	115,000	25,450	192%
1,938,556	1,718,418	220,138	115,000	23,150	159%
2,092,376	1,925,773	166,603	125,000	19,708	115%
2,172,889	2,219,507	(46,618)	130,000	18,200	(31%)
2,210,291	2,230,804	(20,513)	130,000	15,600	(14%)
2,355,173	2,156,840	198,333	135,000	12,950	134%
2,614,535	2,042,524	572,011	140,000	10,200	381%
2,678,069	2,245,672	432,397	140,000	7,400	293%
2,953,455	2,311,744	641,367	145,000	4,550	429%

Improvement Bonds				Tax Increment Bonds			
Special Assessment Collections	Debt Service		Coverage	Tax Increment Collections	Debt Service		Coverage
	Principal	Interest			Principal	Interest	
491,988	3,350,000	590,257	12%	1,117,824	4,290,000	445,969	24%
621,931	3,355,000	585,636	16%	1,106,582	4,365,000	336,268	24%
570,549	2,205,000	540,465	21%	1,476,275	415,000	156,058	259%
589,332	5,430,000	557,511	10%	1,541,873	385,000	190,038	268%
658,532	2,490,000	607,109	21%	1,861,251	405,000	182,238	317%
463,256	4,490,000	629,069	9%	2,093,697	420,000	173,988	352%
377,937	2,455,000	582,534	12%	2,076,472	445,000	165,438	340%
520,805	3,455,000	590,993	13%	2,474,570	450,000	156,488	408%
460,873	2,545,000	559,476	15%	2,273,952	475,000	146,213	366%
321,491	2,650,000	536,038	10%	3,089,129	495,000	134,413	491%

CITY OF ST. ANTHONY, MINNESOTA
DEMOGRAPHIC AND ECONOMIC STATISTICS
 Last Ten Fiscal Years

Table 13

Fiscal Year	Population ⁽¹⁾	Personal Income ⁽²⁾	Per Capita Personal Income ⁽¹⁾	Unemployment Rate ⁽³⁾
2013	8,516	326,729,114	38,367	4.70%
2014	8,965	322,264,855	35,947	3.90%
2015	9,234	333,684,413	36,136	3.40%
2016	9,277	338,053,880	36,440	3.30%
2017	9,200	362,710,000	39,425	3.10%
2018	9,067	380,152,109	41,927	2.60%
2019	9,020	372,002,840	41,242	2.80%
2020	9,257	428,136,250	46,250	6.60%
2021	9,175	475,576,950	51,834	3.80%
2022	9,060	512,460,780	56,563	2.40%
2023	Not Available			2.60%

Sources:

- ⁽¹⁾ Metropolitan Council Estimates for St. Anthony
⁽²⁾ Personal Income calculated from Per Capita Personal Income and Population.
⁽³⁾ Minnesota Department of Employment and Economic Development -
 Annual Average Unemployment Rate for Hennepin County

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CITY OF ST. ANTHONY, MINNESOTA**PRINCIPAL EMPLOYERS**

Current Year and Ten Years Ago

Table 14

Employer	2023		2013	
	Employees	Rank	Employees	Rank
ISD No. 282 (St. Anthony - New Brighton)	261	1	300	1
Cub Foods	250	2	250	2
St. Anthony Health Center/Chandler Place	230	3	200	4
City of St Anthony	108	4	132	5
B & F Fastener Supply	100	5	100	6
St. Charles Borromeo Parish	50	6	57	7
Happy's Potato Chip Company	50	7	56	8
Culvers	43	8	43	10
Marshall Manufactruing	40	9		
Village Pub	35	10		
Wal-Mart			250	3
Applebees			45	9
Total	1,167		1,433	

CITY OF ST. ANTHONY, MINNESOTA**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM**

Last Ten Fiscal Years

Function/Program	Full-Time Equivalent Employees as of December 31, 2022			
	2014	2015	2016	2017
General government:				
Administration	2.00	2.00	2.50	2.60
Finance	4.25	4.50	4.00	4.00
Police:				
Officers	23.00	23.00	23.00	20.00
Support staff	2.50	2.50	2.50	2.50
Community service officer	1.00	1.00	1.00	1.00
Volunteers (non-paid)	12.00	12.00	12.00	12.00
Fire:				
Firefighters	7.00	7.00	7.00	7.00
Volunteers (paid on call)	3.00	3.00	3.00	3.00
Public works:				
Administration	2.00	2.00	2.00	2.00
Street	6.00	6.00	6.00	6.00
Park	3.00	3.00	3.00	3.00
Water/Sewer	2.00	2.00	2.00	2.00
Mechanic	1.00	1.00	1.00	1.00
Seasonal	2.00	2.00	2.00	2.00
Liquor operations:				
Off-sale:				
Full-time	5.00	5.00	5.00	6.00
Market Place - part-time	6.00	4.50	4.50	4.50
Silver Lake Village - part-time	6.00	4.50	4.00	4.00
Total	87.75	85.00	85.00	82.60

Source: City of St. Anthony

Table 15

Full-Time Equivalent Employees as of December 31, 2022					
2018	2019	2020	2021	2022	2023
2.60	2.60	2.85	3.10	3.10	3.10
4.00	4.00	4.00	4.50	5.00	5.00
20.00	20.00	20.00	20.00	20.00	20.00
2.00	2.00	2.00	2.00	2.00	2.00
1.00	1.00	1.00	1.00	1.00	1.00
12.00	12.00	12.00	12.00	12.00	12.00
7.00	7.00	7.00	7.00	7.00	7.00
3.00	3.00	3.00	3.00	3.00	3.00
2.00	2.00	2.00	2.00	2.00	2.00
6.00	6.00	6.00	6.00	6.00	6.00
3.00	3.00	3.00	3.00	3.00	3.00
2.00	2.00	2.00	2.00	2.00	2.00
1.00	1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00	2.00
6.00	6.00	6.00	6.00	6.00	6.00
4.65	4.65	4.65	4.65	4.65	4.65
4.25	4.25	4.25	4.25	4.25	4.25
82.50	82.50	82.75	83.50	84.00	84.00

CITY OF ST. ANTHONY, MINNESOTA
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	Fiscal Year			
	2014	2015	2016	2017
Police: *				
Moving violations	2,017	2,213	1,488	846
Non-moving violations	321	197	192	65
DWI arrests	39	23	15	21
Traffic arrests	633	661	469	249
Gross and misdemeanor arrests	130	77	50	63
Felony arrests	53	44	51	20
Warrant arrests	25	24	13	20
Fire:				
Emergency responses	1,363	1,425	1,534	1,621
Medical responses	1,012	1,062	1,113	1,166
Fires	26	26	14	17
Inspections	256	238	173	216
Building inspection:				
Permits issued	288	533	342	292
Other public works:				
Street reconstruction/resurfacing (miles)	0.5	1.5	0.5	0.6
Potholes filled (tons)	34	66	23	18
Water:				
New connections	28	7	1	29
Water mains breaks	8	4	2	7
Average daily consumption (thousands of gallons)	763	770	715	731
Peak daily consumption (thousands of gallons)	1,635	1,571	1,153	1,453

* Police statistics are for St Anthony only

Source: City of St. Anthony

Table 16

Fiscal Year					
2018	2019	2020	2021	2022	2023
1,376	1,944	2,233	1,740	2,061	2,507
394	376	177	246	398	491
39	30	31	29	26	39
292	371	412	305	393	381
86	108	126	154	163	160
59	36	25	30	38	41
22	41	43	40	31	50
1,521	1,538	1,553	1,661	1,668	1,812
1,116	1,140	1,155	1,182	1,149	1,280
16	17	12	23	29	36
210	247	68	204	195	144
261	255	310	322	307	371
0.5	1.2	0.3	1.6	1.3	-
64	53	65	17	100	69
30	3	28	1	6	4
8	6	3	4	6	3
759	702	740	811	777	804
1,764	1,642	1,490	1,750	1,634	1,992

CITY OF ST. ANTHONY, MINNESOTA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	Fiscal Year			
	2014	2015	2016	2017
Police:				
Stations	1	1	1	1
Fleet units	14	14	14	13
Fire stations	1	1	1	1
Fleet units	8	8	8	8
Other public works:				
City Streets (miles)	24.7	24.7	24.7	24.7
Sidewalks (miles)	11.1	11.1	11.4	12.3
Parks and recreation:				
Acreage	40	40	40	40
Playgrounds	4	4	4	4
Baseball/softball diamonds	7	7	7	7
Soccer/football fields	2	2	2	2
Community centers	1	1	1	1
Skate Park	1	1	1	1
Splash pads	2	2	2	2
Tennis courts	2	2	2	2
Seasonal ice rinks	3	3	3	3
Liquor operations:				
On/off sale locations	2	2	2	2
Water:				
Water mains (miles)	24.7	24.7	24.7	24.7
Fire hydrants	287	287	288	288
Storage capacity (thousands of gallons)	2,250	2,250	2,250	2,250
Wells	3	3	3	3
Wastewater:				
Sanitary sewers (miles)	24.7	24.7	24.7	24.7
Lift stations	2	2	2	2
Stormwater				
Stormwater reuse	1	1	1	1
Stormwater treatment systems	1	2	2	2
Stormwater retention ponds	6	6	6	6
Storm sewers (miles)	15.0	15.0	15.0	15.0

Source: City of St. Anthony

Table 17

Fiscal Year						
2018	2019	2020	2021	2022	2023	
1	1	1	1	1	1	1
13	13	13	13	13	13	13
1	1	1	1	1	1	1
8	8	8	8	8	8	8
24.7	24.7	24.7	24.7	24.7	24.7	24.7
12.3	12.6	12.6	18.3	18.3	18.3	18.3
40	40	40	40	40	40	40
4	4	4	4	4	4	4
7	7	7	7	7	7	7
2	2	2	2	2	2	2
1	1	1	1	1	1	1
1	1	1	1	1	1	1
2	2	2	2	2	2	2
2	2	2	2	2	2	2
3	3	3	3	3	3	3
2	2	2	2	2	2	2
24.7	24.7	24.7	32.0	32.0	32.0	32.0
288	288	288	288	288	288	288
2,250	2,250	2,250	2,250	2,250	2,250	2,250
3	3	3	3	3	3	3
24.7	24.7	24.7	24.7	24.7	24.7	24.7
2	2	2	2	2	2	2
1	1	1	1	1	1	1
2	2	2	2	2	2	2
6	6	6	6	6	6	6
15.0	15.0	15.0	15.0	15.0	15.0	15.0

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FORM OF LEGAL OPINION

(See following pages)

FORM OF LEGAL OPINION

City of St. Anthony
St. Anthony, Minnesota

[Purchaser]
[City, State]

Re: \$[PAR] General Obligation Improvement Bonds, Series 2024A
 City of St. Anthony, Minnesota

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the authorization, issuance, and sale by the City of St. Anthony, Minnesota (the “City”), of the obligations described above, dated, as originally issued as of October [], 2024 (the “Bonds”). In that capacity, we have reviewed copies of certain proceedings taken by the City Council in the authorization, sale and issuance of the Bonds, including the form of the Bonds and certain other proceedings and documents furnished by the City and others. As to questions of fact material to our opinion we have assumed the authenticity of and relied upon the proceedings, affidavits and certificates furnished to us without undertaking to verify the same by independent investigation. From our examination of such proceedings, affidavits and certificates and on the basis of existing law, it is our opinion that:

1. The Bonds are valid and binding general obligations of the City, enforceable in accordance with their terms.

2. The principal of and interest on the Bonds are payable from special assessments which the City has levied or agreed to levy on the property specially benefited by the improvements financed by the issuance of the Bonds and ad valorem taxes levied on all taxable property in the City, and, to any extent not so paid, from additional ad valorem taxes required by law to be levied on all taxable property in the City without limitation of rate or amount.

3. Interest on the Bonds (a) is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”) and (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on noncorporate taxpayers by Section 55 of the Code.

4. Interest on the Bonds (a) is excluded from taxable net income of individuals, estates, and trusts for Minnesota income tax purposes and (b) is not an item of tax preference for purposes of the Minnesota alternative minimum tax imposed on individuals, estates, and trusts.

5. The Bonds are “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code.

The opinions expressed in paragraphs 1 and 2 above are subject, as to enforceability, to the effect of any state or federal laws relating to bankruptcy, insolvency, reorganization, moratorium or creditors’ rights and the application of equitable principles, whether considered at law or in equity.

The opinions expressed in paragraphs 3, 4, and 5 above are subject to the compliance by the City with certain requirements of the Code that must be satisfied subsequent to the issuance of the Bonds. Noncompliance with these requirements could result in the inclusion of interest on the Bonds in gross income for federal income tax purposes and taxable net income of individuals, estates, and trusts for Minnesota income tax purposes or the Bonds failing to be qualified tax-exempt obligations, retroactive to the date of issuance of the Bonds.

Except as stated herein, we express no opinion regarding federal, state, or other tax consequences to the owner of the Bonds. We note, however, interest on the Bonds may be taken into account in determining adjusted financial statement income for purposes of the federal alternative minimum tax imposed on applicable corporations (as defined in Section 59(k) of the Code) and is included in net income of corporations and financial institutions for purposes of the Minnesota franchise tax.

In providing this opinion, we have relied upon representations of the City and its officers as to (i) the intended application of the proceeds of the Bonds, (ii) the nature, use, cost, and economic life of the facilities financed by the Bonds, and (iii) other matters relating to the exemption of the interest on the Bonds from federal income taxation.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may occur after the date hereof and which may be retroactive.

Dated: October [], 2024.

Very truly yours,

BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]
2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.
3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.
4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]
6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.
7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).
8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.
9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.
10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the City or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.
11. The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.
12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

**FORM OF CONTINUING DISCLOSURE COVENANTS
(EXCERPTS FROM AWARD RESOLUTION)**

(See following pages)

CONTINUING DISCLOSURE COVENANTS

Continuing Disclosure. (a) Purpose and Beneficiaries. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit the Purchaser and other participating underwriters in the primary offering of the Bonds to comply with amendments to Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12), relating to continuing disclosure (as in effect and interpreted from time to time, the Rule), which will enhance the marketability of the Bonds, the City hereby makes the following covenants and agreements for the benefit of the Owners (as hereinafter defined) from time to time of the Outstanding Bonds. The City is the only obligated person in respect of the Bonds within the meaning of the Rule for purposes of identifying the entities in respect of which continuing disclosure must be made. If the City fails to comply with any provisions of this section, any person aggrieved thereby, including the Owners of any Outstanding Bonds, may take whatever action at law or in equity may appear necessary or appropriate to enforce performance and observance of any agreement or covenant contained in this section, including an action for a writ of mandamus or specific performance. Direct, indirect, consequential and punitive damages shall not be recoverable for any default hereunder to the extent permitted by law. Notwithstanding anything to the contrary contained herein, in no event shall a default under this section constitute a default under the Bonds or under any other provision of this resolution. As used in this section, Owner or Bondowner means, in respect of a Bond, the registered owner or owners thereof appearing in the bond register maintained by the Registrar or any Beneficial Owner (as hereinafter defined) thereof, if such Beneficial Owner provides to the Registrar evidence of such beneficial ownership in form and substance reasonably satisfactory to the Registrar. As used herein, Beneficial Owner means, in respect of a Bond, any person or entity which (i) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, such Bond (including persons or entities holding Bonds through nominees, depositories or other intermediaries), or (ii) is treated as the owner of the Bond for federal income tax purposes.

(b) Information To Be Disclosed. The City will provide, in the manner set forth in subsection (c) hereof, either directly or indirectly through an agent designated by the City, the following information at the following times:

- (1) on or before twelve months after the end of each fiscal year of the City, commencing with the fiscal year ending December 31, 2024, the following financial information and operating data in respect of the City (the “Disclosure Information”):
 - (A) the audited financial statements of the City for such fiscal year, prepared in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under Minnesota law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with such generally accepted accounting principles for reasons beyond the reasonable control of the City, noting the discrepancies therefrom and the effect thereof, and certified as to accuracy and completeness in all material respects by the fiscal officer of the City; and
 - (B) to the extent not included in the financial statements referred to in paragraph (A) hereof, the information for such fiscal year or for the period most recently available of the type contained in the Official Statement under headings: “VALUATIONS – Current Property Valuations,” “DEBT – Direct Debt;” “TAX

LEVIES, COLLECTIONS AND RATES – Tax Levies and Collections,”
“GENERAL INFORMATION – U.S. Census Data – Population Trend,” and “–
Employment/Unemployment Data,” which information may be unaudited.

Notwithstanding the foregoing paragraph, if the audited financial statements are not available by the date specified, the City shall provide on or before such date unaudited financial statements in the format required for the audited financial statements as part of the Disclosure Information and, within 10 days after the receipt thereof, the City shall provide the audited financial statements. Any or all of the Disclosure Information may be incorporated by reference, if it is updated as required hereby, from other documents, including official statements, which have been filed with the SEC or have been made available to the public on the Internet Web site of the Municipal Securities Rulemaking Board (MSRB. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The City shall clearly identify in the Disclosure Information each document so incorporated by reference. If any part of the Disclosure Information can no longer be generated because the operations of the City have materially changed or been discontinued, such Disclosure Information need no longer be provided if the City includes in the Disclosure Information a statement to such effect; provided, however, if such operations have been replaced by other City operations in respect of which data is not included in the Disclosure Information and the City determines that certain specified data regarding such replacement operations would be a Material Fact (as defined in paragraph (2) hereof), then, from and after such determination, the Disclosure Information shall include such additional specified data regarding the replacement operations. If the Disclosure Information is changed or this section is amended as permitted by this paragraph (b)(1) or subsection (d), then the City shall include in the next Disclosure Information to be delivered hereunder, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

- (2) In a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of any of the following events (each a Material Fact):
- (A) Principal and interest payment delinquencies;
 - (B) Non-payment related defaults, if material;
 - (C) Unscheduled draws on debt service reserves reflecting financial difficulties;
 - (D) Unscheduled draws on credit enhancements reflecting financial difficulties;
 - (E) Substitution of credit or liquidity providers, or their failure to perform;
 - (F) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
 - (G) Modifications to rights of security holders, if material;
 - (H) Bond calls, if material, and tender offers;
 - (I) Defeasances;
 - (J) Release, substitution, or sale of property securing repayment of the securities, if material;
 - (K) Rating changes;
 - (L) Bankruptcy, insolvency, receivership or similar event of the obligated person;
 - (M) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

- (N) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (O) Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and
- (P) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

For purposes of the events identified in paragraphs (O) and (P) above, the term “financial obligation” means (i) a debt obligation; (ii) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

As used herein, for those events that must be reported if material, an event is “material” if it is an event as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed hereunder or information generally available to the public. Notwithstanding the foregoing sentence, an event is also “material” if it is an event that would be deemed material for purposes of the purchase, holding or sale of a Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

For the purposes of the event identified in (L) hereinabove, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

- (3) In a timely manner, notice of the occurrence of any of the following events or conditions:
 - (A) the failure of the City to provide the Disclosure Information required under paragraph (b)(1) at the time specified thereunder;
 - (B) the amendment or supplementing of this section pursuant to subsection (d), together with a copy of such amendment or supplement and any explanation provided by the City under subsection (d)(2);
 - (C) the termination of the obligations of the City under this section pursuant to subsection (d);
 - (D) any change in the accounting principles pursuant to which the financial statements constituting a portion of the Disclosure Information are prepared; and
 - (E) any change in the fiscal year of the City.

(c) Manner of Disclosure.

- (1) The City agrees to make available to the MSRB, in an electronic format as prescribed by the MSRB from time to time, the information described in subsection (b).
- (2) All documents provided to the MSRB pursuant to this subsection (c) shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(d) Term; Amendments; Interpretation.

- (1) The covenants of the City in this section shall remain in effect so long as any Bonds are Outstanding. Notwithstanding the preceding sentence, however, the obligations of the City under this section shall terminate and be without further effect as of any date on which the City delivers to the Registrar an opinion of Bond Counsel to the effect that, because of legislative action or final judicial or administrative actions or proceedings, the failure of the City to comply with the requirements of this section will not cause participating underwriters in the primary offering of the Bonds to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended, or any statutes or laws successory thereto or amendatory thereof.
- (2) This section (and the form and requirements of the Disclosure Information) may be amended or supplemented by the City from time to time, without notice to (except as provided in paragraph (c)(3) hereof) or the consent of the Owners of any Bonds, by a resolution of this Council filed in the office of the recording officer of the City accompanied by an opinion of Bond Counsel, who may rely on certificates of the City and others and the opinion may be subject to customary qualifications, to the effect that:
 - (i) such amendment or supplement (a) is made in connection with a change in circumstances that arises from a change in law or regulation or a change in the identity, nature or status of the City or the type of operations conducted by the City, or (b) is required by, or better complies with, the provisions of paragraph (b)(5) of the Rule;
 - (ii) this section as so amended or supplemented would have complied with the requirements of paragraph (b)(5) of the Rule at the time of the primary offering of the Bonds, giving effect to any change in circumstances applicable under clause (i)(a) and assuming that the Rule as in effect and interpreted at the time of the amendment or supplement was in effect at the time of the primary offering; and (iii) such amendment or supplement does not materially impair the interests of the Bondowners under the Rule.

If the Disclosure Information is so amended, the City agrees to provide, contemporaneously with the effectiveness of such amendment, an explanation of the reasons for the amendment and the effect, if any, of the change in the type of financial information or operating data being provided hereunder.

- (3) This section is entered into to comply with the continuing disclosure provisions of the Rule and should be construed so as to satisfy the requirements of paragraph (b)(5) of the Rule.

TERMS OF PROPOSAL

\$2,000,000* GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2024A CITY OF ST. ANTHONY, MINNESOTA

Proposals for the purchase of \$2,000,000* General Obligation Improvement Bonds, Series 2024A (the "Bonds") of the City of St. Anthony, Minnesota (the "City") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, municipal advisors to the City, until 10:00 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via bondsale@ehlers-inc.com or **PARITY**, in the manner described below, until 10:00 A.M. Central Time, on September 10, 2024, at which time they will be opened, read and tabulated. The proposals will be presented to the City Council for consideration for award by resolution at a meeting to be held at 7:00 P.M., Central Time, on the same date. The proposal offering to purchase the Bonds upon the terms specified herein and most favorable to the City will be accepted unless all proposals are rejected.

AUTHORITY; PURPOSE; SECURITY

The Bonds are being issued pursuant to Minnesota Statutes, Chapters 429 and 475, as amended, by the City, for the purpose of financing the 2024 road reconstruction projects in the City. The Bonds will be general obligations of the City for which its full faith and credit and taxing powers are pledged.

DATES AND MATURITIES

The Bonds will be dated October 1, 2024, will be issued as fully registered Bonds in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on February 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2027	\$205,000	2030	\$215,000	2033	\$230,000
2028	210,000	2031	220,000	2034	240,000
2029	210,000	2032	225,000	2035	245,000

ADJUSTMENT OPTION

The City reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BOND OPTION

Proposals for the Bonds may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above. All dates are inclusive.

INTEREST PAYMENT DATES AND RATES

Interest will be payable on February 1 and August 1 of each year, commencing August 1, 2025, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board. **The rate for any maturity may not be more than 1.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2027 maturity, then the lowest rate that may be proposed for any later maturity is 3.50%.)** All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

BOOK-ENTRY-ONLY FORMAT

Unless otherwise specified by the purchaser, the Bonds will be designated in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds, and will be responsible for maintaining a book-entry system for recording the interests of its participants and the transfers of interests between its participants. The participants will be responsible for maintaining records regarding the beneficial interests of the individual purchasers of the Bonds. So long as Cede & Co. is the registered owner of the Bonds, all payments of principal and interest will be made to the depository which, in turn, will be obligated to remit such payments to its participants for subsequent disbursement to the beneficial owners of the Bonds.

PAYING AGENT

The City has selected Bond Trust Services Corporation, Roseville, Minnesota ("BTSC"), to act as paying agent (the "Paying Agent"). BTSC and Ehlers are affiliate companies. The City will pay the charges for Paying Agent services. The City reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the City, the Bonds maturing on or after February 1, 2034 shall be subject to optional redemption prior to maturity on February 1, 2033 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Bonds to be redeemed shall be at the discretion of the City. If only part of the Bonds having a common maturity date are called for redemption, then the City or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of redemption shall be sent by mail not more than 60 days and not less than 30 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books.

DELIVERY

On or about October 1, 2024, the Bonds will be delivered without cost to the winning bidder at DTC. On the day of closing, the City will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Bonds is then pending or, to the best knowledge of officers of the City, threatened. Payment for the Bonds must be received by the City at its designated depository on the date of closing in immediately available funds.

LEGAL OPINION

An opinion in substantially the form attached hereto as Appendix B will be furnished by Dorsey & Whitney LLP ("Bond Counsel"), Minneapolis, Minnesota, bond counsel to the City.

SUBMISSION OF PROPOSALS

Proposals must not be for less than \$1,976,000 plus accrued interest on the principal sum of \$2,000,000 from date of original issue of the Bonds to date of delivery. Prior to the time established above for the opening of proposals, interested parties may submit a proposal as follows:

- 1) Electronically to bondsale@ehlers-inc.com; or
- 2) Electronically via **PARITY** in accordance with this Terms of Proposal until 10:00 A.M. Central Time, but no proposal will be received after the time for receiving proposals specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Terms of Proposal, the terms of this Terms of Proposal shall control. For further information about **PARITY**, potential bidders may contact IHS Markit (now part of S&P Global) at <https://ihsmarkit.com/products/municipal-issuance.html> or via telephone (844) 301-7334.

Proposals must be submitted to Ehlers via one of the methods described above and must be received prior to the time established above for the opening of proposals. Each proposal must be unconditional except as to legality. Neither the City nor Ehlers shall be responsible for any failure to receive a submission.

A good faith deposit ("Deposit") in the amount of \$40,000 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the proposal opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of proposals. The City reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Bonds to the bidder submitting the next best proposal provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the proposal is accepted and the Purchaser fails to comply therewith. The Deposit will be deducted from the purchase price at the closing for the Bonds.

The City and the winning bidder who chooses to so wire the Deposit hereby agree irrevocably that Ehlers shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: 1) All income earned thereon shall be retained by the escrow holder as payment for its expenses; 2) If the proposal is not accepted, Ehlers shall, at its expense, promptly return the Deposit amount to the winning bidder; 3) If the proposal is accepted, the Deposit shall be returned to the winning bidder at the closing; 4) Ehlers shall bear all costs of maintaining the escrow account and returning the funds to the winning bidder; 5) Ehlers shall not be an insurer of the Deposit amount and shall have no liability hereunder except if it willfully fails to perform or recklessly disregards, its duties specified herein; and 6) FDIC insurance on deposits within the escrow account shall be limited to \$250,000 per bidder.

No proposal can be withdrawn after the time set for receiving proposals unless the meeting of the City scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made.

AWARD

The Bonds will be awarded to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The City's computation of the interest rate of each proposal, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Bonds will be awarded by lot. The City reserves the right to reject any and all proposals and to waive any informality in any proposal.

BOND INSURANCE

If the Bonds are qualified for any bond insurance policy, the purchase of such policy shall be at the sole option and expense of the winning bidder. Any cost for such insurance policy is to be paid by the winning bidder, except that, if the City requested and received a rating on the Bonds from a rating agency, the City will pay that rating fee. Any rating agency fees not requested by the City are the responsibility of the winning bidder.

Failure of the municipal bond insurer to issue the policy after the Bonds are awarded to the winning bidder shall not constitute cause for failure or refusal by the winning bidder to accept delivery of the Bonds.

CUSIP NUMBERS

The City will assume no obligation for the assignment or printing of CUSIP numbers on the Bonds or for the correctness of any numbers printed thereon, but will permit such numbers to be printed at the expense of the winning bidder, if the winning bidder waives any delay in delivery occasioned thereby.

QUALIFIED TAX-EXEMPT OBLIGATIONS

The City will designate the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

CONTINUING DISCLOSURE

In order to assist the Underwriter (Syndicate Manager) in complying with the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the "Rule"), in the Award Resolution, the City will covenant for the benefit of holders including beneficial holders, to provide electronically, or in a manner otherwise prescribed, certain financial information annually and to provide notices of the occurrence of certain events enumerated in the Rule. A description of the details and terms of the undertaking is set forth in Appendix D of the Preliminary Official Statement.

ESTABLISHMENT OF ISSUE PRICE AT TIME OF AWARD

In order to establish the issue price of the Bonds for federal income tax purposes, the City requires bidders to agree to the following, and by submitting a proposal, each bidder agrees to the following.

If a proposal is submitted by a potential underwriter, the bidder confirms that (i) the underwriters have offered or reasonably expect to offer the Bonds to the public on or before the date of the award at the offering price (the "initial offering price") for each maturity as set forth in the proposal and (ii) the bidder, if it is the winning bidder, shall require any agreement among underwriters, selling group agreement, retail distribution agreement or other agreement relating to the initial sale of the Bonds to the public to which it is a party to include provisions requiring compliance by all parties to such agreements with the provisions contained herein. For purposes hereof, Bonds with a separate CUSIP number constitute a separate "maturity", and the public does not include underwriters (including members of a selling group or retail distribution group) or persons related to underwriters.

If, however, a proposal is submitted for the bidder's own account in a capacity other than as an underwriter of the Bonds, and the bidder has no current intention to sell, reoffer, or otherwise dispose of the Bonds, the bidder shall notify the City to that effect at the time it submits its proposal and shall provide a certificate to that effect in place of the certificate otherwise required below.

If the winning bidder intends to act as an underwriter, the City shall advise the winning bidder at or prior to the time of award whether (i) the competitive sale rule or (ii) the "hold-the-offering price" rule applies.

If the City advises the Purchaser that the requirements for a competitive sale have been satisfied and that the competitive sale rule applies, the Purchaser will be required to deliver to the City at or prior to closing a certification, in a form reasonably acceptable to bond counsel, as to the reasonably expected initial offering price as of the award date.

If the City advises the Purchaser that the requirements for a competitive sale have not been satisfied and that the hold-the-offering price rule applies, the Purchaser shall (1) upon the request of the City confirm that the underwriters did not offer or sell any maturity of the Bonds to any person at a price higher than the initial offering price of that maturity during the period starting on the award date and ending on the earlier of (a) the close of the fifth business day after the sale date or (b) the date on which the underwriters have sold at least 10% of that maturity to the public at or below the initial offering price; and (2) at or prior to closing, deliver to the City a certification as to such matters, in a form reasonably acceptable to bond counsel, together with a copy of the pricing wire.

Any action taken or documentation to be received by the City pursuant hereto may be taken or received on behalf of the City by Ehlers & Associates, Inc.

Bidders should prepare their proposals on the assumption that the Bonds will be subject to the "hold-the-offering-price" rule. Any proposal submitted pursuant to the Terms of Proposal shall be considered a firm offer for the purchase of the Bonds, and Bonds submitted will not be subject to cancellation or withdrawal.

PRELIMINARY OFFICIAL STATEMENT

Bidders may obtain a copy of the Preliminary Official Statement relating to the Bonds prior to the proposal opening by request from Ehlers at www.ehlers-inc.com by connecting to the Bond Sales link. The Underwriter (Syndicate Manager) will be provided with an electronic copy of the Final Official Statement within seven business days of the proposal acceptance. Up to 10 printed copies of the Final Official Statement will be provided upon request. Additional copies of the Final Official Statement will be available at a cost of \$10.00 per copy.

Information for bidders and proposal forms may be obtained from Ehlers at 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, Telephone (651) 697-8500.

By Order of the City Council

City of St. Anthony, Minnesota

PROPOSAL FORM

The City Council
City of St. Anthony, Minnesota (the "City")

September 10, 2024

RE: \$2,000,000* General Obligation Improvement Bonds, Series 2024A (the "Bonds")
DATED: October 1, 2024

For all or none of the above Bonds, in accordance with the Terms of Proposal and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you \$_____ (not less than \$1,976,000) plus accrued interest to date of delivery for fully registered Bonds bearing interest rates and maturing in the stated years as follows:

_____ % due 2027	_____ % due 2030	_____ % due 2033
_____ % due 2028	_____ % due 2031	_____ % due 2034
_____ % due 2029	_____ % due 2032	_____ % due 2035

The City reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

The rate for any maturity may not be more than 1.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2027 maturity, then the lowest rate that may be proposed for any later maturity is 3.50%.) All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

A good faith deposit ("Deposit") in the amount of \$40,000 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the proposal opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of proposals. The City reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Bonds to the bidder submitting the next best proposal provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the proposal is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Terms of Proposal. The Deposit will be deducted from the purchase price at the closing for the Bonds. This proposal is for prompt acceptance and is conditional upon delivery of said Bonds to The Depository Trust Company, New York, New York, in accordance with the Terms of Proposal. Delivery is anticipated to be on or about October 1, 2024.

This proposal is subject to the City's agreement to enter into a written undertaking to provide continuing disclosure under Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 as described in the Preliminary Official Statement for the Bonds.

We have received and reviewed the Official Statement, and any addenda thereto, and have submitted our requests for additional information or corrections to the Final Official Statement. As Underwriter (Syndicate Manager), we agree to provide the City with the reoffering price of the Bonds within 24 hours of the proposal acceptance.

This proposal is a firm offer for the purchase of the Bonds identified in the Terms of Proposal, on the terms set forth in this proposal form and the Terms of Proposal, and is not subject to any conditions, except as permitted by the Terms of Proposal.

By submitting this proposal, we confirm that we are an underwriter and have an established industry reputation for underwriting new issuances of municipal bonds. YES: ____ NO: ____.

If the competitive sale requirements are not met, we elect to use either the: ____ 10% test, or the ____ hold-the-offering-price rule to determine the issue price of the Bonds.

Account Manager: _____ By: _____

Account Members:

Award will be on a true interest cost basis. According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from October 1, 2024 of the above proposal is \$_____ and the true interest cost (TIC) is ____%.

The foregoing offer is hereby accepted by and on behalf of City Council of the City of St. Anthony, Minnesota, on September 10, 2024.

By: _____	By: _____
Title: _____	Title: _____