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.

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 8, 2026

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. See "TAX CONSIDERATIONS" herein.

New Issue **Rating Application Made: S&P Global Ratings**

CITY OF ST. CLOUD, MINNESOTA
(Stearns, Benton and Sherburne Counties)

$46,540,000* GENERAL OBLIGATION BONDS, SERIES 2026A

PROPOSAL OPENING: October 19, 2026, 10:30 A.M., C.T. **CONSIDERATION**: October 19, 2026, 6:00 P.M., C.T.

PURPOSE/AUTHORITY/SECURITY: The $46,540,000* General Obligation Bonds, Series 2026A (the "Bonds") are being issued pursuant to a special election held November 5, 2024 and Minnesota Statutes, Section 475.58, subd. 3b, and Chapter 475, as amended, by the City of St. Cloud, Minnesota (the "City"), to finance the construction and equipping of Fire Station No. 6 and for 2026 street reconstruction projects described in the City's Five-Year Street Reconstruction and Overlay Plan, dated August 4, 2025. 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: November 4, 2026

MATURITY: February 1 as follows:

Year	Amount*	Year	Amount*	Year	Amount*
2028	$1,555,000	2035	$2,640,000	2042	$2,200,000
2029	2,115,000	2036	2,745,000	2043	2,310,000
2030	2,185,000	2037	2,870,000	2044	2,430,000
2031	2,260,000	2038	1,830,000	2045	2,550,000
2032	2,355,000	2039	1,915,000	2046	2,685,000
2033	2,440,000	2040	2,005,000	2047	2,820,000
2034	2,530,000	2041	2,100,000		

***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, 2027 and semiannually thereafter.

OPTIONAL REDEMPTION: Bonds maturing on February 1, 2038 and thereafter are subject to call for prior optional redemption on February 1, 2037 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

MINIMUM PROPOSAL: $46,167,680.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of $930,800 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).

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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PROPOSAL FORM

CITY OF ST. CLOUD
CITY COUNCIL

		Term Expires
Jake Anderson	Mayor	January 2029
Mike Conway	Chairperson	January 2027
Dave Masters	Vice Chairperson	January 2027
Tami Calhoun	Council Member	January 2029
Scott Brodeen	Council Member	January 2029
Ibrahim Hudda	Council Member	January 2027
Mark Johnson	Council Member	January 2029
Karen Larson	Council Member	January 2027

ADMINISTRATION

Tracy Hodel, City Administrator
DeAnna Fah, Finance Director
Seth Kauffman, City Clerk
Renee Courtney, City Attorney

PROFESSIONAL SERVICES

Dorsey & Whitney LLP, Bond Counsel, Minneapolis, Minnesota

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

INTRODUCTORY STATEMENT

This Preliminary Official Statement contains certain information regarding the City of St. Cloud, Minnesota (the "City") and the issuance of its $46,540,000* General Obligation Bonds, Series 2026A (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 October 19, 2026.

Inquiries may be directed to Ehlers and Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Minneapolis, 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 Debt Issuance 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 November 4, 2026. 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, 2027, 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 2.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2028 maturity, then the lowest rate that may be proposed for any later maturity is 2.50%.)** 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, Minneapolis, 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, 2038 are be subject to redemption and prepayment at the option of the City, in whole or in part, in such order as the City shall determine and within a maturity by lot as selected by the Registrar in multiples of $5,000, on February 1, 2037, and on any date thereafter, at a price equal to the principal amount thereof and accrued interest to the date of redemption.

The City is required to cause notice of the call for redemption thereof to be published as required by law and, at least thirty (30) days prior to the designated redemption date, 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, but 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 special election held November 5, 2024 and Minnesota Statutes, Section 475.58, subd. 3b, and Chapter 475, as amended, by the City, to finance the construction and equipping of Fire Station No. 6 (the "Fire Station Portion") and for 2026 street reconstruction projects described in the City's Five-Year Street Reconstruction and Overlay Plan, dated August 4, 2025 (the "Street Reconstruction Portion").

ESTIMATED SOURCES AND USES*

Sources	**Fire Station Portion**	**Street Reconstruction Portion**	**Total Bond Issue**
Par Amount of Bonds	$43,500,000	$3,040,000	$46,540,000
Total Sources	**$43,500,000**	**$3,040,000**	**$46,540,000**
Uses			
Total Underwriter's Discount (0.800%)	$348,000	$24,320	$372,320
Costs of Issuance	186,001	12,999	199,000
Deposit to Construction Fund	42,965,000	3,000,000	45,965,000
Rounding	999	2,681	3,680
Total Uses	**$43,500,000**	**$3,040,000**	**$46,540,000**

*Preliminary, subject to change.

Breakdown of Principal Payments*:

Payment Date	Fire Station Portion	Street Reconstruction Portion	Total Bond Issue
2/01/2028	$1,325,000	$230,000	$1,555,000
2/01/2029	1,845,000	270,000	2,115,000
2/01/2030	1,910,000	275,000	2,185,000
2/01/2031	1,975,000	285,000	2,260,000
2/01/2032	2,055,000	300,000	2,355,000
2/01/2033	2,130,000	310,000	2,440,000
2/01/2034	2,210,000	320,000	2,530,000
2/01/2035	2,305,000	335,000	2,640,000
2/01/2036	2,395,000	350,000	2,745,000
2/01/2037	2,505,000	365,000	2,870,000
2/01/2038	1,830,000	-	1,830,000
2/01/2039	1,915,000	-	1,915,000
2/01/2040	2,005,000	-	2,005,000
2/01/2041	2,100,000	-	2,100,000
2/01/2042	2,200,000	-	2,200,000
2/01/2043	2,310,000	-	2,310,000
2/01/2044	2,430,000	-	2,430,000
2/01/2045	2,550,000	-	2,550,000
2/01/2046	2,685,000	-	2,685,000
2/01/2047	2,820,000	-	2,820,000
Total	**$43,500,000**	**$3,040,000**	**$46,540,000**

*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 on the Bonds will be paid from ad valorem property taxes. In accordance with Minnesota Statutes, the City will levy each year an amount not less than 105% of the debt service requirements on the Bonds.

Should the 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 a tax for this purpose upon all the taxable property in the City, without limitation as to rate or amount to make up any deficiency.

RATING

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

The City has requested a rating on the Bonds from S&P, and bidders will be notified as to the assigned rating prior to the sale. Such rating 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.

The Housing and Redevelopment Authority of St. Cloud (the “Authority”) failed to file the fiscal year December 31, 2024 audit on the deadline date of December 31, 2025. Except to the extent that the preceding is deemed to be material, the City believes it has not failed to comply in the previous five years 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 of 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 Bond proceeds and the facilities financed or refinanced with such proceeds and restrictions on the investment of 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 compounding dates, then the original issue discount that would have accrued for that accrual period for federal income tax purposes is allocated ratably to the days in that 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 the 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 original issue discount 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 original issue discount, 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 bases for the Bond. Premium generally is amortized for federal income tax purposes and Minnesota income and franchise tax purposes on the basis of a Bond holder'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, and 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 purchase of the Bonds. The Bonds are not "qualified tax-exempt obligations" for purposes of Section 265(b)(3) 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 original issue discount 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 original issue discount) 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, 2025 have been audited by BerganKDV, Ltd., St. Cloud, 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 are 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. 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 of Minnesota (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 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 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 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.

State Economy; State Aids: State 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	2023/24	2024/25	2025/26
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 $2,150,000 - 0.50% [2] Over $2,150,000 - 1.00% [2]	First $500,000 HGA - 1.00% Over $500,000 HGA - 1.25% First $3,500,000 - 0.50% [2] Over $3,500,000 - 1.00% [2]	First $500,000 HGA - 1.00% Over $500,000 HGA - 1.25% First $3,500,000 - 0.50% [2] Over $3,500,000 - 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 - 0.75% Over $174,000 - 0.25%	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: – 0.25%	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 – 0.25%
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

2025/26 Economic Market Value $6,958,243,502[1]

2025/26 Assessor's Estimated Market Value

	Stearns County	Benton County	Sherburne County	Total
Real Estate	$5,355,536,400	$551,838,400	$425,095,500	$6,332,470,300
Personal Property	38,218,900	3,897,900	6,363,700	48,480,500
Total Valuation	$5,393,755,300	$555,736,300	$431,459,200	$6,380,950,800

2025/26 Net Tax Capacity

	Stearns County	Benton County	Sherburne County	Total
Real Estate	$61,685,365	$6,706,513	$4,030,504	$72,422,382
Personal Property	736,301	74,241	111,351	921,893
Net Tax Capacity	$62,421,666	$6,780,754	$4,141,855	$73,344,275
Less:				
Captured Tax Increment Tax Capacity[2]	(659,693)	(13,206)	0	(672,899)
Power Line Adjustment[3]	(14,148)	(149)	0	(14,297)
Taxable Net Tax Capacity	$61,747,825	$6,767,399	$4,141,855	$72,657,079

[1] According to the Minnesota Department of Revenue, the Assessor's Estimated Market Value (the "AEMV") for the portion of the City located in Stearns County was about 91.47% of the actual selling prices of property sold in the City, the portion of the City located in Benton County was 94.44% and the portion of the City located in Sherburne County was 92.97%. 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 $6,958,243,502.

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

[3] Ten percent of the net tax capacity of certain high voltage transmission lines is removed when setting local tax rates. However, taxes are paid on the full value of these lines. The taxes attributable to 10% of value of these lines are used to fund a power line credit. Certain property owners receive a credit when the high voltage transmission line runs over their property.

2025/26 NET TAX CAPACITY BY CLASSIFICATION

	2025/26 Net Tax Capacity	Percent of Total Net Tax Capacity
Residential homestead	$32,101,400	43.77%
Agricultural	209,051	0.29%
Commercial/industrial	24,040,224	32.78%
Public utility	248,692	0.34%
Railroad operating property	227,214	0.31%
Non-homestead residential	15,574,557	21.23%
Commercial & residential seasonal/rec.	21,244	0.03%
Personal property	921,893	1.26%
Total	$73,344,275	100.00%

TREND OF VALUATIONS

Levy Year	Assessor's Estimated Market Value	Assessor's Taxable Market Value	Net Tax Capacity[1]	Taxable Net Tax Capacity[2]	Percent Increase/Decrease in Estimated Market Value
2021/22	$4,735,497,300	$4,388,983,967	$55,954,988	$55,507,727	2.70%
2022/23	5,491,032,800	5,179,525,906	64,356,339	63,772,581	15.95%
2023/24	6,026,130,800	5,728,255,939	70,831,707	70,061,486	9.74%
2024/25	6,100,855,500	5,668,805,972	70,086,459	69,374,814	1.24%
2025/26	6,380,950,800	5,949,109,879	73,344,275	72,657,079	4.59%

[1] Net Tax Capacity includes tax increment and power line values.

[2] Taxable Net Tax Capacity does not include tax increment or power line values.

LARGEST TAXPAYERS

Taxpayer	Type of Property	2025/26 Net Tax Capacity	Percent of City's Total Net Tax Capacity
Xcel Energy	Utility	$1,032,734	1.41%
Centracare Health System	Commercial	886,094	1.21%
Contrarian Crossroads LLC	Commercial	871,770	1.19%
6250 Ridgewood Rd. Owner LLC	Industrial	487,638	0.66%
Eleven Investments LLC	Commercial	388,600	0.53%
St. Cloud Rainbow Village LLC	Commercial	347,550	0.47%
St. Cloud Business Park LLC	Industrial	335,875	0.46%
Coborn's Inc.	Industrial	308,572	0.42%
St. Cloud Portfolio LLC	Residential	291,402	0.40%
Joe Belle Limited Partnership	Apartments	281,154	0.38%
Total		$5,231,389	7.13%

City's Total 2025/26 Net Tax Capacity $73,344,275

Source: Current Property Valuations, Net Tax Capacity by Classification, Trend of Valuations and Largest Taxpayers have been furnished by Stearns, Benton and Sherburne Counties.

DEBT

DIRECT DEBT[1]

General Obligation Debt (see schedules following)

Total G.O. debt secured by municipal revenues	$375,000
Total G.O. debt secured by special assessments and taxes	5,060,000
Total G.O. debt secured by tax abatement revenues	21,645,000
Total G.O. debt secured by tax increment revenues	465,000
Total G.O. debt secured by taxes (includes the Bonds)*	102,605,000
Total G.O. debt secured by utility revenues	86,975,077
Total G.O. debt secured by housing revenues (Housing and Redevelopment Authority)	1,740,000
Total General Obligation Debt*	$218,865,077

*Preliminary, subject to change.

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

Revenue Debt (see schedules following)

Total revenue debt secured by hydroelectric revenues	$400,000

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 $8,000,000 general obligation bonds for street 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; (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.

2025/26 Assessor's Estimated Market Value	$6,380,950,800
Multiply by 3%	0.03
Statutory Debt Limit	$191,428,524
Less: Long-Term Debt Outstanding Being Paid Solely from Taxes (includes the Bonds)*	(102,605,000)
Unused Debt Limit*	$88,823,524

*Preliminary, subject to change.

City of St. Cloud, Minnesota
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Municipal Revenues
(As of 11/04/2026)

	Parking Revenue Refunding Bonds 1) Series 2017B							
Dated	11/21/2017							
Amount	$2,785,000							
Maturity	02/01							
Calendar Year Ending	**Principal**	**Interest**	**Total Principal**	**Total Interest**	**Total P & I**	**Principal Outstanding**	**% Paid**	**Calendar Year Ending**
2027	375,000	7,500	375,000	7,500	382,500	0	100.00%	**2027**
	375,000	7,500	375,000	7,500	382,500			

1) The City has pledged the net revenues from the municipal parking system for this issue.

City of St. Cloud, Minnesota
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Special Assessments and Taxes
(As of 11/04/2026)

	Improvement Bonds 1) Series 2015A		Improvement Bonds 2) Series 2016E		Improvement Refunding Bonds Series 2016F		Improvement Bonds Series 2018A		Improvement Bonds Series 2019B	
Dated	11/19/2015		12/14/2016		12/14/2016		10/24/2018		11/07/2019	
Amount	$8,445,000		$1,770,000		$6,200,000		$3,800,000		$2,125,000	
Maturity	02/01		02/01		02/01		02/01		02/01	
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2027	930,000	13,950	185,000	2,775	565,000	11,300	445,000	58,125	240,000	36,400
2028							460,000	35,500	245,000	25,500
2029							480,000	12,000	255,000	15,500
2030									260,000	5,200
2031										
2032										
2033										
	930,000	13,950	185,000	2,775	565,000	11,300	1,385,000	105,625	1,000,000	82,600

1) This represents the $8,445,000 Improvement portion of the $10,255,000 General Obligation Infrastructure Management Fund Bonds, Series 2015A

2) This represents the $1,770,000 Improvement portion of the $3,870,000 General Obligation Infrastructure Management Fund Bonds, Series 2016E.

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City of St. Cloud, Minnesota
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Special Assessments and Taxes
(As of 11/04/2026)

	Improvement Bonds 3) Series 2021B							
Dated	09/23/2021							
Amount	$1,545,000							
Maturity	02/01							
Calendar Year Ending	**Principal**	**Interest**	**Total Principal**	**Total Interest**	**Total P & I**	**Principal Outstanding**	**% Paid**	**Calendar Year Ending**
2027	140,000	23,400	2,505,000	145,950	2,650,950	2,555,000	49.51%	**2027**
2028	140,000	19,200	845,000	80,200	925,200	1,710,000	66.21%	**2028**
2029	140,000	15,000	875,000	42,500	917,500	835,000	83.50%	**2029**
2030	140,000	10,800	400,000	16,000	416,000	435,000	91.40%	**2030**
2031	145,000	7,250	145,000	7,250	152,250	290,000	94.27%	**2031**
2032	145,000	4,350	145,000	4,350	149,350	145,000	97.13%	**2032**
2033	145,000	1,450	145,000	1,450	146,450	0	100.00%	**2033**
	995,000	81,450	5,060,000	297,700	5,357,700			

3) This represents the $1,545,000 Improvement portion of the $4,030,000 General Obligation Bonds, Series 2021B.

City of St. Cloud, Minnesota
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Tax Abatement Revenues
(As of 11/04/2026)

	Tax Abatement Bonds Series 2016B		Tax Abatement Bonds Series 2021C							
Dated	08/11/2016		09/23/2021							
Amount	$11,740,000		$18,615,000							
Maturity	02/01		10/01							
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Total Principal**	**Total Interest**	**Total P & I**	**Principal Outstanding**	**% Paid**	**Calendar Year Ending**
2027	780,000	142,831	960,000	487,750	1,740,000	630,581	2,370,581	19,905,000	8.04%	**2027**
2028	815,000	119,081	1,080,000	439,750	1,895,000	558,831	2,453,831	18,010,000	16.79%	**2028**
2029	825,000	102,681	1,210,000	385,750	2,035,000	488,431	2,523,431	15,975,000	26.20%	**2029**
2030	585,000	88,216	1,335,000	325,250	1,920,000	413,466	2,333,466	14,055,000	35.07%	**2030**
2031	600,000	75,250	1,470,000	258,500	2,070,000	333,750	2,403,750	11,985,000	44.63%	**2031**
2032	610,000	61,638	1,590,000	199,700	2,200,000	261,338	2,461,338	9,785,000	54.79%	**2032**
2033	625,000	47,353	1,695,000	152,000	2,320,000	199,353	2,519,353	7,465,000	65.51%	**2033**
2034	640,000	31,931	1,850,000	118,100	2,490,000	150,031	2,640,031	4,975,000	77.02%	**2034**
2035	175,000	21,744	1,965,000	81,100	2,140,000	102,844	2,242,844	2,835,000	86.90%	**2035**
2036	180,000	17,194	2,090,000	41,800	2,270,000	58,994	2,328,994	565,000	97.39%	**2036**
2037	185,000	12,403			185,000	12,403	197,403	380,000	98.24%	**2037**
2038	190,000	7,481			190,000	7,481	197,481	190,000	99.12%	**2038**
2039	190,000	2,494			190,000	2,494	192,494	0	100.00%	**2039**
	6,400,000	730,297	15,245,000	2,489,700	21,645,000	3,219,997	24,864,997			

City of St. Cloud, Minnesota
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Tax Increment Revenues
(As of 11/04/2026)

	Tax Increment Refunding Bonds Series 2011B		Tax Increment Refunding Bonds Series 2012A							
Dated	11/15/2011		11/15/2012							
Amount	$1,625,000		$730,000							
Maturity	02/01		02/01							
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Total Principal**	**Total Interest**	**Total P & I**	**Principal Outstanding**	**% Paid**	**Calendar Year Ending**
2027	115,000	5,840	40,000	4,800	155,000	10,640	165,640	310,000	33.33%	**2027**
2028	125,000	2,000	45,000	3,950	170,000	5,950	175,950	140,000	69.89%	**2028**
2029			45,000	2,938	45,000	2,938	47,938	95,000	79.57%	**2029**
2030			50,000	1,750	50,000	1,750	51,750	45,000	90.32%	**2030**
2031			45,000	563	45,000	563	45,563	0	100.00%	**2031**
	240,000	7,840	225,000	14,000	465,000	21,840	486,840			

City of St. Cloud, Minnesota
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Taxes
(As of 11/04/2026)

	Referendum Bonds 1) Series 2015A		Referendum Bonds 2) Series 2016E		Street Reconstruction Bonds Series 2017A		Public Safety Facilities Refunding Bonds Series 2017C		Street Reconstruction Bonds Series 2018B	
Dated	11/19/2015		12/14/2016		11/21/2017		11/21/2017		10/24/2018	
Amount	$1,810,000		$2,100,000		$3,280,000		$19,565,000		$4,060,000	
Maturity	02/01		02/01		02/01		02/01		02/01	
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2027	210,000	3,150	240,000	3,600	350,000	19,363	2,320,000	85,588	460,000	61,000
2028					360,000	12,038	2,390,000	25,394	485,000	37,375
2029					365,000	4,106			505,000	12,625
2030										
2031										
2032										
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2043										
2044										
2045										
2046										
2047										
	210,000	3,150	240,000	3,600	1,075,000	35,506	4,710,000	110,981	1,450,000	111,000

1) This represents the $1,810,000 Referendum portion of the $10,255,000 General Obligation Infrastructure Management Fund Bonds, Series 2015A.

2) This represents the $2,100,000 Referendum portion of the $3,870,000 General Obligation Infrastructure Management Fund Bonds, Series 2016E.

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City of St. Cloud, Minnesota
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 11/04/2026)

	Street Reconstruction Bonds Series 2019A		Capital Improvement Plan Bonds Series 2021A		Street Reconstruction Bonds 3) Series 2021B		Street Reconstruction Bonds Series 2022B		Street Reconstruction Bonds Series 2023A	
Dated	11/07/2019		09/23/2021		09/23/2021		11/22/2022		11/22/2023	
Amount	$4,045,000		$8,710,000		$2,485,000		$4,310,000		$4,670,000	
Maturity	02/01		02/01		02/01		02/01		02/01	
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2027	435,000	68,075	360,000	202,650	225,000	40,225	400,000	142,350	420,000	185,250
2028	460,000	48,000	380,000	184,150	230,000	33,400	420,000	121,850	440,000	163,750
2029	475,000	29,300	395,000	164,775	240,000	26,350	440,000	100,350	455,000	141,375
2030	495,000	9,900	415,000	144,525	245,000	19,075	465,000	77,725	475,000	118,125
2031			440,000	127,550	250,000	12,900	490,000	53,850	500,000	93,750
2032			450,000	114,200	255,000	7,850	510,000	31,400	520,000	68,250
2033			465,000	100,475	265,000	2,650	530,000	10,600	540,000	41,750
2034			480,000	88,700					565,000	14,125
2035			490,000	79,000						
2036			500,000	69,100						
2037			505,000	59,050						
2038			520,000	48,800						
2039			530,000	38,300						
2040			540,000	27,600						
2041			550,000	16,700						
2042			560,000	5,600						
2043										
2044										
2045										
2046										
2047										
	1,865,000	155,275	7,580,000	1,471,175	1,710,000	142,450	3,255,000	538,125	3,915,000	826,375

3) This represents the $2,485,000 Street Reconstruction portion of the $4,030,000 General Obligation Bonds, Series 2021B.

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City of St. Cloud, Minnesota
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 11/04/2026)

	G.O. Bonds Series 2024A		Street Reconstruction & Equipment Bonds Series 2024B		Street Reconstruction & Equipment Bonds Series 2025A		G.O. Bonds Series 2026A							
Dated	10/03/2024		10/03/2024		10/14/2025		11/04/2026							
Amount	$6,680,000		$8,015,000		$16,315,000		$46,540,000*							
Maturity	02/01		02/01		02/01		02/01							
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Estimated Interest**	**Total Principal**	**Total Interest**	**Total P & I**	**Principal Outstanding**	**% Paid**	**Calendar Year Ending**
2027	565,000	298,125	680,000	357,750	0	815,750	0	1,540,555	6,665,000	3,823,430	10,488,430	95,940,000	6.50%	**2027**
2028	595,000	269,125	710,000	323,000	1,300,000	783,250	1,555,000	2,050,718	9,325,000	4,052,049	13,377,049	86,615,000	15.58%	**2028**
2029	625,000	238,625	750,000	286,500	1,360,000	716,750	2,115,000	1,987,270	7,725,000	3,708,026	11,433,026	78,890,000	23.11%	**2029**
2030	655,000	206,625	790,000	248,000	1,430,000	647,000	2,185,000	1,910,928	7,155,000	3,381,903	10,536,903	71,735,000	30.09%	**2030**
2031	690,000	173,000	830,000	207,500	1,500,000	573,750	2,260,000	1,829,788	6,960,000	3,072,088	10,032,088	64,775,000	36.87%	**2031**
2032	725,000	137,625	870,000	165,000	1,575,000	496,875	2,355,000	1,743,233	7,260,000	2,764,433	10,024,433	57,515,000	43.95%	**2032**
2033	760,000	100,500	910,000	120,500	1,660,000	416,000	2,440,000	1,650,298	7,570,000	2,442,773	10,012,773	49,945,000	51.32%	**2033**
2034	795,000	61,625	955,000	73,875	1,735,000	331,125	2,530,000	1,550,875	7,060,000	2,120,325	9,180,325	42,885,000	58.20%	**2034**
2035	835,000	20,875	1,000,000	25,000	1,830,000	242,000	2,640,000	1,444,863	6,795,000	1,811,738	8,606,738	36,090,000	64.83%	**2035**
2036					1,915,000	148,375	2,745,000	1,329,693	5,160,000	1,547,168	6,707,168	30,930,000	69.86%	**2036**
2037					2,010,000	50,250	2,870,000	1,204,728	5,385,000	1,314,028	6,699,028	25,545,000	75.10%	**2037**
2038							1,830,000	1,098,063	2,350,000	1,146,863	3,496,863	23,195,000	77.39%	**2038**
2039							1,915,000	1,010,970	2,445,000	1,049,270	3,494,270	20,750,000	79.78%	**2039**
2040							2,005,000	917,848	2,545,000	945,448	3,490,448	18,205,000	82.26%	**2040**
2041							2,100,000	818,278	2,650,000	834,978	3,484,978	15,555,000	84.84%	**2041**
2042							2,200,000	711,828	2,760,000	717,428	3,477,428	12,795,000	87.53%	**2042**
2043							2,310,000	598,500	2,310,000	598,500	2,908,500	10,485,000	89.78%	**2043**
2044							2,430,000	478,208	2,430,000	478,208	2,908,208	8,055,000	92.15%	**2044**
2045							2,550,000	350,580	2,550,000	350,580	2,900,580	5,505,000	94.63%	**2045**
2046							2,685,000	215,779	2,685,000	215,779	2,900,779	2,820,000	97.25%	**2046**
2047							2,820,000	73,320	2,820,000	73,320	2,893,320	0	100.00%	**2047**
	6,245,000	1,506,125	7,495,000	1,807,125	16,315,000	5,221,125	46,540,000	24,516,316	102,605,000	36,448,329	139,053,329			

* Preliminary, subject to change.

City of St. Cloud, Minnesota
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Utility Revenues
(As of 11/04/2026)

	Drinking Water Revenue Note Series 2009		Wastewater Revenue Note Series 2010		Drinking Water Revenue Note Series 2010		Sewer Revenue Bonds Series 2013B		Drinking Water Revenue Note Series 2015C	
Dated	05/08/2009		04/06/2010		08/24/2010		11/01/2013		09/25/2015	
Amount	$6,167,901		$40,115,015		$7,736,709		$5,140,000		$11,407,533	
Maturity	08/20		08/20		08/20		02/01		08/20	
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2027	389,000	19,550	2,298,000	167,165	428,000	29,063	405,000	38,022	592,000	55,470
2028	399,000	9,899	2,339,000	126,467	435,000	21,975	425,000	23,750	598,000	49,550
2029			2,380,000	85,043	442,000	14,772	435,000	8,156	604,000	43,570
2030			2,422,000	42,894	450,000	7,452			610,000	37,530
2031									616,000	31,430
2032									622,000	25,270
2033									629,000	19,050
2034									635,000	12,760
2035									641,000	6,410
2036										
2037										
2038										
2039										
2040										
2041										
2042										
2043										
2044										
	788,000	29,449	9,439,000	421,569	1,755,000	73,261	1,265,000	69,928	5,547,000	281,040

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City of St. Cloud, Minnesota
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Utility Revenues
(As of 11/04/2026)

	Utility Bonds 1) Series 2016A		Drinking Water Revenue Note Series 2016D		Wastewater Revenue Note Series 2017D		Drinking Water Revenue Note Series 2020A		Wastewater Revenue Note Series 2021	
Dated	02/25/2016		07/01/2016		10/09/2017		08/26/2020		07/12/2021	
Amount	$4,285,000		$4,479,021		$16,712,029		$40,055,140		$7,419,725	
Maturity	02/01		08/20		08/20		08/20		08/20	
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2027	360,000	30,525	315,000	16,070	848,000	107,989	1,975,000	303,082	783,000	39,930
2028	365,000	21,225	318,000	12,920	858,000	98,703	1,995,000	282,839	791,000	32,100
2029	375,000	10,125	322,000	9,740	867,000	89,308	2,016,000	262,390	798,000	24,190
2030	100,000	3,000	325,000	6,520	877,000	79,815	2,036,000	241,726	806,000	16,210
2031	50,000	750	327,000	3,270	886,000	70,211	2,057,000	220,857	815,000	8,150
2032					896,000	60,510	2,078,000	199,773		
2033					906,000	50,699	2,100,000	178,473		
2034					916,000	40,778	2,121,000	156,948		
2035					926,000	30,748	2,143,000	135,208		
2036					936,000	20,608	2,165,000	113,242		
2037					946,000	10,359	2,187,000	91,051		
2038							2,209,000	68,634		
2039							2,232,000	45,992		
2040							2,255,000	23,114		
2041										
2042										
2043										
2044										
	1,250,000	65,625	1,607,000	48,520	9,862,000	659,727	29,569,000	2,323,327	3,993,000	120,580

1) This represents the $4,285,000 Utility portion of the $7,370,000 General Obligation Bonds, Series 2016A.

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City of St. Cloud, Minnesota
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Utility Revenues
(As of 11/04/2026)

	Drinking Water Revenue Note Series 2022A		Wastewater Revenue Note Series 2024C							
Dated	06/01/2022		10/08/2024							
Amount	$1,166,077		$22,665,704							
Maturity	08/20		08/20							
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Total Principal**	**Total Interest**	**Total P & I**	**Principal Outstanding**	**% Paid**	**Calendar Year Ending**
2027	115,000	11,579	1,000,000	398,608	9,508,000	1,217,052	10,725,052	77,467,077	10.93%	**2027**
2028	117,000	9,730	1,018,000	379,788	9,658,000	1,068,945	10,726,945	67,809,077	22.04%	**2028**
2029	119,000	7,848	1,038,000	360,629	9,396,000	915,771	10,311,771	58,413,077	32.84%	**2029**
2030	121,000	5,935	1,057,000	341,094	8,804,000	782,174	9,586,174	49,609,077	42.96%	**2030**
2031	123,000	3,989	1,077,000	321,201	5,951,000	659,858	6,610,858	43,658,077	49.80%	**2031**
2032	125,077	2,011	1,097,000	300,932	4,818,077	588,495	5,406,572	38,840,000	55.34%	**2032**
2033			1,118,000	280,286	4,753,000	528,508	5,281,508	34,087,000	60.81%	**2033**
2034			1,139,000	259,246	4,811,000	469,731	5,280,731	29,276,000	66.34%	**2034**
2035			1,160,000	237,810	4,870,000	410,175	5,280,175	24,406,000	71.94%	**2035**
2036			1,182,000	215,978	4,283,000	349,828	4,632,828	20,123,000	76.86%	**2036**
2037			1,204,000	193,733	4,337,000	295,143	4,632,143	15,786,000	81.85%	**2037**
2038			1,227,000	171,074	3,436,000	239,708	3,675,708	12,350,000	85.80%	**2038**
2039			1,250,000	147,982	3,482,000	193,973	3,675,973	8,868,000	89.80%	**2039**
2040			1,274,000	124,457	3,529,000	147,570	3,676,570	5,339,000	93.86%	**2040**
2041			1,298,000	100,480	1,298,000	100,480	1,398,480	4,041,000	95.35%	**2041**
2042			1,322,000	76,052	1,322,000	76,052	1,398,052	2,719,000	96.87%	**2042**
2043			1,347,000	51,172	1,347,000	51,172	1,398,172	1,372,000	98.42%	**2043**
2044			1,372,000	25,821	1,372,000	25,821	1,397,821	0	100.00%	**2044**
	720,077	41,092	21,180,000	3,986,339	86,975,077	8,120,457	95,095,534			

City of St. Cloud, Minnesota
Schedule of Bonded Indebtedness
Revenue Debt Secured by Hydroelectric Revenues
(As of 11/04/2026)

	Taxable Hydroelectric Revenue Bonds Series 2016H							
Dated	12/14/2016							
Amount	$3,130,000							
Maturity	12/01							
Calendar Year Ending	**Principal**	**Interest**	**Total Principal**	**Total Interest**	**Total P & I**	**Principal Outstanding**	**% Paid**	**Calendar Year Ending**
2026	400,000	8,000	400,000	8,000	408,000	0	100.00%	**2026**
	400,000	8,000	400,000	8,000	408,000			

St. Cloud Housing And Redevelopment Authority, Minnesota
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Housing Revenues
(As of 11/04/2026)

	Governmental Housing Project Bonds Series 2021A
Dated	04/15/2021
Amount	$2,360,000
Maturity	02/01

Calendar Year Ending	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2027	140,000	36,120	140,000	36,120	176,120	1,600,000	8.05%	**2027**
2028	145,000	31,845	145,000	31,845	176,845	1,455,000	16.38%	**2028**
2029	150,000	27,420	150,000	27,420	177,420	1,305,000	25.00%	**2029**
2030	155,000	22,845	155,000	22,845	177,845	1,150,000	33.91%	**2030**
2031	155,000	18,970	155,000	18,970	173,970	995,000	42.82%	**2031**
2032	160,000	16,220	160,000	16,220	176,220	835,000	52.01%	**2032**
2033	160,000	13,420	160,000	13,420	173,420	675,000	61.21%	**2033**
2034	165,000	10,418	165,000	10,418	175,418	510,000	70.69%	**2034**
2035	165,000	7,613	165,000	7,613	172,613	345,000	80.17%	**2035**
2036	170,000	4,680	170,000	4,680	174,680	175,000	89.94%	**2036**
2037	175,000	1,575	175,000	1,575	176,575	0	100.00%	**2037**
	1,740,000	191,125	1,740,000	191,125	1,931,125			

OVERLAPPING DEBT[1]

Taxing District	2025/26 Taxable Net Tax Capacity	% In City	Total G.O. Debt[2]	City's Proportionate Share
Benton County	$57,000,507	11.8725%	$1,325,000	$157,311
Sherburne County	171,686,695	2.4124%	32,690,000	788,614
Stearns County	252,173,181	24.4863%	1,345,000	329,341
I.S.D. No. 47 (Sauk Rapids-Rice)	35,653,581	4.0941%	94,920,000[3]	3,886,120
I.S.D. No. 742 (St. Cloud Area Schools)	130,893,423	54.3934%	194,584,895[3]	105,841,340
City's Share of Total Overlapping Debt				$111,002,725

[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] 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.

DEBT RATIOS

	G.O. Debt	Debt/Economic Market Value $6,958,243,502	Debt/ Per Capita 72,930[1]
Direct G.O. Debt Secured By:			
Municipal Revenues	$375,000		
Special Assessments	5,060,000		
Tax Abatement Revenues	21,645,000		
Tax Increment Revenues	465,000		
Taxes*	102,605,000		
Utility Revenues	86,975,077		
Housing Revenues (HRA)	1,740,000		
Total General Obligation Debt*	$218,865,077		
Less: G.O. Debt Paid Entirely from Revenues[2]	(89,090,077)		
Tax Supported General Obligation Debt*	$129,775,000	1.87%	$1,779.45
City's Share of Total Overlapping Debt	$111,002,725	1.60%	$1,522.04
Total*	$240,777,725	3.46%	$3,301.49

*Preliminary, subject to change.

[1] Estimated 2025 population.

[2] Debt service on the City's general obligation revenue debt is being paid entirely from revenues and therefore is considered self-supporting debt.

TAX LEVIES, COLLECTIONS AND RATES

TAX LEVIES AND COLLECTIONS

Tax Year	Net Tax Levy[1]	Total Collected Following Year	Collected to Date	% Collected
2021/22	$30,383,243	$30,148,085	$30,362,557	99.93%
2022/23	35,102,055	34,878,924	35,043,697	99.83%
2023/24	39,381,584	38,994,650	39,251,539	99.67%
2024/25	39,633,522	39,181,181	39,181,181	98.86%
2025/26	52,274,128	In process of collection		

Property taxes are collected in two installments in Minnesota--the first by May 15 and the second by October 15.[2] 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.

TAX CAPACITY RATES[3]

	2021/22	2022/23	2023/24	2024/25	2025/26
Benton County	54.659%	48.587%	43.996%	45.587%	47.877%
Sherburne County	44.054%	38.609%	36.578%	38.246%	38.913%
Stearns County	48.462%	42.945%	40.103%	40.492%	40.450%
City of St. Cloud	50.904%	51.633%	53.167%	53.974%	68.626%
I.S.D. No. 47 (Sauk Rapids-Rice)	32.136%	27.509%	23.937%	24.761%	24.748%
I.S.D. No. 742 (St. Cloud Area Schools)	25.080%	22.696%	21.296%	21.700%	21.634%
Metro Transit Commission	3.227%	2.998%	2.728%	2.925%	3.428%
Regional Rail Authority	0.028%	0.025%	0.050%	0.052%	0.052%
Sauk River WD	1.053%	0.983%	0.909%	0.758%	0.722%
St. Cloud EDA	0.907%	0.914%	0.897%	0.906%	1.003%
St. Cloud HRA	0.904%	0.826%	1.019%	1.045%	1.087%
Stearns County HRA	N/A	N/A	0.261%	0.374%	0.381%

Continued on next page

[1] This reflects the Final Levy Certification of the City after all adjustments have been made.

[2] Second half tax payments on agricultural property are due on November 15 of each year.

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

TAX CAPACITY RATES CONTINUED[1]

	2021/22	2022/23	2023/24	2024/25	2025/26
Referendum Market Value Rates:					
City of St. Cloud	0.04950%	0.04444%	0.04047%	0.04035%	0.03862%
ISD No. 47 (Sauk Rapids-Rice)	0.14279%	0.13790%	0.12759%	0.12863%	0.12931%
ISD No. 742 (St. Cloud Area Schools)	0.08890%	0.08126%	0.07964%	0.08225%	0.08078%

Source: Tax Levies and Collections and Tax Capacity Rates have been furnished by Stearns, Benton and Sherburne Counties.

THE ISSUER

CITY GOVERNMENT

The City was organized as a municipality in 1856. The City operates under a home rule charter form of government consisting of a seven-member City Council of which the Mayor is not a voting member. The City Administrator and Finance Director area responsible for administrative details and financial records.

EMPLOYEES; PENSIONS; UNIONS

The City currently has 492 full-time, 122 part-time, and 298 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.

[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.

Recognized and Certified Bargaining Unit(s)

Bargaining Unit	Expiration Date of Current Contract
AFSCME Council 65, Local No. 748, Chapter 1, AFL-CIO General Unit	December 31, 2027
AFSCME Council #65, Local #748, Professional Employees Unit	December 31, 2027
AFSCME Council #65, Local #748, Assistant City Attorneys Unit	December 31, 2027
International Association of Firefighters Local #464	December 31, 2027
Law Enforcement Labor Services, Inc. Local 448, Fire Captains	December 31, 2027
LELS Local #523 St. Cloud Fire-Battalion Chiefs	December 31, 2027
LELS Local #557 Commanders	December 31, 2027
LELS Local #33 Patrol Officers	December 31, 2027
LELS Local #309 Lieutenants	December 31, 2027
LELS Local #281 Sergeants	December 31, 2027

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 Annual Comprehensive Financial Report (Audit) shows a total OPEB liability of $24,370,651 as of December 31, 2025. The City has been funding these obligations on a pay-as-you-go basis.

Source: The City's most recent Audit.

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, as amended, 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 August 31, 2026)

Fund	**Total Cash and Investments**
General	$22,869,651
Special Revenue	6,944,849
Debt Service	1,065,929
Capital Projects	22,288,092
Enterprise Funds	47,542,051
Internal Service Funds	691,584
Total Funds on Hand	$101,402,156

ENTERPRISE FUNDS

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

	2023 Audited	2024 Audited	2025 Audited
Water Utility			
Total Operating Revenues	$15,978,356	$14,853,640	$15,758,860
Less: Operating Expenses	(12,673,088)	(12,023,960)	(14,039,558)
Operating Income	$3,305,268	$2,829,680	$1,719,302
Plus: Depreciation	4,471,473	4,409,119	4,753,205
Revenues Available for Debt Service	$7,776,741	$7,238,799	$6,472,507
Wastewater Utility			
Total Operating Revenues	$13,181,438	$14,778,507	$17,262,635
Less: Operating Expenses	(14,353,134)	(14,423,475)	(14,522,737)
Operating Income	($1,171,696)	$355,032	$2,739,898
Plus: Depreciation	7,716,775	7,755,856	7,903,031
Revenues Available for Debt Service	$6,545,079	$8,110,888	$10,642,929
Hydroelectric Utility			
Total Operating Revenues	$1,370,477	$1,910,460	$1,783,595
Less: Operating Expenses	(1,202,950)	(1,383,059)	(1,351,956)
Operating Income	$167,527	$527,401	$431,639
Plus: Depreciation	621,851	652,862	650,111
Revenues Available for Debt Service	$789,378	$1,180,263	$1,081,750
Stormwater Utility			
Total Operating Revenues	$2,202,680	$2,552,987	$2,692,273
Less: Operating Expenses	(3,229,850)	(3,102,341)	(3,483,437)
Operating Income	($1,027,170)	($549,354)	($791,164)
Plus: Depreciation	1,713,074	1,794,321	1,890,369
Revenues Available for Debt Service	$685,904	$1,244,967	$1,099,205

Continued on next page

ENTERPRISE FUNDS CONTINUED

	2023 Audited	2024 Audited	2025 Audited
Street Light Utility			
Total Operating Revenues	$1,707,136	$1,834,696	$1,984,244
Less: Operating Expenses	(1,287,505)	(1,293,623)	(1,348,008)
Operating Income	$419,631	$541,073	$636,236
Plus: Depreciation	259,272	221,064	210,556
Revenues Available for Debt Service	$678,903	$762,137	$846,792
Parking System			
Total Operating Revenues	$1,287,045	$1,272,880	$1,248,735
Less: Operating Expenses	(2,020,268)	(1,871,729)	(1,913,631)
Operating Income	($733,223)	($598,849)	($664,896)
Plus: Depreciation	883,606	865,360	865,671
Revenues Available for Debt Service	$150,383	$266,511	$200,775
Refuse Service			
Total Operating Revenues	$4,749,207	$5,314,349	$5,475,816
Less: Operating Expenses	(4,815,127)	(4,748,623)	(5,112,645)
Operating Income	($65,920)	$565,726	$363,171
Plus: Depreciation	274,812	266,885	329,715
Revenues Available for Debt Service	$208,892	$832,611	$692,886
Municipal Athletic Complex			
Total Operating Revenues	$1,437,710	$1,601,910	$1,633,490
Less: Operating Expenses	(2,149,684)	(2,264,933)	(2,106,820)
Operating Income	($711,974)	($663,023)	($473,330)
Plus: Depreciation	373,566	368,269	345,621
Revenues Available for Debt Service	($338,408)	($294,754)	($127,709)
River's Edge Convention Center			
Total Operating Revenues	$1,475,600	$1,727,673	$1,481,323
Less: Operating Expenses	(3,497,002)	(3,489,185)	(3,229,856)
Operating Income	($2,021,402)	($1,761,512)	($1,748,533)
Plus: Depreciation	968,214	971,954	968,028
Revenues Available for Debt Service	($1,053,188)	($789,558)	($780,505)

SUMMARY GENERAL FUND INFORMATION

The following are summaries of the revenues, 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 2025 audited financial statements.

COMBINED STATEMENT	FISCAL YEAR ENDING DECEMBER 31				
	2021 Audited	2022 Audited	2023 Audited	2024 Audited	2025 Audited
Revenues					
Property taxes	$24,978,874	$27,352,379	$30,907,906	$32,494,597	$34,502,652
Special assessments	187,493	127,402	152,466	97,561	130,658
Licenses and permits	1,956,772	2,257,820	2,205,852	2,133,282	2,305,096
Intergovernmental	22,378,458	18,089,486	20,307,631	24,760,181	24,926,329
Charges for services	3,248,067	2,969,688	4,191,775	4,490,062	4,297,464
Fine and forfeitures	649,805	634,653	714,275	696,085	808,089
Investment income (loss)	(41,210)	(1,105,151)	1,039,009	870,775	733,894
Miscellaneous	142,068	137,731	116,907	158,291	84,757
Total Revenues	$53,500,327	$50,464,008	$59,635,821	$65,700,834	$67,788,939
Expenditures					
General government	$5,088,199	$5,282,257	$5,932,969	$6,460,763	$6,473,897
Public safety	33,252,317	35,514,597	39,762,793	42,393,488	44,863,662
Streets and highways	5,509,562	6,907,407	7,815,152	7,691,029	7,915,834
Parks and recreation	3,485,532	3,784,185	4,202,260	4,597,280	4,791,055
Debt service	0	544,651	848,947	1,131,882	1,174,566
Capital outlay	659,154	1,895,359	2,102,800	2,829,039	891,289
Total Expenditures	$47,994,764	$53,928,456	$60,664,921	$65,103,481	$66,110,303
Excess of revenues over (under) expenditures	$5,505,563	($3,464,448)	($1,029,100)	$597,353	$1,678,636
Other Financing Sources (Uses)					
Sale of capital asset	$13,334	$26,941	$34,236	$8,764	$47,824
Issuance of debt	0	0	1,086,397	1,409,923	269,242
Proceeds from lease issuance	0	457,404	0	0	0
Transfers in	150,000	0	0	14,790	158,000
Transfers (out)	(141,358)	(136,168)	(913,534)	(543,437)	(177,396)
Total Other Financing Sources (Uses)	$21,976	$348,177	$207,099	$890,040	$297,670
Net changes in Fund Balances	$5,527,539	($3,116,271)	($822,001)	$1,487,393	$1,976,306
General Fund Balance January 1	$23,509,846	$29,037,385	$25,921,114	$25,099,113	$26,586,506
Prior Period Adjustment	0	0	0	0	0
General Fund Balance December 31	$29,037,385	$25,921,114	$25,099,113	$26,586,506	$28,562,812
DETAILS OF DECEMBER 31 FUND BALANCE					
Nonspendable	$210,441	$372,124	$230,624	$275,844	$237,685
Assigned	223,814	281,806	245,686	283,705	203,000
Unassigned	28,603,130	25,267,184	24,622,803	26,026,957	28,122,127
Total	$29,037,385	$25,921,114	$25,099,113	$26,586,506	$28,562,812

GENERAL FUND BUDGET SUMMARY

COMBINED STATEMENT	FISCAL YEAR ENDING DECEMBER 31 2026 Adopted Budget[1]
Revenues	
Property taxes	$40,712,000
Other taxes	$156,000
Special assessments	120,000
Licenses and permits	2,545,400
Intergovernmental	21,149,300
Charges for services	4,056,900
Fine and forfeitures	712,300
Investment income (loss)	756,000
Miscellaneous	5,576,500
Total Revenues	$75,784,400
Expenditures	
General government	$9,386,500
Public safety	51,048,400
Streets and highways	7,925,800
Parks and recreation	4,999,100
Capital outlay	124,600
Total Expenditures	$73,484,400
Excess of revenues over (under) expenditures	$2,300,000
Other Financing Sources (Uses)	
Transfers (out)	($187,900)
Total Other Financing Sources (Uses)	($187,900)
Net changes in Fund Balances	$2,112,100
General Fund Balance January 1	$28,562,812
Prior Period Adjustment	0
General Fund Balance December 31	$30,674,912

[1] The 2026 budget was adopted on December 1, 2025.

GENERAL INFORMATION

LOCATION

The City, with a 2020 U.S. Census population of 68,881 and a 2025 population estimate of 72,930, and comprising an area of 41.04 square miles, is located approximately 76 miles northwest of St. Paul, Minnesota. St. Cloud is the County Seat of Stearns County.

LARGER EMPLOYERS[1]

Larger employers in the City include the following:

Firm	Type of Business/Product	Estimated No. of Employees
St. Cloud Hospital/CentraCare Health	Hospitals and clinics	5,570
State of Minnesota	St. Cloud State University, MN Dept of Corrections, MN Dept of Labor & Industry	1,925
St. Cloud Veterans Administration	Medical center for veterans	1,642
I.S.D. No. 742 (St. Cloud Area Schools)	Elementary and secondary education	1,303
New Flyer of America	Bus manufacturing	1,003
Coborn's Inc.	Grocery	687
Anderson Trucking Service, Inc.	Long distance trucking	680
Stearns County	County government and services	608
Essilor of America	Optical lense manufacturing	502
The City	Municipal government and services	492

Source: The City, 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.

BUILDING PERMITS (as of September 15, 2026)

	2022	2023	2024	2025	2026
New Single Family Homes					
No. of building permits	97	141	78	80	56
Valuation	$20,925,035	$28,331,973	$18,324,703	$17,077,390	$18,742,274
New Multiple Family Buildings					
No. of building permits	3	6	3	1	0
Valuation	$37,900,000	$13,800,000	$27,693,783	$20,000,000	$0
New Commercial/Industrial					
No. of building permits	14	5	2	6	22
Valuation	$36,902,474	$7,040,800	$300,000	$36,563,374	$149,062,478
All Building Permits *(including additions and remodelings)*					
No. of building permits	3,338	2,973	1,614	921	977
Valuation	$211,978,303	$142,126,968	$140,261,961	$178,782,065	$188,534,732

Source: The City.

U.S. CENSUS DATA

Population Trend: The City

2010 U.S. Census population	65,842
2020 U.S. Census population	68,881
Percent of Change 2010 - 2020	4.62%
2025 State Demographer Population Estimate	72,930

Income and Age Statistics

	The City	Stearns County	State of Minnesota	United States
2024 per capita income	$32,108	$38,286	$48,237	$44,673
2024 median household income	$61,374	$77,066	$89,062	$80,734
2024 median family income	$80,689	$99,842	$113,993	$99,999
2024 median gross rent	$1,003	$1,068	$1,280	$1,413
2024 median value owner occupied units	$225,000	$273,400	$329,300	$332,700
2024 median age	30.6 yrs.	35.1 yrs.	38.8 yrs.	38.9 yrs.

	State of Minnesota	United States
City % of 2024 per capita income	66.56%	71.87%
City % of 2024 median family income	70.78%	80.69%

Housing Statistics

	The City		
	2020	2025	Percent of Change
All Housing Units	27,481	28,859	5.01%

Source: 2010 and 2020 Census of Population and Housing, and 2024 American Community Survey (Based on a five-year estimate), U.S. Census Bureau (https://data.census.gov), and Minnesota State Demographer (https://mn.gov/admin/demography/data-by-topic/population-data/our-estimates/).

EMPLOYMENT/UNEMPLOYMENT DATA

Rates are not compiled for individual communities within counties.

	Average Employment	Average Unemployment	
Year	Stearns County	Stearns County	State of Minnesota
2022	83,418	2.5%	2.5%
2023	84,371	2.8%	2.8%
2024	85,536	3.1%	3.1%
2025	85,461	4.0%	3.9%
2026, August	82,622	4.8%	4.8%

Source: Minnesota Department of Employment and Economic Development.

APPENDIX A

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 change 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 ST. CLOUD
MINNESOTA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

2025

For the Year Ended December 31, 2025

ST. CLOUD, MINNESOTA

To improve efficiency and better serve our residents, the City has undertaken a number of projects in 2025:

1. The City purchased a Cyclone II Aerial Ladder Truck (as pictured on the cover) and a Typhoon X Long Cab Engine Truck. These new trucks are replacing two engines that were over 20 years old, and were purchased by issuing equipment certificates in 2024.
2. A bond was issued in 2025 to cover major capital equipment costs such as:
    - A complete replacement of all radios for Police, Fire, and Public Works
    - Information Technology servers and switches
    - Four pickups with plows
    - Rolba snowblower
    - Tandem Plow (as pictured on the cover)
3. Whitney Regional Park, located at 1529 Northway Drive, is undergoing an improvement project that is estimated to be completed in the summer of 2026. The project will repave and renew all park trails (as pictured on the cover), roads, and parking areas to improve access for the Whitney Recreation Center, Senior Center, Whitney Park and YMCA, visitors. These improvements are funded using regional sales tax dollars.

    Other Enhancements include:
    • New pickleball court complex
    • Baseball field lighting
    • Road and parking lot lighting
    • New playground
    • Improved parking & walkways
    • General park upgrades

City of St. Cloud MINNESOTA

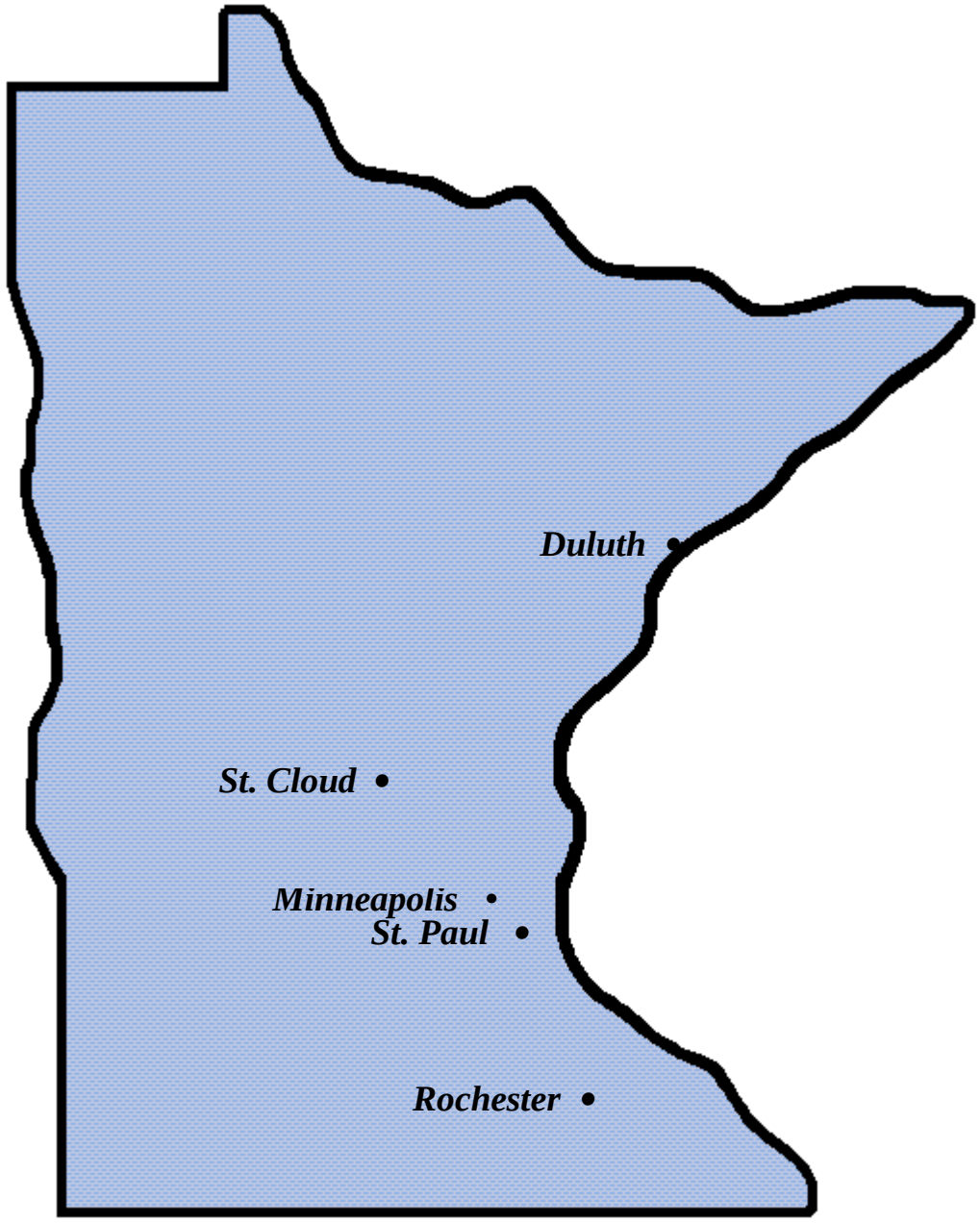
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2025

DEPARTMENT OF FINANCE

DEANNA FAH, DIRECTOR OF FINANCE

Member of Government Finance Officers Association of the United States and Canada

ST. CLOUD, MINNESOTA
IN RELATION TO OTHER MINNESOTA CITIES



St. Cloud, Minnesota is located on the banks of the beautiful Mississippi River just over 70 miles northwest of the Twin Cities of Minneapolis and St. Paul. As the center of Minnesota's fastest growing metropolitan area, St. Cloud serves as a commercial hub for over 250,000 people. In addition to our strong economic environment, St. Cloud offers very ample and diverse opportunities in education, recreation and the arts. Outside of the Twin Cities metropolitan area, St. Cloud is the third largest metropolitan city in the State of Minnesota.

CITY OF ST. CLOUD, MINNESOTA

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2025

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ANNUAL COMPREHENSIVE FINANCIAL REPORT
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CITY OF ST. CLOUD, MINNESOTA

ANNUAL COMPREHENSIVE FINANCIAL REPORT
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CITY OF ST. CLOUD MINNESOTA

FINANCE DEPARTMENT
Finance Director 320-255-2708
Utility Billing 320-255-7211
Fax 320-255-7297

June 9, 2026

To the Honorable Mayor, Members of the Governing Council, and Citizens of the City of St. Cloud:

Minnesota Statutes and Section 8.51 of the City's Home Rule Charter requires that every general-purpose local government 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, 2025.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control 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.

BerganKDV, Ltd., Certified Public Accountants, have issued an unmodified ("clean") opinion on the City of St. Cloud's financial statements for the year ended December 31, 2025. The independent auditors' report is located at the front of the financial section of this report.

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

PROFILE OF THE GOVERNMENT

The City of St. Cloud, incorporated in 1856, is located on the banks of the Mississippi River just 70 miles northwest of the Twin Cities of Minneapolis and St. Paul. The City of St. Cloud currently occupies a land area of 41.04 square miles and serves a population of 72,614. St. Cloud is currently the 12th largest city in Minnesota. The City of St. Cloud is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council.

The City of St. Cloud has operated under a strong mayor-council-city administrator form of government since 1952. Policy-making and legislative authority are vested in a governing council consisting of the mayor and seven other members. The governing council is responsible, among other things, for passing ordinances, adopting the budget, and appointing committees. The Mayor is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments. The Council is elected on a non-partisan basis. Council members and the Mayor serve four-year staggered terms, with four ward Council members and the three at-large Council members and the Mayor elected every four years. The Mayor and the at-large Council members are elected by the entire City. The ward Council members are elected by the voters in their perspective ward boundaries.

PROFILE OF THE GOVERNMENT (CONTINUED)

The City of St. Cloud provides a full-range of services, including police and fire protection; the construction and maintenance of highways, streets, and other infrastructure; water, sewer, hydroelectric, stormwater, street light, parking, refuse, municipal athletic complex, convention center; parks and recreational activities, planning, health and inspections, and general administrative services. The City of St. Cloud also provides housing and development services through the Housing and Redevelopment Authority (HRA) and Economic Development Authority (EDA), which are component units of the City.

The annual budget serves as the foundation of the City of St. Cloud's financial planning and control. All departments of the City of St. Cloud are required to submit requests for appropriation to the government's City Administrator and Finance Director by approximately June of each year. The government's Finance Department uses these requests as the starting point for developing a proposed budget. The Mayor presents the proposed budget to the Council for review prior to September 30. The Council is required to hold public hearings on the proposed budget and to adopt a final budget no later than December 31. The appropriated budget is prepared by fund, department and program. The City Administrator and Finance Director are authorized to approve transfers of appropriations between individual expenditure accounts within a department's or fund's budget. The City Council must approve any transfers between funds.

Local Economy

Born on the Mississippi River, St. Cloud is located between the Twin Cities Metro area and the State's world-famous lake region. The City of St. Cloud is a center of growth located within three counties: Benton, Sherburne and Stearns. The City of St. Cloud serves as the Stearns County seat.

The community's central location in the State has fostered a diverse vibrant economy based on manufacturing, agriculture, national and international industry, and a vibrant urban center with a strong mix of retail sales, restaurants, and services. The City of 72,614 serves as a commercial hub that expands to over 250,000 people on a daily basis. The City is increasingly becoming a health care nexus with hundreds of medical specialists and expanding clinics. In addition to a strong economic environment, St. Cloud offers ample and diverse opportunities in education, recreation, and the arts. Supported by a strong business and industrial community, the City is also home to St. Cloud State University (third largest public university in Minnesota with more than 10,000 full-time equivalent students), St. Cloud Technical and Community College, St. Cloud Hospital (a regional medical center), Veterans Administration Center, the Minnesota Correctional Facility, two public and two private high schools.

Through the adoption of the Comprehensive Plan, the City of St. Cloud has adopted planning policies to continue to provide for growth and expansion in the City. Economic development plans call for maintenance and continuation of a strong, diverse, and balanced economic base. Because of St. Cloud's role as a regional economic center, the City will encourage development that brings jobs and industry to the area and plans to create and sustain a favorable economic development climate.

St. Cloud, over the past twenty years, has been one of the fastest growing metropolitan areas in Minnesota, yet cost of living is lower than in many other urban areas. The City is a cultural, entrepreneurial, and industrial center providing a hometown for people from all walks of life.

PROFILE OF THE GOVERNMENT (CONTINUED)

Local Economy (Continued)

Some of the indicators of the economic vitality of the City are as follows:

	2025	2024	2023	2022
Estimated Market Value for all Property	$6,091,076,400	$6,019,670,000	$5,481,364,000	$4,738,821,400
Percentage Increase (Decrease) In Market Value	1.41%	9.82%	15.67%	2.93%
Number of Building Permits	1,550	1,752	3,104	3,469
Building Permit Value	$218,139,399	$142,751,926	$143,253,228	$213,760,460
Population Estimate	72,614*	69,926	68,910	68,818

*Bureau of the Census/State Demographer's Office/or City Planning Department

Major Initiatives

- **Private and Other Public 2025 Initiatives**

CentraCare (1900 Centracare Cir) - $90,000,000

The largest single project was a $41 million addition to the existing CentraCare Plaza building, followed by a $30 million new single-story rehabilitation center for physical, occupational, and speech therapies — both at 1900 CentraCare Circle. A $20 million, 95-unit multi-family apartment building for students at the CentraCare Regional Campus was also underway.

ISD #742 North Jr High (1212 29 Ave N) - $12,700,000

North Junior High completed an interior renovation project in 2025 focused on converting the existing main restroom group into updated multi-user restrooms.

Sunburst Memorials (401 Electron Dr) - $8,300,000

Sunburst Memorials is a St. Cloud-based company that designs and installs custom granite headstones, grave markers, and monuments for families across Minnesota and several surrounding states. The company completed a $8.3 million building addition and renovation at their 401 Electron Drive location in the St. Cloud Regional Business Park, the former Beaver Island Brewing company.

City of St. Cloud Municipal Athletic Complex (5001 8 St N) - $17,000,000

The city invested $7 million along with $10 million from the State to expand the Municipal Athletic Complex at 5001 Eighth St. N, adding locker rooms, a sports medicine room, refrigeration and re-surfacer rooms, and a mezzanine addition.

Avivo (3100 1st St S) - $6,640,000

Avivo Village Central Minnesota is a low-barrier shelter under construction at 3100 1st Street South in St. Cloud, featuring 48 private apartments along with common areas, 24/7 security, and on-site services including healthcare, mental health support, and recovery programs.

PROFILE OF THE GOVERNMENT (CONTINUED)
Major Initiatives (Continued)

- **Private and Other Public 2025 Initiatives (Continued)**

St. Cloud Behavioral Health Facility (302 5 Ave S) - $2,600,000
St. Cloud Behavioral Health Facility completed a $2.6 million remodel of the existing building and reflects ongoing investment in mental health infrastructure in St. Cloud.

ISD #742 South Jr High (1120 15 Ave S) - $2,400,000
St. Cloud's South Junior High completed interior renovations covering restrooms, a staff lounge, classrooms, storage areas, and gym updates. The project reflects the St. Cloud school district's ongoing commitment to modernizing its facilities and improving the learning and working environment for students and staff alike.

Essilor Luxottica (6925 Saukview Dr) - $2,300,000
Essilor Luxottica, the global eyewear giant that operates the Precision Optics laboratory at 6925 Saukview Drive in St. Cloud completed a remodeling of existing office areas and exterior work at the facility. The St. Cloud operation, which traces its roots back to 1961 has grown into a major optical laboratory employing more than 210 people and producing over 3,200 prescriptions daily.

Blattner Energy (4301 12 St SE) - $1,968,000
Blattner Energy, the Central Minnesota-based renewable energy construction company headquartered in nearby Avon, constructed a new private hangar within the St. Cloud Regional Airport's north general aviation area.

Northwestern Mutual (705 36 St S) - $1,870,000
Northwestern Mutual completed a building addition and parking lot expansion, signaling growth at their south St. Cloud financial services location. The St. Cloud office is part of Northwestern Mutual's broader network of financial services, offering insurance and investment solutions to central Minnesota clients.

Pilot Travel Centers, LLC (4231 Clearwater Rd) - $1,800,000
The Pilot Travel Center at 4231 Clearwater Road completed a major interior remodel as part of the company's $1 billion nationwide store modernization plan, featuring a new kitchen, hot and cold deli area, three self-checkout stations, more beverage coolers, and remodeled restrooms and showers.

PASO Aviation LLC (4301 12 St SE) - $1,650,000
PASO Aviation LLC received a $1,664,752 building permit for a new hangar construction project including offices and a mechanical room, located within the St. Cloud Regional Airport's north general aviation area.

City of St. Cloud - Solar Array at NEWR Facility (526 60 St S) - $1,400,000
Project is the fifth solar array installed at St. Cloud's Nutrient, Energy & Water Recovery Facility and has the potential to generate approximately 2,000,000 kilowatt-hours annually.

Gilleland Chevrolet (27 31 Ave N) - $1,330,000
Gilleland Chevrolet completed an expansion plan that involved purchasing two single-family homes on 31st Avenue North and demolishing them to create space for an expanded parking lot and a new mechanic shop to replace the old Quick Lube building.

PROFILE OF THE GOVERNMENT (CONTINUED)

Major Initiatives (Continued)

- **Private and Other Public 2025 Initiatives (Continued)**

Take 5 Oil (3440 Division St) - $1,100,000

Take 5 Oil Change opened its first St. Cloud location marking the brand's entry into the area with three service bays and a signature stay-in-your-car format that completes oil changes in about 10 minutes with no appointment needed.

St. Cloud Metrobus (665 Franklin Ave NE) - $1,100,000

St. Cloud Metro Bus invested $1.1 million in a compressed natural gas (CNG) vehicle fueling station upgrade at its facility. The upgrade supports Metro Bus's ongoing transition to cleaner fuel, with CNG-powered buses now representing 95% of the combined fixed route and paratransit fleets, and the Dial-a-Ride paratransit service reaching 100% CNG as of 2025.

Viking Coke (4610 Rusan St N) - $1,030,000

Viking Coke, the Coca-Cola bottling and distribution company completed a partial re-roof project and pursuing a major 50,000 square foot expansion addition to its facility, signaling significant long-term growth for the local beverage distributor.

Lathrop GPM (1010 St Germain St W) - $1,000,000

Lathrop GPM, a national law firm with offices in downtown St. Cloud completed a 5th floor interior remodel of their office space reflecting the firm's continued commitment to its St. Cloud downtown presence.

BCI Construction, Inc (706 St Germain St W) - $875,000

BCI Construction purchased and remodeled the vacant building at 706–708 West St. Germain Street in downtown St. Cloud. The 4,000 square foot building will be known as the "Red Owl Food Store," a tribute to the grocery store that occupied the space for several decades beginning in the 1930s.

US Bank Plaza (1015 St Germain St W) - $845,000

US Bank Plaza is a prominent five-story office building in downtown St. Cloud that houses the U.S. Bank downtown branch along with multiple professional tenants completed an interior renovation work in 2025 keeping it one of the city's most recognizable commercial properties.

Wells Fargo (200 33 Ave S) - $800,000

Wells Fargo's St. Cloud South branch completed an interior renovation updating one of the bank's key remaining locations in the St. Cloud market. The 33rd Avenue South branch has served as a consolidation point for Wells Fargo's St. Cloud presence as part of a broader shift driven by customers moving toward mobile banking.

City of St. Cloud 10-10 Park Improvements (1114 9th Avenue SE) - $735,000

The City celebrated the completion of the 10-10 Park improvements, including new splash pad, green space, basketball court revamp, improved lighting, and accessibility enhancements collocated with the Community Outpost using 2022 voter approved park levy funds and DOJ, Bureau of Justice Assistance grant.

St. Cloud Hospital (1406 6 Ave N) - $700,000

St. Cloud Hospital completed a partial first floor remodel, continuing CentraCare's significant pattern of investment in its St. Cloud campus that also included a $41 million plaza addition and a $30 million rehabilitation center.

PROFILE OF THE GOVERNMENT (CONTINUED)

Major Initiatives (Continued)

- **Private and Other Public 2025 Initiatives (Continued)**

Stearns Financial (4140 Thielman Ln) - $699,000

Stearns Financial Center at 4140 Thielman Lane is a three-story office building in west St. Cloud, home to notable tenants including Stearns Financial, Rajkowski Hansmeir Ltd., and WSB & Associates completed a second-floor remodel at the property.

7 Brew Coffee (4149 Division St) - $500,000

7 Brew Coffee constructed a new drive-thru-only building on Division St. near Crossroads Center mall, becoming a notable addition to both the mall area offering a menu of more than 20,000 drink combinations including coffee, energy drinks, smoothies, and teas, making it the 21st chain coffee shop to open in St. Cloud.

City of St. Cloud Centennial Park Improvements (1725 Centennial Drive) - $376,000

The City opened new and renovated facilities at Centennial Park, including modern playground equipment, splash pad, new hockey rink, improved lighting and paths, and restroom updates, using 2022 voter approved park levy funds.

City of St. Cloud Haws Southside Park Improvements (805 13th Street South) - $375,000

The City conducted a ribbon-cutting for numerous upgrades to Haws Southside Park improvements, including new playground equipment, splash pad, basketball court overhaul, and hockey rink refresh, using 2022 voter approved park levy funds.

- **City 2025 Initiatives**

St. Cloud EV Charging Station Project

The City was awarded $200,000 in funding through the CRP Grant for this project. The City installed two 120kW electric vehicle charging stations that have two ports at the Stearns County History Museum. Due to material supply issues, this project was constructed in 2025.

Metro Forcemain Replacement Project

This project included the replacement of over three miles of the City's forcemain system. The original forcemain was installed in the 1970s with no access points and has had partial failures throughout the system. This collection system conveys wastewater from St. Cloud, Sartell, Sauk Rapids, St. Joseph, Waite Park, and Foley to the treatment facility. This project was completion in 2025 and is currently in use.

2025 Bituminous Street Resurfacing

The project included resurfacing approximately 8.3 miles of roadway segments, which included portions of the township merger area.

2025 Rejuvenator Improvements

The project included segments from the 2022, 2023 and 2024 construction season for this preventative work.

2nd Avenue South Drainage Improvements

The project included a Stormwater Implementation Grant and consisted of full reconstruction of 2nd Avenue South which included watermain, storm sewer and new surface.

PROFILE OF THE GOVERNMENT (CONTINUED)
Major Initiatives (Continued)

- **City 2025 Initiatives (Continued)**

Pan Park Neighborhood Improvements – Phase 4
This project included a neighborhood revitalization project which included reconstruction of streets, curb and gutter, sidewalks, alleys, sanitary sewer, water main and storm drain on 26th and 27th Avenues from 7th to 8th Street North, 28th and 29th Avenues from 7th to 9th Street North, 7th Street North from 25th to 29th Avenues and 9th Street North from 27th to 29th Avenues.

Lincoln Avenue from 7th Street SE to North City Limits Improvements
This project included water main replacement from 7th Street SE to 1st Street SE, with new sidewalk installation on both sides from 1st Street SE to East St. Germain Street. Sidewalk was replaced along both sides from 4th Street SE to 1st Street SE. Full surface reconstruction of Lincoln Avenue from 7th Street SE to East St. Germain Street. Edge mill and overlay from East St. Germain Street to the north city limits.

Lincoln Avenue from 4th to 7th Street SE Sidewalks Improvements
This project included installation of new sidewalk on the east side of Lincoln Avenue SE from 4th to 7th Street SE. Federal funds in the amount of $100,000 were received for this project.

St. Cloud Park Addition Lead Service Line Improvements
This project included replacement of all galvanized and/or lead water service lines within the St. Cloud Park Addition area. This project is being reimbursed through the Copper and Lead Rule Program with the State of Minnesota.

Pond 40 Outlet Improvements
This project included installation of a new precast concrete outlet control structure and trash guard to replace the existing flared end section at Pond 40. The installation of the new structure allowed for debris to gather outside of the system without obstructing the stormwater outflows from the basin and will ease public works maintenance efforts when removing accumulating debris from the outlet

Pond 85 Dredging Improvements
This project included temporarily drawing down Pond 85 at the Central Maintenance Facility to remove accumulated sediment and restore the dead storage volume of the basin.

22nd Street South from County Road 136 to Cooper Avenue South Improvements
This 2026 project includes reconstruction and construction of new bike lanes and sidewalk on 22nd Street South from County Road 136 to Cooper Avenue South in 2026. The reconstruction will be similar to the 22nd Street corridor to the west of County Road 136, which will include minor sanitary sewer, upsizing undersized water main, constructing a new water transmission line and storm drain. The City received $1,800,000 in STBGP and $540,000 in Carbon Reduction Program (CRP) funding for these improvements. In 2025, staff worked with property owners to acquire necessary easements for the construction of the corridor.

PROFILE OF THE GOVERNMENT (CONTINUED)

Major Initiatives (Continued)

- **City 2025 Initiatives (Continued)**

Heatherwood Road Extension Improvements

This 2027 project includes the extension of Heatherwood Road to the intersection of 60th Street South and 8th Avenue South with installation of new sanitary sewer, water main, storm drain, curb and gutter, bridge replacement over Johnson Creek, trail and sidewalk to run parallel to the new roadway. The City received $1,201,005 in STBGP, $7,000,000 in Congressionally Directed Spending (CDS) and $400,000 in Transportation Alternatives (TA) funding for the Heatherwood Road Improvements. In 2025, staff worked with consultant to begin designing the bridge improvements.

New Development Projects - 2025

Staff assisted developers and engineering consultants with the following new developments:

- Harvest Creek

Long Term Financial Planning

Capital Improvement Plan

By charter, the City of St. Cloud maintains a six-year capital improvement program which serves as a planning document to ensure that its facilities, equipment, and infrastructure are well maintained and operating in peak condition. Under the guidance of the Planning Commission, this process gives the City of St. Cloud the ability to plan for its capital needs and allocate short and long-term resources appropriately. As part of this process, the City identifies and quantifies the operational costs associated with the capital projects and budget resources accordingly.

Consolidated Plan

This plan establishes the local priorities, goals, and objectives for utilization of Community Development Block Grant (CDBG) funds during the next five years. Housing and Urban Development (HUD) requires entitlement communities to update their Consolidated Plan every five years to address three national objectives: benefitting persons of low and moderate income, eliminating slum and blight, and meeting urgent needs.

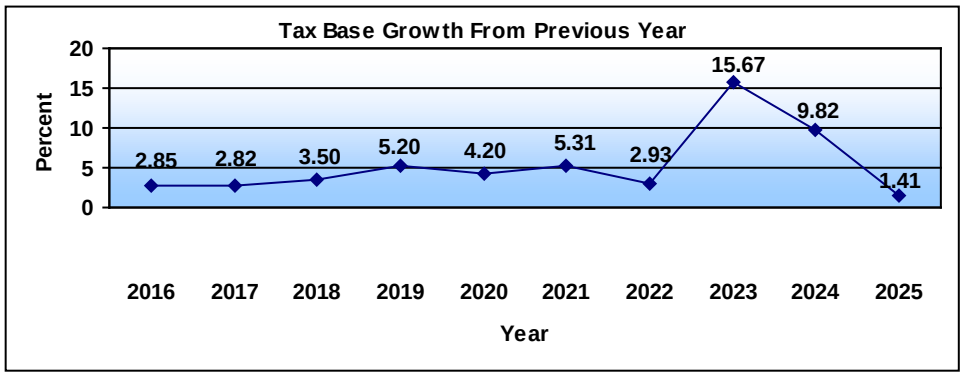
Comprehensive Plan

Minnesota law requires municipalities to adopt a comprehensive plan to utilize a variety of zoning, subdivision, economic development, and other policies. The comprehensive plan establishes a long-term vision for growth and redevelopment in the community. These objectives establish a policy framework by which staff, elected officials, and community stakeholders can base quasi-judicial, legislative, and independent actions. The City updated the Comprehensive Plan throughout 2025, with final Planning Commission and City Council approval in 2026.

PROFILE OF THE GOVERNMENT (CONTINUED)

Property Tax Base Change

The City has a financial policy that includes a target of keeping any property tax levy increase in line with the change in the City's tax base. The following is a ten-year history of the tax base growth in the City of St. Cloud:



The graph above is a powerful illustration of the changing growth during the last 10 years. The decline in property values during the great recession resulted in a corresponding decline in the total tax base for five consecutive years. The tax base started seeing positive growth beginning in 2015 with a 1.93% increase and continued growth increases in the following years, culminating in record growth of 15.67% in 2023 and 9.82% in 2024. Growth in 2025 slowed to 1.41% due to property values remaining relatively flat. In 2026, we are forecasting growth to continue to increase, with an expected total increase in property values of 3.63%.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of St. Cloud for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended December 31, 2024. This was the forty-fourth consecutive year that the City has received this prestigious award. To be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized ACFR that report satisfied both GAAP and applicable legal requirements.

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

The City received the GFOA's Distinguished Budget Presentation Award for its Annual Budget document dated January 1, 2025. This was the twenty-eight consecutive year the City has received this prestigious award. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

AWARDS AND ACKNOWLEDGEMENTS (CONTINUED)

The City received the GFOA's Popular Annual Financial Reporting Award for its document for the fiscal year ended December 31, 2024. This was the third consecutive year the City has received this prestigious award. To qualify for the Popular Annual Financial Reporting Award, the City had to extract information from the Annual Comprehensive Financial Report and design a high-quality report that is readily accessible and easily understandable to the general public and other interested parties without a background in public finance. The first time the City created such a report was for the fiscal year ended December 31, 2022.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. I would like to especially recognize Ana Held, Chris Hall, Lori Mensinger, Jen Piekarski, Erica Bartz and Ryan Sjoquist for their contributions in preparing the annual report. Finally, credit also must be given to the Mayor, City Administrator, and the City Council for their unfailing support for maintaining the highest standards and professionalism in the management of the City of St. Cloud's finances.

Sincerely,

DeAnna Fah
Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of St. Cloud Minnesota

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

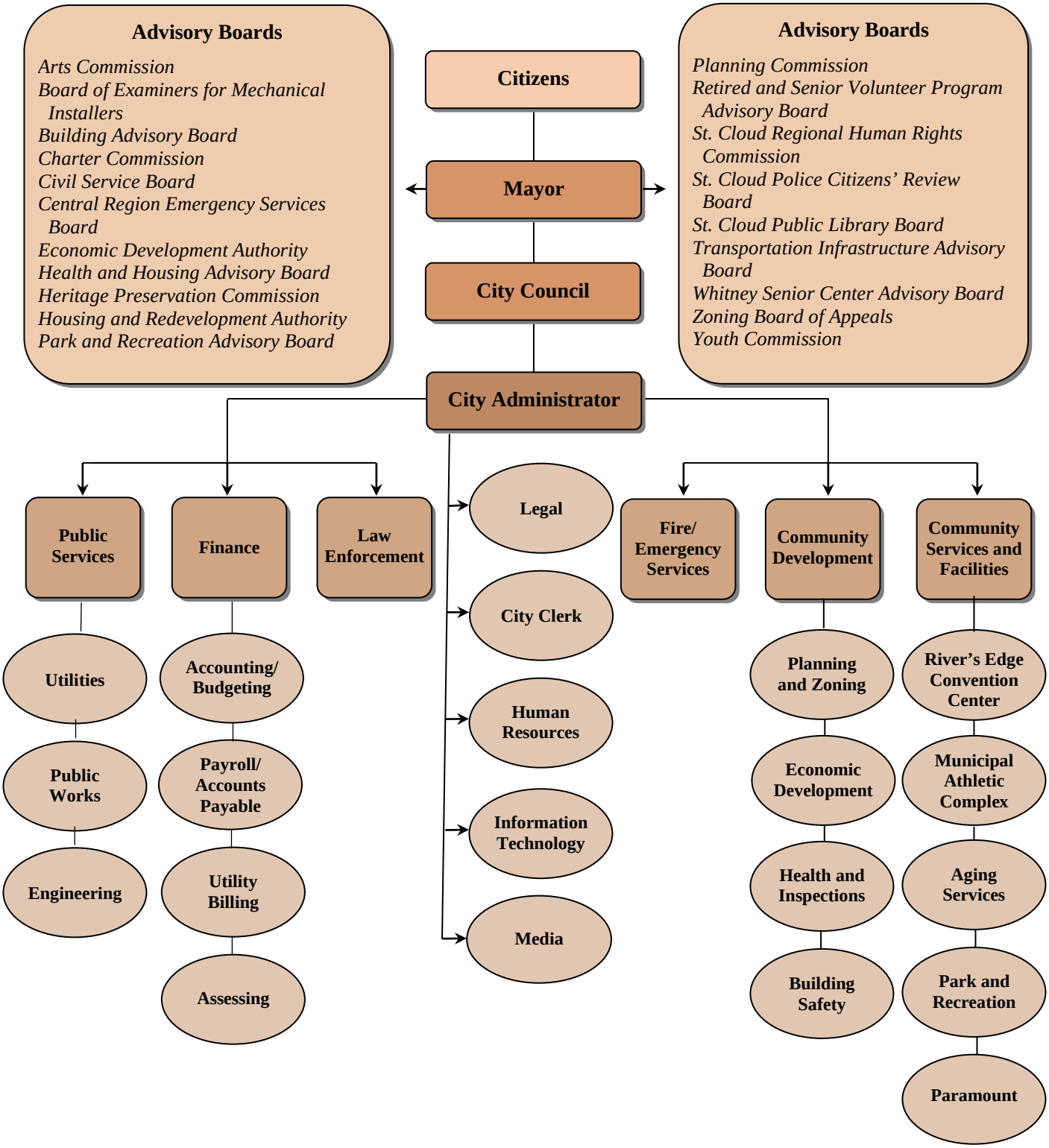
December 31, 2024

Christopher P. Morrill

Executive Director/CEO

CITY OF ST. CLOUD, MINNESOTA

ORGANIZATIONAL CHART



CITY OF ST. CLOUD, MINNESOTA

Principal City Officials

Elected Officials

		Current Term
Mayor	Jake Anderson	January 2025 – January 2029
Ward	City Council	
At Large	Scott Brodeen	January 2025 – January 2029
At Large	Tami Calhoun	January 2025 – January 2029
At Large	Mark Johnson	January 2025 – January 2029
1st	**Dave Masters	January 2023 – January 2027
2nd	Karen Larson	January 2023 – January 2027
3rd	Hudda Ibrahim	January 2023 – January 2027
4th	*Mike Conway	January 2023 – January 2027

*Council President
**Council Vice-President

Appointed Officials

Administrator	Tracy Hodel
Attorney	Renee Courtney
Community Development Director	Matt Glaesman
Community Services and Facility Director	Scott Zlotnik
Finance Director	DeAnna Fah
Fire Chief	Matt Love
Information Technology Director	Micah Myers
Police Chief	Jeffrey Oxton
Public Services Director	Luke Langner

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of St. Cloud, Minnesota as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of St. Cloud, Minnesota, as of December 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Housing and Redevelopment Authority which represents the assets, deferred inflows, liabilities, deferred outflows, net position, revenues and expenses of the discretely presented component unit. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Housing and Redevelopment Authority, is based solely upon the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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. Cloud 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.

Responsibilities of Management for the Financial Statements

The City's 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.

Responsibilities of Management for the Financial Statements (Continued)
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'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 GAAS 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 GAAS and *Government 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'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'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, which follows this report letter, and Required Supplementary 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 (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules 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 fund financial statements and schedules 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 Comprehensive Financial 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 9, 2026, on our consideration of the City of St. Cloud'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 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. Cloud's internal control over financial reporting and compliance.

St. Cloud, Minnesota
June 9, 2026

CITY OF ST. CLOUD, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2025

As management of the City of St. Cloud, we offer readers of the City of St. Cloud's financial statements this narrative overview and analysis of the financial activities of the City of St. Cloud for the fiscal year ended December 31, 2025. 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 on pages 8-14 of this report.

Financial Highlights

- The assets and deferred outflows of the City of St. Cloud exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by $561,291,280, as compared with $524,371,885 for the previous year. Of this amount, $82,164,923 may be used to meet government's ongoing obligations to citizens and creditors.

- The government's total net position increased by $36,919,395.

- As of the close of the current fiscal year, the City of St. Cloud's governmental funds reported combined ending fund balances of $78,249,463, an increase of $7,904,543 in comparison with the prior year. Approximately 73.8% of this amount, $57,771,876, is unrestricted and available for spending at the government's discretion.

- At the end of the current fiscal year, unassigned fund balance for the general fund was $28,122,127, or 42.5% of total general fund expenditures.

- The City of St. Cloud's total debt increased by $6,187,096 to $189,787,958, or 3.3% during the current fiscal year. The City issued $16,315,000 in bonds and $11,246,800 in notes from direct borrowing during 2025 and made principal payments totaling $21,374,704 on that debt.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the City of St. Cloud's basic financial statements. The City of St. Cloud's basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information intended to furnish additional detail to support 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 of St. Cloud's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all the City of St. Cloud's assets, liabilities, and deferred inflows/outflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of St. Cloud is improving or deteriorating.

Overview of the Financial Statements (Continued)

Government-wide financial statements (continued)

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of St. Cloud 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 of St. Cloud include general government, public safety, public works, economic development, and culture and recreation. The business-type activities of the City of St. Cloud include the water, wastewater, hydroelectric, stormwater and street light utilities, parking system, refuse service, municipal athletic complex and convention center operations.

The government-wide financial statements include not only the City of St. Cloud itself (known as the primary government), but also a legally separate Housing and Redevelopment Authority of St. Cloud. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 38-41 of this report.

Fund financial statements

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

Governmental funds

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

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

Overview of the Financial Statements (Continued)

Governmental funds (continued)

The City of St. Cloud maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, improvement bonds, infrastructure management and improvement construction, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining and individual fund statements and schedules section of this report.

The City of St. Cloud adopts an annual appropriated budget for its general fund. Budgetary comparison schedules can be found on pages 159-193 of this report for the general fund and special revenue funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 42-49 of this report.

Proprietary funds

The City of St. Cloud 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 of St. Cloud uses enterprise funds to account for its water, wastewater, hydroelectric, stormwater and street light utilities, parking system, refuse service, municipal athletic complex and convention center operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City of St. Cloud's various functions. The City of St. Cloud uses internal service funds to account for self-insurance, energy, and information technology. Because all of these services predominately benefit governmental activities 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, wastewater, hydroelectric, stormwater and street light utilities, parking system, refuse service, municipal athletic complex, and convention center, all of which are considered to be major funds of the City of St. Cloud. Conversely, all three internal service funds are presented as a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 50-59 of this report.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of the funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund statements can be found on page 60 and the combining statements on page 199 of this report.

Notes to the financial statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 61-117 of this report.

Overview of the Financial Statements (Continued)

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of St. Cloud's progress in funding its obligation to provide post-employment benefits to its employees and net pension liability. Required supplementary information and notes can be found on page 118-130 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 other post-employment benefits and net pension liability. Combining and individual fund statements and schedules can be found on pages 138-199 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of St. Cloud, assets and deferred outflows exceeded liabilities and deferred inflows by $561,291,280 at the close of the most recent fiscal year.

NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	$ 95,027,068	$ 89,723,144	$ 91,066,272	$ 87,346,649	$ 186,093,340	$ 177,069,793
Capital and intangible right-to-use assets	285,108,004	270,251,096	375,246,494	359,574,981	660,354,498	629,826,077
Total assets	380,135,072	359,974,240	466,312,766	446,921,630	846,447,838	806,895,870
Deferred outflows of resources	31,394,787	39,840,208	2,588,328	3,054,967	33,983,115	42,895,175
Total assets and deferred outflows of resources	411,529,859	399,814,448	468,901,094	449,976,597	880,430,953	849,791,045
Long-term liabilities outstanding	120,191,828	116,926,085	113,571,345	115,593,780	233,763,173	232,519,865
Other liabilities	27,960,606	30,466,919	19,073,480	18,745,240	47,034,086	49,212,159
Total liabilities	148,152,434	147,393,004	132,644,825	134,339,020	280,797,259	281,732,024
Deferred inflows of resources	34,838,293	39,576,531	3,504,121	4,110,605	38,342,414	43,687,136
Net position:						
Net investment in capital assets	206,745,518	196,892,589	258,785,869	242,924,556	465,531,387	439,817,145
Restricted	13,594,970	12,252,344	-	-	13,594,970	12,252,344
Unrestricted	8,198,644	3,699,980	73,966,279	68,602,416	82,164,923	72,302,396
Total net position	$ 228,539,132	$ 212,844,913	$ 332,752,148	$ 311,526,972	$ 561,291,280	$ 524,371,885

Government-Wide Financial Analysis (Continued)

NET POSITION (CONTINUED)

The largest portion of the City of St. Cloud's net position of 83.0% reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure), less any related outstanding debt that was used to acquire those assets. The City of St. Cloud uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City of St. Cloud's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of St. Cloud's net position of 2.4% represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of $82,164,923 or 14.6% may be used to meet the City's ongoing obligations to its citizens and creditors.

The City of St. Cloud's overall net position increased $36,919,395 from the prior fiscal year. The reasons for this increase is discussed in the following sections for governmental activities and business-type activities.

Governmental activities
During the current fiscal year, net position for governmental activities increased $15,694,219 from the prior year's balance of $212,844,913. In 2025, governmental expenses decreased $1,268,883, primarily resulting from repairs made in 2024 along highway 23 that were not capital in nature totaling $3,739,467. In 2024, the City also returned $1,062,498 to Stearns County for tax increments collected for a developer that defaulted resulting in the decertification of that TIF District. These decreases were partially offset by an increase in personnel costs stemming from contractual cost-of-living adjustments, step progressions, and 10 positions added in the Fire Department in 2025. Net investment in capital assets increased $9,852,929 from 2024 due to capital assets increasing at a greater rate than depreciation and a reduction in capital related debt. Increases in capital assets are due to the purchase of a new ladder truck, pumper truck and fire engine in the Fire Department, building improvements to the new 10-10 COP House for the Police Department, and various street improvement projects including improvements on 25th Avenue North, Westwood Parkway, Waite Avenue, and Oak Grove Road.

Business-type activities
Business-type activities net position increased $21,225,176 from the prior year's balance of $311,526,972. Water Utility, Hydroelectric Utility, Street Light Utility, and Refuse Service all had an increase in net position due to positive operations. Wastewater Utility and the Municipal Athletic Complex (MAC) had an increase in net position of $10,204,315 and $8,671,416, respectively, primarily due to capital contributions for completed neighborhood infrastructure and development projects in 2025 for Wastewater, and State Funding for the MAC. The River's Edge Convention Center net position increased $536,823 due to the nonoperating revenues, such as hotel/motel tax and food and beverage tax, exceeded the operating loss in the fund. The net position in the Stormwater Utility fund decreased $1,407,495 due to having an operating loss in 2025 as well as transferring out funds for the fund's share of street projects. Parking System net position decreased $482,223 due to declining parking revenues resulting in an operating loss.

Government-Wide Financial Analysis (Continued)

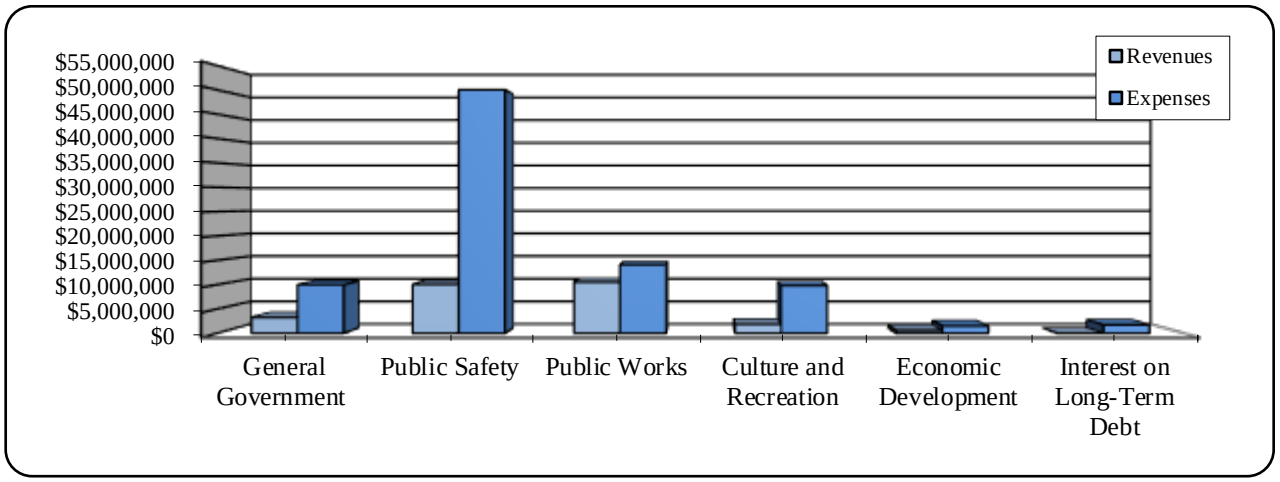
CHANGES IN NET POSITION

The following is a comparative analysis of the City of St. Cloud's changes in net position for the current and prior fiscal years:

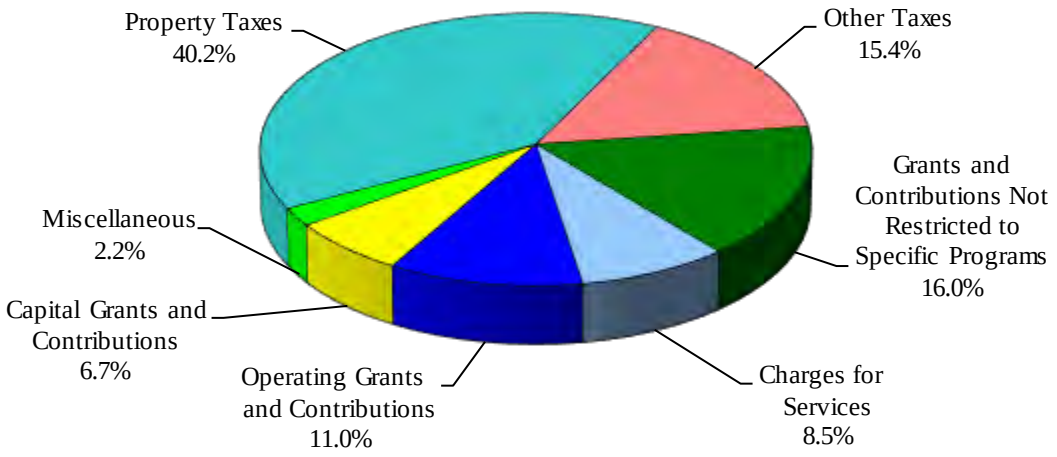
	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	$ 8,556,426	$ 8,689,804	$ 49,320,971	$ 45,847,102	$ 57,877,397	$ 54,536,906
Operating grants and contributions	11,035,085	10,752,352	1,778,624	331,225	12,813,709	11,083,577
Capital grants and contributions	6,755,884	16,315,724	16,697,131	14,854,248	23,453,015	31,169,972
General revenues:						
Property taxes	40,243,644	40,457,819	-	-	40,243,644	40,457,819
Other taxes	15,431,672	14,888,950	2,653,090	2,571,528	18,084,762	17,460,478
Grants and contributions not restricted to specific programs	16,093,162	16,244,177	-	-	16,093,162	16,244,177
Miscellaneous	2,218,871	1,959,251	2,150,472	2,038,757	4,369,343	3,998,008
Total revenues	100,334,744	109,308,077	72,600,288	65,642,860	172,935,032	174,950,937
Expenses:						
General government	10,003,717	9,885,808	-	-	10,003,717	9,885,808
Public safety	50,018,295	46,227,745	-	-	50,018,295	46,227,745
Public works	14,112,786	18,226,924	-	-	14,112,786	18,226,924
Culture and recreation	9,826,525	9,198,971	-	-	9,826,525	9,198,971
Economic development	1,522,378	3,394,813	-	-	1,522,378	3,394,813
Interest on long-term debt	1,748,623	1,566,946	-	-	1,748,623	1,566,946
Water utility	-	-	14,537,366	12,555,721	14,537,366	12,555,721
Wastewater utility	-	-	15,192,727	15,077,027	15,192,727	15,077,027
Hydroelectric utility	-	-	1,370,821	1,416,767	1,370,821	1,416,767
Stormwater utility	-	-	3,483,482	3,102,548	3,483,482	3,102,548
Street light utility	-	-	1,441,639	1,404,288	1,441,639	1,404,288
Parking system	-	-	1,914,196	1,877,670	1,914,196	1,877,670
Refuse service	-	-	5,112,753	4,749,117	5,112,753	4,749,117
Municipal athletic complex	-	-	2,110,747	2,271,829	2,110,747	2,271,829
River's edge convention center	-	-	3,619,582	3,909,825	3,619,582	3,909,825
Total expenses	87,232,324	88,501,207	48,783,313	46,364,792	136,015,637	134,865,999
Increase (decrease) in net position before special items and transfers	13,102,420	20,806,870	23,816,975	19,278,068	36,919,395	40,084,938
Transfers	2,591,799	(5,379,243)	(2,591,799)	5,379,243	-	-
Increase (decrease) in net position	15,694,219	15,427,627	21,225,176	24,657,311	36,919,395	40,084,938
Net position - January 1	212,844,913	199,747,313	311,526,972	287,452,103	524,371,885	487,199,416
Change in accounting principle	-	(2,330,027)	-	(582,442)	-	(2,912,469)
Net position - January 1, restated	212,844,913	197,417,286	311,526,972	286,869,661	524,371,885	484,286,947
Net position - December 31	$ 228,539,132	$ 212,844,913	$ 332,752,148	$ 311,526,972	$ 561,291,280	$ 524,371,885

Government-Wide Financial Analysis (Continued)

2025 EXPENSES AND PROGRAM REVENUES – GOVERNMENTAL ACTIVITIES

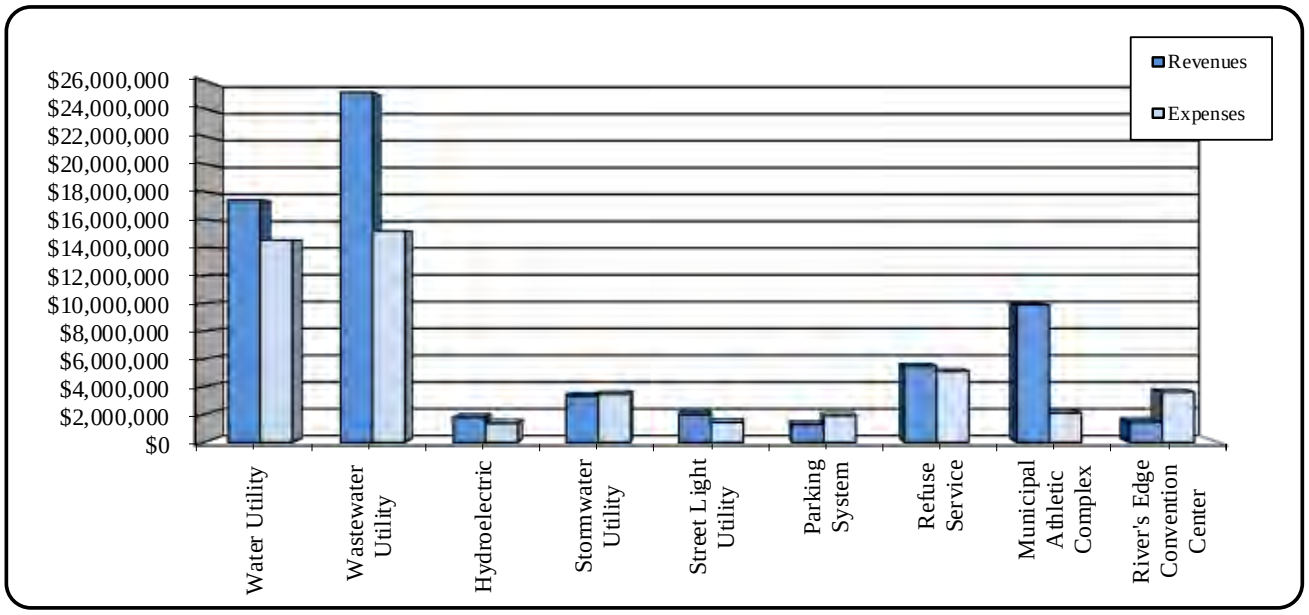


2025 REVENUES BY SOURCE – GOVERNMENTAL ACTIVITIES

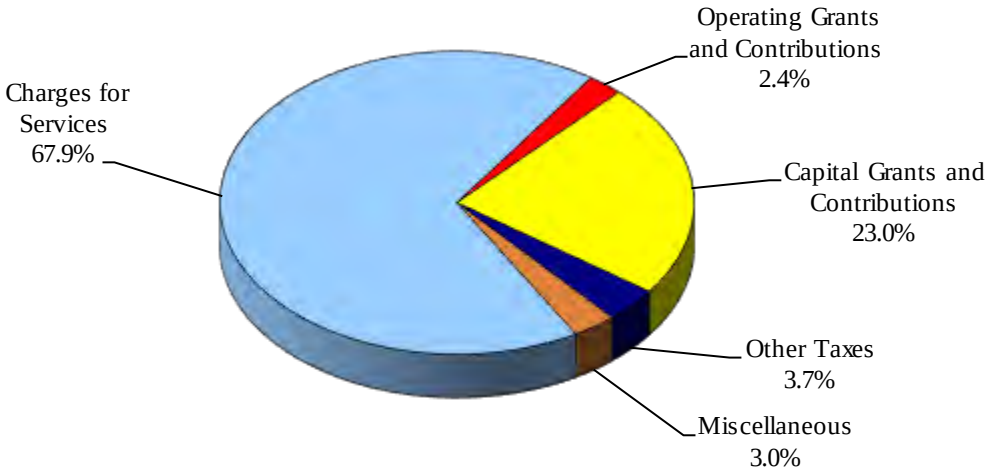


Government-Wide Financial Analysis (Continued)

2025 EXPENSES AND PROGRAM REVENUES – BUSINESS-TYPE ACTIVITIES



2025 REVENUES BY SOURCE – BUSINESS-TYPE ACTIVITIES



Financial Analysis of the Government's Funds

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

Governmental funds

The focus of the City of St. Cloud'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 of St. Cloud's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City of St. Cloud itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City of St. Cloud's Council.

At December 31, 2025, the City of St. Cloud's governmental funds reported combined fund balances of $78,249,463, an increase of $7,904,543 from the prior year. Approximately 34.1% of this total amount, or $26,495,373, constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is 1) not in spendable form $258,097, 2) restricted for particular purposes $20,219,490, 3) committed for particular purposes $3,907,547, or 4) assigned for particular purposes $27,368,956.

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 $28,122,127, with a total fund balance of $28,562,812. As a measure of the general fund's liquidity, it is useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 42.5% of total general fund expenditures, while total fund balance represents approximately 43.2% of that same amount.

The fund balance of the City of St. Cloud's general fund increased by $1,976,306 during the current fiscal year. The City maintained reserves of 35% to 50% of expenditures as per the City Fund balance policy. General Fund revenues increased $2,088,105 from the prior year, mostly due to an increase in property taxes collected in the fund. General Fund expenditures increased $1,006,822 from the prior year due to increases in personnel services due to 10 additional positions in the Fire Department, step progression, cost-of-living adjustments, and rising insurance costs.

Fund balance in the Improvement Bonds debt service fund increased $875 in 2025 but remained at a deficit balance of $1,725. This deficit was due to timing of interest payments and related transfers in.

The Infrastructure Management capital projects fund balance decreased $798,152 due to timing of transfers out for scheduled debt service payments related to capital projects.

The Improvement Construction capital projects fund balance increased $3,154,300 due to timing of project costs.

Financial Analysis of the Government's Funds (Continued)

Proprietary funds

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

The unrestricted net position in the respective proprietary funds are Water Utility – $11,411,914, Wastewater Utility – $47,098,986, Hydroelectric Utility – $3,959,710, Stormwater Utility – $2,413,393, Street Light Utility – $123,127, Parking System – $1,569,705, Refuse Service – $2,472,129, Municipal Athletic Complex – $609,187, and River's Edge Convention Center – $4,308,128. Other factors concerning the finances of the Proprietary Funds have been addressed in the discussion of the City of St. Cloud's business-type activities.

General Fund Budgetary Highlights

Original budget compared to final budget

During the year there was a $780,300, or 1.2% increase in appropriations and a $366,800, or 0.6% increase in revenues between the original and final amended budget. The following are the main components of the increase:

- The General Government budgeted expenditures increased $90,700 due to retiree payouts that were not initially budgeted. An adjustment was also made to the planning budget for expenditures covered using grant funding.

- Budgeted expenditures in the Police Department increased $157,100 to recognize various equipment that was purchased using donations, contributions and grants. Budgeted revenues increased $157,100 for donations and intergovernmental revenues.

- The Fire Department budget increased $264,500 to adjust for retiree payouts and for additional overtime costs that were not initially budgeted for.

- The Public Works budget had no budget amendments in 2025.

- The Culture and Recreation budget increased $265,200 to adjust for expenditures covered by State grants not included in the initial budget. Budgeted intergovernmental revenues increased by $154,000 from the Live Well at Home grant, $24,100 for the age friendly grant, and $9,600 for the heart healthy grant in the aging services program.

Final budget compared to actual results

The most significant differences between estimated revenues and actual revenues were as follows:

- Taxes were $543,948 under budgeted amounts due to the City budgeting for the full property tax levy amount and received $341,505 less due to delinquents. The City also received less electric and cable franchise fees than anticipated, which was under budget by $200,363 and $100,475, respectively.

- License and permit revenues and charges for services were over budget by $371,596 and $503,464, respectively. The City historically budgets conservatively in these areas due to how much they can fluctuate from year to year. Charges for services had an increase in engineering fees due to having larger projects in 2025.

General Fund Budgetary Highlights (Continued)

Final budget compared to actual results (Continued)

- Intergovernmental revenues were over budget $859,729. This variance is mostly in police in fire aid, which was over budget by $551,464, primarily due to the 2025 budgeted amount being projected from aid received in late 2023 as amounts are not known until after the budget is set. Other State aid is over budget by $150,402, due to not budgeting for recognizing the State's share of the City's pension liability.

- Fines was over budget $97,289 due to conservative budgeting.

Significant differences between budgeted and actual expenditures were as follows:

- General fund capital outlay expenditures were over budgeted amounts by $724,089. This overage was due to recognizing $269,242 in capital outlay expenditures for the initial year of leases and subscription based information technology arrangements (SBITAs) that are not budgeted for. The City also recognized $269,242 as an other financing source for these items. Public safety capital outlay expenditures were over budget by $420,406. Most of that difference was for the 10-10 COP House project that was approved in 2024 but not budgeted for due to receiving funding from outside sources for the project.

- Debt service expenditures totaling $1,174,566 are lease and software payments that were initially budgeted for in services and charges and were reclassified as a debt service expenditure in accordance with Government Accounting Standards Board standards for leases and SBITAs. This is a year-end adjustment that occurs after all budget adjustments have been made.

- Other budget categories were under budget due to budget adjustments noted on the previous page, conservative budgeting, and efforts to decrease spending by City departments.

Capital Assets and Debt Administration

Capital assets

The City of St. Cloud's investment in capital assets for its governmental and business-type activities as of December 31, 2025, amounts to $658,407,379 (net of accumulated depreciation), an increase of $31,490,659 or 5.0% in 2025. This investment in capital assets includes land, buildings, improvements, machinery and equipment, furniture and office equipment, infrastructure, and construction in progress.

The City has a significant level of outstanding commitments for capital expenditures at year end. These commitments are detailed on page 116 in the notes to the financial statements.

Capital Assets and Debt Administration (Continued)

Capital assets (Continued)

CAPITAL ASSETS
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 50,160,289	$ 50,159,789	$ 12,052,298	$ 11,803,393	$ 62,212,587	$ 61,963,182
Buildings	63,817,646	66,200,738	108,961,833	95,150,449	172,779,479	161,351,187
Improvements and infrastructure	86,957,349	86,467,954	149,653,584	143,245,384	236,610,933	229,713,338
Machinery and equipment	13,550,218	9,878,850	60,125,258	39,822,880	73,675,476	49,701,730
Furniture and office equipment	1,806,478	2,251,757	2,283,808	949,842	4,090,286	3,201,599
Construction in progress	67,247,804	52,841,215	41,790,814	68,144,469	109,038,618	120,985,684
Total	$ 283,539,784	$ 267,800,303	$ 374,867,595	$ 359,116,417	$ 658,407,379	$ 626,916,720

Overall capital assets for the City's Governmental Activities increased $15,739,481. Construction in progress increased $14,406,589 due to new street projects that were started in 2025 exceeding projects that were started and completed in 2024. Improvement and infrastructure increased $489,395, due to completion of 2023 and 2024 infrastructure projects that were previously in construction in progress. Building assets decreased $2,383,092 as a result of annual depreciation exceeding asset additions. Additional information is provided in the capital asset note, pages 82-84.

The City's total Business-Type Activities capital assets increased by $15,751,178 in 2025. Construction in progress decreased $26,353,655 due to the completion of the Water Treatment Facility project for $40,822,363 and the Calvary Hill Booster Station project for $2,863,929, which were both capitalized and added to buildings and other improvements and infrastructure. The Wastewater fund capitalized a liftstation improvement project for $7,594,040 and the Stormwater fund completed the Ravine Rehabilitation project totaling $5,821,340. These reductions in construction in progress were offset by $30,748,018 in additions. Significant ongoing projects included as additions to construction in progress include the Metro Force Main project, the MAC redevelopment project, and tainter gate repair project in the Hydroelectric Fund. Buildings, machinery and equipment, and improvements and infrastructure all increased due to the completion of the above projects, increasing $13,811,384, $20,302,378, and $6,408,200, respectively. The Wastewater Fund added $248,905 in land that became available and was next to significant sewer infrastructure, opening the possibilities of potential expansion if needed.

Intangible right-to-use assets

For the year ended December 31, 2025, the City's intangible right-to-use assets totaled $1,947,119 (net of accumulated amortization). This was an increase of $962,238 from 2024.

Capital Assets and Debt Administration (Continued)
Intangible right-to-use assets (Continued)

INTANGIBLE RIGHT-TO-USE ASSETS
(Net of Amortization)

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 142,093	$ 153,697	$ 26,195	$ 30,167	$ 168,288	$ 183,864
Buildings	-	-	307,674	317,021	307,674	317,021
Furniture and office equipment	455,694	874,591	16,947	23,275	472,641	897,866
Machinery and equipment	573,551	786,813	-	-	573,551	786,813
Subscription assets	396,882	635,692	28,083	88,101	424,965	723,793
Total	$ 1,568,220	$ 2,450,793	$ 378,899	$ 458,564	$ 1,947,119	$ 2,909,357

The City's governmental activities lease and subscription assets decreased $882,573 from 2024 and includes land for $142,093, furniture and office equipment totaling $455,694, and machinery and equipment of $573,551. Furniture and equipment, which consists of police tasers, copiers, and IT computer equipment, decreased $418,897 due to amortization exceeding new leases. Machinery and equipment are primarily leased City vehicles, which decreased $213,262 from 2024 due to no significant new vehicle leases in 2025. The subscription assets consist of the City's various software subscriptions and decreased $238,810 from the previous year, resulting from amortization exceeding new software additions.

The City's business-type activities intangible right-to-use assets decreased $79,665 in 2025. Subscription assets decreased $60,018 as asset amortization exceeded additions. These lease and subscription assets include land, buildings, and furniture and equipment totaling $26,195, $307,674, and $16,947, respectively. The land lease is for the VA land rental at the Municipal Athletic Complex. The building lease is for the Paramount Theatre. The furniture and office equipment lease are copiers. Subscription assets consist of the City's various software subscriptions. Additional information is provided in the capital assets note, pages 82-84.

Long-term debt
At the end of the current fiscal year, the City of St. Cloud had total bonded debt outstanding of $189,787,958. Of this amount, $189,387,958 comprises debt backed by the full faith and credit of the government. The remainder of the City of St. Cloud's debt represents bonds secured solely by specified revenue sources (i.e. revenue bonds).

Capital Assets and Debt Administration (Continued)

Long-term debt (Continued)

OUTSTANDING DEBT

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
General obligation (GO)	$ 35,175,000	$ 29,910,000	$ -	$ -	$ 35,175,000	$ 29,910,000
GO improvement	9,370,000	13,700,000	-	-	9,370,000	13,700,000
GO tax increment	625,000	780,000	-	-	625,000	780,000
GO sales tax revenue	3,295,000	3,655,000	-	-	3,295,000	3,655,000
GO street reconstruction	27,150,000	21,540,000	-	-	27,150,000	21,540,000
GO revenue bonds	-	-	23,985,000	26,205,000	23,985,000	26,205,000
Notes from direct borrowing	-	-	89,787,958	87,030,862	89,787,958	87,030,862
Revenue	-	-	400,000	780,000	400,000	780,000
Total*	$ 75,615,000	$ 69,585,000	$ 114,172,958	$ 114,015,862	$ 189,787,958	$ 183,600,862

*Excludes unamortized premiums and discounts.

The City of St. Cloud's total debt increased by $6,187,096, or 3.4% during the current fiscal year.

The following bonds were issued in 2025:

- $16,315,000 General Obligation Bonds, Series 2025A. The proceeds will be used to finance various street reconstruction projects in accordance with the City's Street Reconstruction Plan and the acquisition of capital equipment. The bonds will be paid off over a period of 10 years using general property tax debt levy. The final maturity date of the bond will be February 1, 2037.

The City retired $21,374,704 of outstanding debt during 2025, and drew an additional $11,246,800 in PFA notes from direct borrowing.

The City's Standard and Poor's (S&P) bond rating is AA+ and reflects the City's status as the area's regional economic center with a diverse employment base and proactive management that has allowed for solid financial operations and moderate overall debt burden. The S&P bond ratings were most recently confirmed at AA+ on the 2025 General Obligation bond issues.

In 2016 the City issued $3,130,000 Taxable Hydroelectric Utility Revenue Bonds that were rated Aa2 by Moody's. The rating reflects the Utility's healthy operating trend, strong liquidity and governance ties to the City of St. Cloud.

Additional information on the City of St. Cloud's long-term debt can be found in note III.B on pages 85-95.

Economic Factors

- The unemployment rate for the City of St. Cloud, per the U.S. Bureau of Labor Statistics, for December 2025 was 4.9%, which was higher than both the State of Minnesota average of 4.2% and the national average of 4.4%. St. Cloud's unemployment rate stems from a strong investment in service-related professions and a regionally centered retail sector. It also includes a broad base of job opportunities ranging from health care to manufacturing and industrial jobs.

- The City has had eleven consecutive years of growth in the City's market value. In 2025, the City's tax base increased 1.41% from 2024. The City Assessor is projecting a 3.63% increase in the tax base for 2026. The growth in the residential market was unprecedented from 2021 through the 2024 assessment years, which resulted in the high increase in the 2023 and 2024 tax base. Similar to 2026, the City Assessor projects a small increase in tax base for 2027. The City is expecting an increase of about 2-3% in the residential market. Existing apartments are seeing approximately 1% increases, commercial markets a 2-4% increase and industrial markets are seeing approximately 3-5% increases. New construction is steady in all areas.

- The City has authorization from the State of Minnesota for three special taxes:
  - The City of St. Cloud and surrounding cities of Sartell, Sauk Rapids, Waite Park, St. Joseph and St. Augusta were given authorization for a 20-year extension of the one-half percent local option sales tax. Voters in St. Cloud and the five area cities approved the extension of the sales tax. The first $900,000 of sales tax collected is split with $200,000 going to Airport Improvements, $200,000 towards Aquatic Center debt and $500,000 for various trail improvements which are all regional projects. The sales tax collected beyond the regional allocation is distributed to the participating cities by a formula agreed upon by the cities with 50% by population of each city, and 50% based on sales tax generated within each city. The City of St. Cloud's share of sales tax collections in 2025 was $8,245,998, an increase of $196,926 or 2.4%. The total local option sales tax generated by the St. Cloud area was $14,517,305. Collection of the one-half percent local sales tax will extend to December 31, 2038.

  - The City has a 1% food and beverage tax that was initiated in 1986 and is authorized for debt and capital expenses for the City's River's Edge Convention Center and related facilities. The food and beverage tax currently pay the debt service on the River's Edge Convention Center expansion debt (final maturity 2036) along with debt service for the Municipal Athletic Complex debt (final maturity 2027). The City's food and beverage tax collections were $1,869,776 in 2025, an increase of $140,776 or 8.1%. The increase is a result of increased prices due to higher inflation.

  - The City has a 5% hotel/motel tax that was initiated in 1979 and increased in 1986 to support the River's Edge Convention Center operations and to advance tourism in St. Cloud. The tax is allocated to the following areas: 52.5% to the St. Cloud Convention and Visitor's Bureau, 40% to River's Edge Convention Center operations, 3% to the Municipal Athletic Complex, 2% to Clemens Gardens operations, 1.5% to the St. Cloud Granite City Days Festival, and 1% to the City for administering the tax. The City's 5% hotel/motel tax collections were $1,679,118 in 2025, a decrease of only $1,456 or 0.1%.

Requests for Information

The financial report is designed to provide a general overview of the City of St. Cloud'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, 1201 7th Street South, St. Cloud, MN 56301.

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CITY OF ST. CLOUD, MINNESOTA Statement A-1

STATEMENT OF NET POSITION
December 31, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
Assets				
Cash and investments (including cash equivalents)	$ 61,437,611	$ 45,048,436	$ 106,486,047	$ 8,886,575
Cash and investments (including cash equivalents) with fiscal agent	13,134,498	-	13,134,498	681,469
Receivables (net)	8,322,818	4,607,404	12,930,222	234,914
Internal balances	(650,000)	650,000	-	-
Unbilled accounts receivable	-	5,478,761	5,478,761	-
Due from other governmental units	5,305,517	8,362,564	13,668,081	1,332,559
Inventories	13,972	1,526,418	1,540,390	-
Prepaid items	493,515	21,002	514,517	91,470
Lease receivable	1,085,970	668,926	1,754,896	324,829
Land held for resale	5,883,167	-	5,883,167	815,298
Restricted notes receivable	-	24,702,761	24,702,761	5,929,395
Capital assets				
Nondepreciable	117,408,093	53,843,112	171,251,205	3,726,740
Depreciable - net	166,131,691	321,024,483	487,156,174	14,023,921
Amortizable - net	1,568,220	378,899	1,947,119	-
Total Assets	380,135,072	466,312,766	846,447,838	36,047,170
Deferred Outflows of Resources				
Pension related	23,638,669	872,329	24,510,998	-
OPEB related	7,756,118	1,622,650	9,378,768	-
Deferred charge on refunding	-	93,349	93,349	-
Total Deferred Outflows of Resources	31,394,787	2,588,328	33,983,115	-
Total Assets and Deferred Outflows of Resources	$ 411,529,859	$ 468,901,094	$ 880,430,953	$ 36,047,170

(Continued)

CITY OF ST. CLOUD, MINNESOTA

Statement A-1
(Continued)

STATEMENT OF NET POSITION
December 31, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
Liabilities				
Accounts payable and other current liabilities	$ 2,812,969	$ 4,318,755	$ 7,131,724	$ 706,191
Salaries payable	1,228,518	303,194	1,531,712	200,832
Deposits payable	-	-	-	392,473
Due to other governmental units	1,404,543	236,552	1,641,095	364,643
Accrued interest and other liabilities	1,146,876	643,570	1,790,446	336,207
Unearned revenue	2,534,097	327,777	2,861,874	498,125
Compensated absences				
Payable within one year	6,051,596	1,073,013	7,124,609	319,362
Payable after one year	3,559,845	827,140	4,386,985	-
Long-term debt				
Payable within one year	11,558,650	11,890,462	23,449,112	144,810
Payable after one year	76,414,525	105,118,451	181,532,976	5,479,696
Total OPEB liability				
Payable within one year	1,223,357	280,157	1,503,514	-
Payable after one year	18,607,019	4,260,118	22,867,137	-
Net pension liability	21,610,439	3,365,636	24,976,075	-
Total Liabilities	148,152,434	132,644,825	280,797,259	8,442,339
Deferred Inflows of Resources				
Pension related	31,473,457	2,313,437	33,786,894	-
OPEB related	2,278,866	521,758	2,800,624	-
Lease receivable related	1,085,970	668,926	1,754,896	338,638
Total Deferred Inflows of Resources	34,838,293	3,504,121	38,342,414	338,638
Net Position				
Net investment in capital assets	206,745,518	258,785,869	465,531,387	11,972,932
Restricted for:				
Capital projects	1,755,811	-	1,755,811	-
Debt service	4,069,416	-	4,069,416	-
Economic development	7,769,743	-	7,769,743	-
Other purposes	-	-	-	3,606,158
Unrestricted	8,198,644	73,966,279	82,164,923	11,687,103
Total Net Position	228,539,132	332,752,148	561,291,280	27,266,193
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 411,529,859	$ 468,901,094	$ 880,430,953	$ 36,047,170

Notes to the financial statement are an integral part of this statement.

(Concluded)

CITY OF ST. CLOUD, MINNESOTA

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental activities:				
General government	$ 10,003,717	$ 2,701,807	$ 575,031	$ 500
Public safety	50,018,295	2,647,470	7,365,364	44,500
Public works	14,112,786	2,533,666	1,463,469	6,526,661
Culture and recreation	9,826,525	648,008	1,083,770	136,519
Economic development	1,522,378	25,475	547,451	47,704
Interest on long-term debt	1,748,623	-	-	-
Total governmental activities	87,232,324	8,556,426	11,035,085	6,755,884
Business-type activities:				
Water utility	14,537,366	15,758,860	1,651,844	850
Wastewater utility	15,192,727	17,262,635	60,365	7,836,965
Hydroelectric utility	1,370,821	1,783,595	450	-
Stormwater utility	3,483,482	2,692,273	44,858	597,160
Street light utility	1,441,639	1,984,244	683	-
Parking system	1,914,196	1,248,735	1,260	22,700
Refuse service	5,112,753	5,475,816	13,865	-
Municipal athletic complex	2,110,747	1,633,490	2,366	8,239,456
River's edge convention center	3,619,582	1,481,323	2,933	-
Total business-type activities	48,783,313	49,320,971	1,778,624	16,697,131
Total	$ 136,015,637	$ 57,877,397	$ 12,813,709	$ 23,453,015
Component unit:	$ 22,545,251	$ 4,709,564	$ 16,257,515	$ 235,812

General revenues:
- General property taxes
- Sales tax
- Tax increments
- Franchise taxes
- Grants and contributions not restricted to specific programs
- Investment earnings (loss)
- Gain on sale of capital assets

Transfers

Total general revenues and transfers

Change in net position

Net position - January 1

Component unit error correction

Net position - January 1, restated

Net position - December 31

Notes to the financial statement are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position			
Governmental Activities	Business-Type Activities	Total	Component Unit
$ (6,726,379)	$ -	$ (6,726,379)	$ -
(39,960,961)	-	(39,960,961)	-
(3,588,990)	-	(3,588,990)	-
(7,958,228)	-	(7,958,228)	-
(901,748)	-	(901,748)	-
(1,748,623)	-	(1,748,623)	-
(60,884,929)	-	(60,884,929)	-
-	2,874,188	2,874,188	-
-	9,967,238	9,967,238	-
-	413,224	413,224	-
-	(149,191)	(149,191)	-
-	543,288	543,288	-
-	(641,501)	(641,501)	-
-	376,928	376,928	-
-	7,764,565	7,764,565	-
-	(2,135,326)	(2,135,326)	-
-	19,013,413	19,013,413	-
$ (60,884,929)	$ 19,013,413	$ (41,871,516)	$ -
$ -	$ -	$ -	$ (1,342,360)
$ 40,243,644	$ -	$ 40,243,644	$ 722,761
9,203,096	2,591,798	11,794,894	-
812,063	61,292	873,355	-
5,416,513	-	5,416,513	-
16,093,162	-	16,093,162	-
2,171,047	2,108,676	4,279,723	280,855
47,824	41,796	89,620	-
2,591,799	(2,591,799)	-	-
76,579,148	2,211,763	78,790,911	1,003,616
15,694,219	21,225,176	36,919,395	(338,744)
212,844,913	311,526,972	524,371,885	28,615,470
-	-	-	(1,010,533)
212,844,913	311,526,972	524,371,885	27,604,937
$ 228,539,132	$ 332,752,148	$ 561,291,280	$ 27,266,193

CITY OF ST. CLOUD, MINNESOTA

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2025

	General	Debt Service: Improvement Bonds
Assets:		
Cash and investments	$ 27,614,674	$ -
Cash deposited with fiscal agent	-	-
Accounts receivable	1,398,702	-
Investment income receivable	327,099	-
Delinquent taxes receivable	499,354	-
Special assessments receivable:		
Delinquent	65,476	-
Noncurrent	193,290	-
Due from other governmental units	674,010	-
Due from other funds	1,758,371	-
Inventories	13,972	-
Prepaid items	223,713	-
Advance to other funds	-	-
Lease receivable	645,732	-
Land held for resale	-	-
Total Assets	$ 33,414,393	$ -
Liabilities:		
Accounts and contracts payable	$ 868,628	$ 1,725
Salaries payable	1,184,757	-
Due to other governmental units	453,160	-
Due to other funds	-	-
Unearned revenue	941,184	-
Advance from other funds	-	-
Total Liabilities	3,447,729	1,725
Deferred Inflows of Resources:		
Deferred inflows of resources related to leases	645,732	-
Unavailable revenue - property taxes	499,354	-
Unavailable revenue - special assessments	258,766	-
Unavailable revenue - aids and grants	-	-
Total Deferred Inflows of Resources	1,403,852	-
Fund Balances:		
Nonspendable	237,685	-
Restricted	-	-
Committed	-	-
Assigned	203,000	-
Unassigned	28,122,127	(1,725)
Total Fund Balances (Deficits)	28,562,812	(1,725)
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	$ 33,414,393	$ -

Notes to the financial statement are an integral part of this statement.

Capital Projects		Other Non-Major Governmental Funds	Total Governmental Funds
Infrastructure Management	Improvement Construction		
$ 6,077,058	$ 540,438	$ 25,250,129	$ 59,482,299
-	1,864,470	11,270,028	13,134,498
-	-	238,542	1,637,244
-	2,085	8,689	337,873
31,171	-	171,988	702,513
97,863	-	-	163,339
4,729,843	-	-	4,923,133
38,695	2,101,431	2,485,553	5,299,689
4,325,972	-	581,139	6,665,482
-	-	-	13,972
-	-	20,412	244,125
-	-	61,663	61,663
-	-	440,238	1,085,970
-	-	5,883,167	5,883,167
$ 15,300,602	$ 4,508,424	$ 46,411,548	$ 99,634,967
$ 3,400	$ 331,924	$ 1,044,195	$ 2,249,872
-	-	43,761	1,228,518
-	842,861	108,522	1,404,543
-	-	4,907,111	4,907,111
300,000	-	1,292,385	2,533,569
-	-	711,663	711,663
303,400	1,174,785	8,107,637	13,035,276
-	-	440,238	1,085,970
31,171	-	171,988	702,513
4,827,706	-	-	5,086,472
-	1,475,273	-	1,475,273
4,858,877	1,475,273	612,226	8,350,228
-	-	20,412	258,097
-	-	20,219,490	20,219,490
-	-	3,907,547	3,907,547
10,138,325	1,858,366	15,169,265	27,368,956
-	-	(1,625,029)	26,495,373
10,138,325	1,858,366	37,691,685	78,249,463
$ 15,300,602	$ 4,508,424	$ 46,411,548	$ 99,634,967

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CITY OF ST. CLOUD, MINNESOTA

Statement B-2

RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
December 31, 2025

Amounts reported for governmental activities in the statement of net position are different because:

Total governmental fund balances (pages 42-43)	$ 78,249,463
Capital assets net of accumulated depreciation and right-to-use assets net of accumulated amortization used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	
Capital assets	548,111,372
Accumulated depreciation	(264,571,588)
Right-to-use assets	4,239,986
Accumulated amortization	(2,871,065)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds.	
Delinquent property taxes receivable	702,513
Special assessment receivable	5,086,472
Aids and grant revenue receivable	1,475,273
Internal service funds are used to charge the costs of services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	619,506
Governmental funds do not report a liability for accrued interest on long-term debt until due and payable.	(1,145,991)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Long-term liabilities at year-end consist of:	
Loans payable	(3,754,702)
Bonds payable	(75,615,000)
Bond premium	(7,403,670)
Finance purchase	(68,221)
Lease liability	(1,088,875)
Subscription liability	(16,549)
Compensated absences	(9,611,441)
Total OPEB liability	(19,830,376)
Net pension liability	(21,610,439)
Deferred outflows of resources and deferred inflows of resources are created as a result of various differences related to pensions and OPEB that are not recognized in the governmental funds.	
Deferred outflows of resources related to pensions	23,638,669
Deferred inflows of resources related to pensions	(31,473,457)
Deferred outflows of resources related to OPEB	7,756,118
Deferred inflows of resources related to OPEB	(2,278,866)
Net position of governmental activities (pages 38-39)	$ 228,539,132

Notes to the financial statement are an integral part of this statement.

CITY OF ST. CLOUD, MINNESOTA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
For the Year Ended December 31, 2025

	General	Debt Service: Improvement Bonds
Revenues:		
Taxes	$ 34,502,652	$ -
Licenses and permits	2,305,096	-
Intergovernmental	24,926,329	-
Charges for services	4,297,464	-
Special assessments	130,658	-
Fines	808,089	-
Investment income	733,894	-
Miscellaneous	84,757	-
Total Revenues	67,788,939	-
Expenditures:		
Current		
General government	6,473,897	-
Public safety	44,863,662	-
Public works	7,915,834	-
Culture and recreation	4,791,055	-
Economic development	-	-
Capital outlay		
General government	211,954	-
Public safety	486,006	-
Public works	111,329	-
Culture and recreation	82,000	-
Economic development	-	-
Debt service		
Principal	1,108,665	4,330,000
Interest and fiscal charges	65,901	424,125
Total Expenditures	66,110,303	4,754,125
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,678,636	(4,754,125)
Other Financing Sources (Uses):		
Issuance of debt	269,242	-
Proceeds from sale of capital assets	47,824	-
Bond issuance	-	-
Premium on bonds	-	-
Transfers in	158,000	4,755,000
Transfers out	(177,396)	-
Total Other Financing Sources (Uses)	297,670	4,755,000
Net Change in Fund Balances	1,976,306	875
Fund Balance - January 1	26,586,506	(2,600)
Fund Balance - December 31	$ 28,562,812	$ (1,725)

Notes to the financial statement are an integral part of this statement.

Capital Projects			
Infrastructure Management	Improvement Construction	Other Non-Major Governmental Funds	Total Governmental Funds
$ 1,466,374	$ -	$ 19,547,756	$ 55,516,782
-	-	768,365	3,073,461
37,414	3,395,144	1,402,038	29,760,925
-	12,000	139,169	4,448,633
2,387,836	-	-	2,518,494
-	-	-	808,089
241,271	24,396	1,136,687	2,136,248
-	4,652	598,642	688,051
4,132,895	3,436,192	23,592,657	98,950,683
-	-	2,651,349	9,125,246
-	-	559,053	45,422,715
24,766	24,860	-	7,965,460
-	-	1,925,529	6,716,584
-	-	1,514,998	1,514,998
-	-	1,067,352	1,279,306
-	-	4,478,580	4,964,586
80,228	13,798,864	1,167,208	15,157,629
-	-	6,473,909	6,555,909
-	-	32,314	32,314
-	-	6,052,155	11,490,820
-	74,228	2,111,981	2,676,235
104,994	13,897,952	28,034,428	112,901,802
4,027,901	(10,461,760)	(4,441,771)	(13,951,119)
-	-	91,213	360,455
-	-	-	47,824
-	7,665,000	8,650,000	16,315,000
-	999,689	1,128,063	2,127,752
-	4,951,371	5,244,492	15,108,863
(4,826,053)	-	(7,100,783)	(12,104,232)
(4,826,053)	13,616,060	8,012,985	21,855,662
(798,152)	3,154,300	3,571,214	7,904,543
10,936,477	(1,295,934)	34,120,471	70,344,920
$ 10,138,325	$ 1,858,366	$ 37,691,685	$ 78,249,463

CITY OF ST. CLOUD, MINNESOTA

Statement B-4

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2025

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

Net change in fund balances - total governmental funds (pages 46-47)	$	7,904,543
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.		
Capital outlays		27,989,687
Depreciation expense		(11,843,208)
Amortization expense		(1,135,312)
Disposed assets		(24,390)
Capital asset transfer to enterprise funds		(28,153)
Capital contributions		6,000
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds		841,943
The issuance of long-term debt (e.g. bonds, leases) provides current 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. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Principal retirement		11,490,820
Debt issued		(18,803,207)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Net amortization of bond premium/discount		1,047,162
Change in accrued interest payable		(119,550)
Change in compensated absences		(1,185,345)
Other post-employment benefits		(742,343)
Pension expenditures in the governmental funds are measured by current employee contributions. Pension expenses on the statement of activities is measured by the change in net pension liability and the related deferred inflows and outflows of resources.		
Pension expense		273,575
State contribution		430,897
The net expense of certain activities of the internal service funds is reported with governmental activities.		(408,900)
Change in net position of governmental activities (pages 40-41)	$	15,694,219

Notes to the financial statement are an integral part of this statement.

CITY OF ST. CLOUD, MINNESOTA Statement B-5

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 35,046,600	$ 35,046,600	$ 34,502,652	$ (543,948)
Licenses and permits	1,933,500	1,933,500	2,305,096	371,596
Intergovernmental	23,780,300	24,066,600	24,926,329	859,729
Charges for services	3,735,400	3,794,000	4,297,464	503,464
Special assessments	120,000	120,000	130,658	10,658
Fines	710,800	710,800	808,089	97,289
Investment income (loss)	765,400	765,400	733,894	(31,506)
Miscellaneous	83,400	105,300	84,757	(20,543)
Total Revenues	66,175,400	66,542,200	67,788,939	1,246,739
Expenditures:				
Current				
General government	6,874,400	6,947,100	6,473,897	473,203
Public safety	45,291,900	45,668,800	44,863,662	805,138
Public works	8,110,900	8,110,900	7,915,834	195,066
Culture and recreation	4,695,900	4,891,100	4,791,055	100,045
Capital outlay				
General government	-	18,000	211,954	(193,954)
Public safety	18,100	65,600	486,006	(420,406)
Public works	13,600	13,600	111,329	(97,729)
Culture and recreation	-	70,000	82,000	(12,000)
Debt service				
Principal	-	-	1,108,665	(1,108,665)
Interest and fiscal charges	-	-	65,901	(65,901)
Total Expenditures	65,004,800	65,785,100	66,110,303	(325,203)
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,170,600	757,100	1,678,636	921,536
Other Financing Sources (Uses):				
Issuance of debt	-	-	269,242	269,242
Proceeds from sale of capital assets	5,000	5,000	47,824	42,824
Transfers in	-	70,000	158,000	88,000
Transfers out	(175,600)	(175,600)	(177,396)	(1,796)
Total Other Financing Sources (Uses)	(170,600)	(100,600)	297,670	398,270
Net change in fund balances	1,000,000	656,500	1,976,306	1,319,806
Fund Balance - January 1	26,586,506	26,586,506	26,586,506	-
Fund Balance - December 31	$ 27,586,506	$ 27,243,006	$ 28,562,812	$ 1,319,806

Notes to the financial statement are an integral part of this statement.

CITY OF ST. CLOUD, MINNESOTA

PROPRIETARY FUNDS
STATEMENT OF FUND NET POSITION
December 31, 2025

	Business-Type Activities - Enterprise Funds			
	Water Utility	Wastewater Utility	Hydroelectric Utility	Stormwater Utility
Assets				
Current Assets				
Cash and cash equivalents	$ 8,124,693	$ 18,053,756	$ 3,689,930	$ 2,107,863
Accounts receivable	1,141,401	966,077	95,186	146,553
Unbilled accounts receivable	2,030,930	1,933,957	-	448,513
Special assessments receivable	1,487,298	-	-	4,614
Property taxes receivable delinquent	-	-	-	-
Due from other governmental units	1,474,712	5,021,012	-	582,243
Lease receivable	16,391	-	-	-
Inventories	730,930	294,800	257,583	-
Prepaid items	4,786	2,394	-	4,521
Restricted note receivable	-	2,912,842	-	-
Total current assets	15,011,141	29,184,838	4,042,699	3,294,307
Noncurrent Assets				
Advance to other funds	325,000	325,000	-	-
Lease receivable	304,311	-	-	-
Restricted assets				
Note receivable	-	21,789,919	-	-
Total noncurrent assets	629,311	22,114,919	-	-
Capital Assets and Right-to-Use Assets				
Land	420,220	1,193,058	1,246,678	316,296
Buildings	75,563,328	55,993,351	13,681,548	-
Furniture and office equipment	1,052,766	1,088,556	495,028	-
Machinery and automotive equipment	38,477,793	50,207,557	6,877,525	2,793,273
Other improvements including infrastructure	96,072,558	152,384,789	7,595,166	89,185,162
Construction in progress	53,938	27,243,625	484,440	77,728
Less accumulated depreciation	(87,850,347)	(132,950,624)	(18,572,795)	(70,874,277)
Lease assets	10,206	10,206	-	-
Subscription assets	31,168	42,788	3,376	9,270
Less accumulated amortization	(32,954)	(40,687)	(2,634)	(8,755)
Total capital assets and right-to-use assets	123,798,676	155,172,619	11,808,332	21,498,697
Total noncurrent, capital, and right-to-use assets	124,427,987	177,287,538	11,808,332	21,498,697
Total Assets	139,439,128	206,472,376	15,851,031	24,793,004
Deferred Outflows of Resources				
Pension related	224,474	229,337	11,936	55,298
OPEB related	620,638	329,709	-	62,447
Deferred charge on refunding	-	-	-	-
Total deferred outflows of resources	845,112	559,046	11,936	117,745
Total Assets and Deferred Outflows of Resources	$ 140,284,240	$ 207,031,422	$ 15,862,967	$ 24,910,749

Business-Type Activities - Enterprise Funds						Governmental Activities
Street Light Utility	Parking System	Refuse Service	Municipal Athletic Complex	River's Edge Convention Center	Totals	Internal Service Funds
$ 1,951,288	$ 1,968,407	$ 3,560,691	$ 342,023	$ 5,249,785	$ 45,048,436	$ 1,955,312
104,926	4,026	328,648	149,799	178,665	3,115,281	558,716
294,430	-	770,931	-	-	5,478,761	-
-	-	-	-	-	1,491,912	-
-	211	-	-	-	211	-
-	30,655	-	929,807	324,135	8,362,564	5,828
-	96,357	-	30,333	-	143,081	-
-	8,869	222,703	8,023	3,510	1,526,418	-
347	-	860	2,667	5,427	21,002	249,390
-	-	-	-	-	2,912,842	-
2,350,991	2,108,525	4,883,833	1,462,652	5,761,522	68,100,508	2,769,246
-	-	-	-	-	650,000	-
-	157,530	-	64,004	-	525,845	-
-	-	-	-	-	21,789,919	-
-	157,530	-	64,004	-	22,965,764	-
-	3,855,937	-	699,153	4,320,956	12,052,298	-
-	24,392,881	72,595	9,005,296	34,362,892	213,071,891	-
8,000	43,456	-	-	526,759	3,214,565	-
268,885	1,553,673	3,884,642	915,042	1,781,884	106,760,274	-
9,201,341	884,777	-	3,091,129	176,282	358,591,204	-
-	-	-	13,931,083	-	41,790,814	-
(6,683,026)	(12,160,935)	(1,962,953)	(10,288,697)	(19,269,797)	(360,613,451)	-
-	-	-	42,083	356,280	418,775	-
1,324	3,090	22,072	6,180	69,677	188,945	299,313
(1,251)	(2,918)	(20,846)	(21,725)	(97,051)	(228,821)	(100,014)
2,795,273	18,569,961	1,995,510	17,379,544	22,227,882	375,246,494	199,299
2,795,273	18,727,491	1,995,510	17,443,548	22,227,882	398,212,258	199,299
5,146,264	20,836,016	6,879,343	18,906,200	27,989,404	466,312,766	2,968,545
18,119	33,428	159,193	62,755	77,789	872,329	-
13,605	41,598	289,893	61,223	203,537	1,622,650	-
-	-	-	-	93,349	93,349	-
31,724	75,026	449,086	123,978	374,675	2,588,328	-
$ 5,177,988	$ 20,911,042	$ 7,328,429	$ 19,030,178	$ 28,364,079	$ 468,901,094	$ 2,968,545

(Continued)

CITY OF ST. CLOUD, MINNESOTA

PROPRIETARY FUNDS
STATEMENT OF FUND NET POSITION
December 31, 2025

	Business-Type Activities - Enterprise Funds			
	Water Utility	Wastewater Utility	Hydroelectric Utility	Stormwater Utility
Liabilities				
Liabilities				
Current liabilities				
Accounts payable	$ 483,072	$ 1,510,156	$ 107,442	$ 378,318
Salaries payable	76,081	78,114	4,373	18,408
Due to other governmental units	84,779	52,384	318	1,323
Due to other funds	-	-	-	-
Interest payable	170,952	286,245	1,397	-
Unearned revenue	2,149	-	-	-
Compensated absences payable	369,905	228,978	-	20,830
OPEB liability	103,109	57,535	-	11,832
Lease liability	2,090	2,090	-	-
Subscription liability	1,153	3,088	331	-
Financed purchase	-	-	-	-
Revenue bonds	-	745,000	400,000	-
Notes from direct borrowing	3,767,000	5,306,000	-	-
Total current liabilities	5,060,290	8,269,590	513,861	430,711
Noncurrent liabilities				
Compensated absences payable	259,466	145,277	-	28,079
OPEB liability	1,568,260	875,089	-	179,958
Net pension liability	866,069	884,831	46,053	213,352
Lease liability	2,145	2,145	-	-
Subscription liability	1,248	3,344	358	-
Financed purchase	-	-	-	-
Revenue bonds	-	2,501,337	11,651	-
Notes from direct borrowing	39,572,173	41,327,939	-	-
Total noncurrent liabilities	42,269,361	45,739,962	58,062	421,389
Total Liabilities	47,329,651	54,009,552	571,923	852,100
Deferred Inflows of Resources:				
Pension related	595,310	608,206	31,656	146,652
OPEB related	192,070	107,175	-	22,040
Lease receivable related	320,702	-	-	-
Total deferred inflows of resources	1,108,082	715,381	31,656	168,692
Net Position				
Net Position:				
Net investment in capital assets	80,434,593	105,207,503	11,299,678	21,476,564
Unrestricted	11,411,914	47,098,986	3,959,710	2,413,393
Total Net Position	91,846,507	152,306,489	15,259,388	23,889,957
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 140,284,240	$ 207,031,422	$ 15,862,967	$ 24,910,749

Notes to the financial statement are an integral part of this statement.

Business-Type Activities - Enterprise Funds						Governmental Activities
Street Light Utility	Parking System	Refuse Service	Municipal Athletic Complex	River's Edge Convention Center	Totals	Internal Service Funds
$ 11,428	$ 10,297	$ 360,957	$ 1,426,215	$ 30,870	$ 4,318,755	$ 563,097
5,516	10,935	59,179	24,350	26,238	303,194	-
397	6,866	45,183	41,240	4,062	236,552	-
-	-	-	-	-	-	1,758,371
39,866	12,223	-	713	132,174	643,570	885
-	87,006	-	8,730	229,892	327,777	528
12,235	23,124	238,674	66,510	112,757	1,073,013	-
2,578	7,733	54,777	11,600	30,993	280,157	-
-	-	-	3,613	7,408	15,201	-
-	-	-	-	-	4,572	26,158
-	-	-	27,689	-	27,689	-
385,000	360,000	-	-	880,000	2,770,000	-
-	-	-	-	-	9,073,000	-
457,020	518,184	758,770	1,610,660	1,454,394	19,073,480	2,349,039
2,384	9,655	130,457	119,152	132,670	827,140	-
39,206	117,620	833,138	176,429	470,418	4,260,118	-
69,906	128,973	614,203	242,122	300,127	3,365,636	-
-	-	-	25,583	326,349	356,222	-
-	-	-	-	-	4,950	-
-	-	-	14,316	-	14,316	-
3,661,437	459,794	-	-	17,208,632	23,842,851	-
-	-	-	-	-	80,900,112	-
3,772,933	716,042	1,577,798	577,602	18,438,196	113,571,345	-
4,229,953	1,234,226	2,336,568	2,188,262	19,892,590	132,644,825	2,349,039
48,051	88,652	422,185	166,427	206,298	2,313,437	-
4,802	14,405	102,037	21,608	57,621	521,758	-
-	253,887	-	94,337	-	668,926	-
52,853	356,944	524,222	282,372	263,919	3,504,121	-
772,055	17,750,167	1,995,510	15,950,357	3,899,442	258,785,869	173,141
123,127	1,569,705	2,472,129	609,187	4,308,128	73,966,279	446,365
895,182	19,319,872	4,467,639	16,559,544	8,207,570	332,752,148	619,506
$ 5,177,988	$ 20,911,042	$ 7,328,429	$ 19,030,178	$ 28,364,079	$ 468,901,094	$ 2,968,545

(Concluded)

CITY OF ST. CLOUD, MINNESOTA

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
For the Year Ended December 31, 2025

	Business-Type Activities - Enterprise Funds			
	Water Utility	Wastewater Utility	Hydroelectric Utility	Stormwater Utility
Operating Revenues:				
Sales and charges for services	$ 15,187,154	$ 17,217,598	$ 1,782,814	$ 2,690,323
Other	571,706	45,037	781	1,950
Total operating revenues	15,758,860	17,262,635	1,783,595	2,692,273
Operating Expenses:				
Personal services	3,352,836	3,391,365	182,181	896,434
Supplies	2,640,858	1,749,644	20,475	98,401
Other services and charges	3,280,975	1,464,394	498,278	595,143
Depreciation	4,753,205	7,903,031	650,111	1,890,369
Amortization	11,684	14,303	911	3,090
Total operating expenses	14,039,558	14,522,737	1,351,956	3,483,437
Operating income (loss)	1,719,302	2,739,898	431,639	(791,164)
Nonoperating Revenues (Expenses):				
Investment income (loss)	365,738	1,011,327	137,371	80,130
Taxes	-	-	-	-
Intergovernmental	1,651,844	60,365	450	44,858
Interest and fiscal charges	(497,808)	(640,890)	(18,865)	(45)
Gain (loss) on exchange or disposal of capital assets	4,983	(29,100)	-	6,650
Gain on termination of subscription liability	-	-	-	-
Total nonoperating revenues (expenses)	1,524,757	401,702	118,956	131,593
Income (loss) before transfers and contributions	3,244,059	3,141,600	550,595	(659,571)
Capital contributions	850	7,865,118	-	597,160
Transfers in	528,605	623,943	-	179,403
Transfers out	(1,854,045)	(1,426,346)	-	(1,524,487)
Change in net position	1,919,469	10,204,315	550,595	(1,407,495)
Net Position - January 1	89,927,038	142,102,174	14,708,793	25,297,452
Net Position - December 31	$ 91,846,507	$ 152,306,489	$ 15,259,388	$ 23,889,957

Notes to the financial statement are an integral part of this statement.

Business-Type Activities - Enterprise Funds						Governmental Activities
Street Light Utility	Parking System	Refuse Service	Municipal Athletic Complex	River's Edge Convention Center	Totals	Internal Service Funds
$ 1,938,444	$ 1,247,519	$ 5,475,816	$ 1,519,191	$ 1,448,364	$ 48,507,223	$ 4,830,255
45,800	1,216	-	114,299	32,959	813,748	-
1,984,244	1,248,735	5,475,816	1,633,490	1,481,323	49,320,971	4,830,255
272,353	484,736	2,451,193	913,143	1,199,791	13,144,032	-
134,417	122,602	327,325	273,076	118,534	5,485,332	826
730,240	439,592	1,997,055	568,948	908,687	10,483,312	4,837,083
210,556	865,671	329,715	345,621	968,028	17,916,307	-
442	1,030	7,357	6,032	34,816	79,665	74,904
1,348,008	1,913,631	5,112,645	2,106,820	3,229,856	47,108,648	4,912,813
636,236	(664,896)	363,171	(473,330)	(1,748,533)	2,212,323	(82,558)
59,532	82,180	122,696	53,096	196,606	2,108,676	34,799
-	61,292	-	50,374	2,541,424	2,653,090	-
683	1,260	13,865	2,366	2,933	1,778,624	22,598
(77,172)	(565)	(108)	(3,927)	(389,726)	(1,629,106)	(440)
(16,459)	-	30,163	-	-	(3,763)	-
-	-	-	-	-	-	1,380
(33,416)	144,167	166,616	101,909	2,351,237	4,907,521	58,337
602,820	(520,729)	529,787	(371,421)	602,704	7,119,844	(24,221)
-	22,700	-	8,239,456	-	16,725,284	-
99,679	15,796	-	803,381	-	2,250,807	-
-	-	-	-	(65,881)	(4,870,759)	(384,679)
702,499	(482,233)	529,787	8,671,416	536,823	21,225,176	(408,900)
192,683	19,802,105	3,937,852	7,888,128	7,670,747	311,526,972	1,028,406
$ 895,182	$ 19,319,872	$ 4,467,639	$ 16,559,544	$ 8,207,570	$ 332,752,148	$ 619,506

CITY OF ST. CLOUD, MINNESOTA

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2025

	Business-Type Activities - Enterprise Funds			
	Water Utility	Wastewater Utility	Hydroelectric Utility	Stormwater Utility
Cash Flows From Operating Activities:				
Cash received from customers	$ 15,366,491	$ 16,673,872	$ 1,800,027	$ 2,640,224
Cash payments to suppliers for goods and services	(5,775,364)	(3,179,172)	(512,870)	(411,093)
Cash payments to employees for services	(3,735,050)	(3,639,013)	(177,676)	(890,063)
Net Cash Provided by (Used in) Operating Activities	5,856,077	9,855,687	1,109,481	1,339,068
Cash Flows From Noncapital Financing Activities:				
Transfers in from other funds	-	-	-	-
Transfer out to other funds	-	-	-	-
Due to other funds	-	-	-	-
State and other local governmental unit grants	833,372	47,989	-	11,956
Principal paid	-	-	-	-
Interest and fiscal fees paid	-	-	-	-
Taxes	-	-	-	-
Net Cash Provided by (Used in) Noncapital Financing Activities	833,372	47,989	-	11,956
Cash Flows From Capital and Related Financing Activities:				
Transfers in from other funds	127,000	-	-	-
Transfers out to other funds	(1,854,045)	(1,072,041)	-	(1,524,487)
State and other local governmental unit grants	-	547,486	-	2,140,488
Issuance of capital debt	58,229	12,306,896	-	-
Sale of capital assets	5,100	5,100	-	6,650
Acquisition and construction of capital assets	(2,138,233)	(17,005,658)	(388,218)	(2,016,809)
Principal paid	(3,731,184)	(5,503,407)	(380,893)	(3,088)
Interest and fiscal fees paid	(513,839)	(670,070)	(30,929)	(152)
Taxes	-	-	-	-
Net Cash Provided by (Used in) Capital and Related Financing Activities	(8,046,972)	(11,391,694)	(800,040)	(1,397,398)
Cash Flows From Investing Activities:				
Interest on notes receivable	-	337,000	-	-
Principal notes receivable	-	2,440,361	-	-
Investment income (loss)	363,131	674,327	137,371	80,130
Net Cash Provided by (Used in) Investing Activities	363,131	3,451,688	137,371	80,130
Net Increase (Decrease) in Cash and Cash Equivalents	(994,392)	1,963,670	446,812	33,756
Cash and Cash Equivalents at Beginning of Year	9,119,085	16,090,086	3,243,118	2,074,107
Cash and Cash Equivalents at End of Year	$ 8,124,693	$ 18,053,756	$ 3,689,930	$ 2,107,863

Business-Type Activities - Enterprise Funds						Governmental Activities
Street Light Utility	Parking System	Refuse Service	Municipal Athletic Complex	River's Edge Convention Center	Totals	Internal Service Funds
$ 1,956,118	$ 1,265,812	$ 5,443,990	$ 1,609,468	$ 1,625,455	$ 48,381,457	$ 5,143,331
(856,702)	(569,869)	(2,193,906)	(807,429)	(1,070,320)	(15,376,725)	(4,932,072)
(293,996)	(536,791)	(2,546,827)	(996,713)	(1,389,499)	(14,205,628)	-
805,420	159,152	703,257	(194,674)	(834,364)	18,799,104	211,259
99,679	15,796	-	20,900	-	136,375	-
-	-	-	-	-	-	(384,679)
-	-	-	-	-	-	740,547
-	-	-	-	-	893,317	22,598
(185,000)	-	-	-	-	(185,000)	-
(51,740)	-	-	-	-	(51,740)	-
-	-	-	50,344	671,250	721,594	-
(137,061)	15,796	-	71,244	671,250	1,514,546	378,466
-	-	-	782,481	-	909,481	-
-	-	-	-	(65,881)	(4,516,454)	-
-	-	7,862	7,868,383	-	10,564,219	-
-	-	-	-	-	12,365,125	-
-	-	30,163	-	-	47,013	-
(48,391)	(47,683)	(548,757)	(11,669,236)	(49,592)	(33,912,577)	-
(185,441)	(341,029)	(7,352)	(31,985)	(822,808)	(11,007,187)	(36,811)
(51,762)	(39,002)	(368)	(4,458)	(568,424)	(1,879,004)	(2,524)
-	63,199	-	-	1,846,489	1,909,688	-
(285,594)	(364,515)	(518,452)	(3,054,815)	339,784	(25,519,696)	(39,335)
-	-	-	-	-	337,000	-
-	-	-	-	-	2,440,361	-
59,532	70,614	122,696	53,095	196,606	1,757,502	34,799
59,532	70,614	122,696	53,095	196,606	4,534,863	34,799
442,297	(118,953)	307,501	(3,125,150)	373,276	(671,183)	585,189
1,508,991	2,087,360	3,253,190	3,467,173	4,876,509	45,719,619	1,370,123
$ 1,951,288	$ 1,968,407	$ 3,560,691	$ 342,023	$ 5,249,785	$ 45,048,436	$ 1,955,312

(Continued)

CITY OF ST. CLOUD, MINNESOTA

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2025

	Business-Type Activities - Enterprise Funds			
	Water Utility	Wastewater Utility	Hydroelectric Utility	Stormwater Utility
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Operating income (loss)	$ 1,719,302	$ 2,739,898	$ 431,639	$ (791,164)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation	4,753,205	7,903,031	650,111	1,890,369
Amortization	11,684	14,303	911	3,090
Changes in assets and liabilities				
(Increase) decrease in accounts receivable	(124,010)	(151,268)	16,432	(10,090)
(Increase) decrease in unbilled accounts receivable	5,200	(224,269)	-	(41,959)
(Increase) decrease in assessments receivable	(259,973)	-	-	-
(Increase) decrease in due from other governmental units	(13,649)	(213,226)	-	-
(Increase) decrease in inventories	37,295	17,878	2,784	-
(Increase) decrease in prepaids	-	(1)	-	-
Increase (decrease) in accounts payable	109,762	7,731	3,376	282,655
Increase (decrease) in salaries payable	10,252	12,845	1,566	2,547
Increase (decrease) in compensated absences payable	4,444	4,100	-	18,166
Increase (decrease) in unearned revenue	63	-	-	-
Increase (decrease) in net other postemployment benefits obligation	36,850	20,447	2,709	4,603
Increase (decrease) in pension liability	(435,256)	(286,950)	-	(19,344)
Increase (decrease) in due to other governmental units	908	11,168	(47)	195
Total adjustments	4,136,775	7,115,789	677,842	2,130,232
Net Cash Provided by (Used in) Operating Activities	$ 5,856,077	$ 9,855,687	$ 1,109,481	$ 1,339,068
Noncash Activities:				
Disposal of capital assets	$ 117	$ 34,200	$ -	$ -
Transfer of capital assets	-	-	-	(6,492)
Contribution of capital assets from governmental funds	-	28,153	-	-
Contribution of capital assets from enterprise funds	401,605	623,943		179,403
Subscription liability for the acquisition of a right to use subscription asset	-	-	-	-
Subscription liability for the early termination and modification of a right to use subscription asset	-	-	-	-

Notes to the financial statement are an integral part of this statement.

Business-Type Activities - Enterprise Funds						Governmental Activities
Street Light Utility	Parking System	Refuse Service	Municipal Athletic Complex	River's Edge Convention Center	Totals	Internal Service Funds
$ 636,236	$ (664,896)	$ 363,171	$ (473,330)	$ (1,748,533)	$ 2,212,323	$ (82,558)
210,556	865,671	329,715	345,621	968,028	17,916,307	-
442	1,030	7,357	6,032	34,816	79,665	74,904
(11,405)	4,401	(25,307)	(18,035)	44,185	(275,097)	285,762
(16,721)	-	(21,819)	-	-	(299,568)	-
-	-	-	-	-	(259,973)	-
-	-	15,300	(14,717)	370	(225,922)	27,065
-	-	50,278	(889)	67	107,413	-
(347)	-	(860)	(2,667)	(588)	(4,463)	7,220
8,326	(7,798)	87,686	13,262	(41,011)	463,989	(101,384)
301	(282)	13,289	2,768	3,467	46,753	-
1,509	(2,880)	61,979	18,873	39,635	145,826	-
-	12,676	-	8,730	99,577	121,046	250
1,002	2,225	20,518	4,512	(10,722)	82,144	-
(24,501)	(51,080)	(193,381)	(110,186)	(222,618)	(1,343,316)	-
22	85	(4,669)	25,352	(1,037)	31,977	-
169,184	824,048	340,086	278,656	914,169	16,586,781	293,817
$ 805,420	$ 159,152	$ 703,257	$ (194,674)	$ (834,364)	$ 18,799,104	$ 211,259
$ 16,459	$ -	$ -	$ -	$ -	$ 50,776	$ -
-	-	-	-	-	(6,492)	-
-	-	-	-	-	28,153	-
-			-	-	1,204,951	-
-	-	-	-	-	-	12,500
-	-	-	-	-	-	(46,692)

(Concluded)

CITY OF ST. CLOUD, MINNESOTA

Statement D-1

CUSTODIAL FUNDS
STATEMENT OF FIDUCIARY NET POSITION
December 31, 2025

Assets		
Cash and investments	$	684,031
Due from other governmental units		1,739,899
Prepaid items		37,804
Total Assets		2,461,734
Liabilities		
Due to other governmental units		1,709,899
Net Position	$	751,835

CUSTODIAL FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For The Year Ended December 31, 2025

Additions		
Local sales tax collected for other governments	$	6,271,306
Intergovernmental		397,635
Investment income		33,296
Total additions		6,702,237
Deductions		
Supplies		9,960
Services and charges		282,310
Local sales tax distributed to other governments		6,271,306
Distributions		16,968
Intergovernmental		5,749
Total deductions		6,586,293
Change in net position		115,944
Net Position - January 1		635,891
Net Position - December 31	$	751,835

Notes to the financial statement are an integral part of this statement.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of St. Cloud was incorporated March 1856 and is a home rule charter city under Minnesota Statutes.

Form of Government
The municipal government provided by the amended charter is a strong mayor type government. Pursuant to its provisions and subject only to the limitation imposed by the constitution of statutes of the State of Minnesota and by the Home Rule Charter, all powers of the City are vested in a mayor and elective council, hereinafter referred to as the City Council, which enacts local legislation, adopts budgets and determines policies, all subject to the initiative, referendum and recall powers of the people. All powers of the City are to be exercised in the manner prescribed by the Home Rule Charter or by an ordinance adopted by the City Council.

Powers of the City
The City of St. Cloud has all the powers of cities granted by common law, by the constitution and by the general laws of this State to municipal corporations and cities having a home rule charter, together with all the implied powers necessary to carry into execution all of the powers granted. The City may acquire property inside or outside its corporate limits for any city purpose; and may sell, lease, mortgage, hold, manage and control such property as its interests may require; and it may contract with the counties in which it is situated or with other municipalities for joint services and utilities that may seem desirable and for all other legitimate purposes.

A. Description of Government-Wide 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. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

B. Financial Reporting Entity

The City of St. Cloud is a municipal corporation governed by an elected seven-member council. As required by accounting principles generally accepted in the United States of America, these financial statements present the City of St. Cloud (the primary government) and its component units. The definition of the reporting entity is based primarily on the notion of financial accountability. Blended component units, although legally separate entities, are, in substance, part of the City's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the City.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Powers of the City (Continued)

B. Financial Reporting Entity (Continued)

Based upon the application of these criteria, the following is a brief review of the component units addressed in defining the City's reporting entity.

Blended Component Unit

The St. Cloud Economic Development Authority (EDA) was established in September 2010 pursuant to Minnesota Statutes 469.090 through 469.108 for the purpose of providing development services to the City of St. Cloud. The Economic Development function had been provided in previous years by the St. Cloud Housing and Redevelopment Authority (HRA). The governing body of the EDA consists of two council members and five commissioners appointed by the Mayor with the approval of the City Council. The City has operational responsibility for the EDA and the EDA's debt is expected to be repaid with the resources of the primary government. Full-time staff of the EDA are direct employees of the City of St. Cloud. The activities of the EDA are reported in an operating fund, a revolving loan fund and TIF funds, which are nonmajor special revenue funds and two Business Park Funds, which are nonmajor capital project funds.

Discretely Presented Component Unit

The Housing and Redevelopment Authority of St. Cloud (HRA) operates as a local government unit for the purpose of providing housing services to the St. Cloud area. The governing body of the HRA is appointed by the Mayor, subject to the approval of the City Council to serve five-year terms. The HRA's property tax levy must be approved by the City Council. The HRA has a December 31 year-end.

Separately issued financial reports of the Housing and Redevelopment Authority may be obtained from the HRA Executive Director at the following address:

Housing and Redevelopment Authority of St. Cloud
1225 West St. Germain
St. Cloud, MN 56301

Joint Ventures

Central Minnesota Emergency Services Board

The City is a participant in a joint powers agreement with the following counties: Benton, Big Stone, Douglas, Grant, Kandiyohi, Meeker, Mille Lacs, Morrison, Otter Tail, Pope, Stearns, Stevens, Swift, Todd, Traverse, Wadena, Wilkin, and Wright Counties for the activities of a Regional Emergency Services System. The Joint Powers Board is comprised of one City Council member from each city party and one County Commissioner from each county party to the agreement. This agreement is entered into by the parties to this agreement pursuant to the authority conferred upon the parties by Minnesota Statutes 403.39 and 471.59 for the purpose of providing regional administration of enhancements to the Statewide Public Safety Radio and Communication System (ARMER) owned and operated by the State of Minnesota.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Powers of the City (Continued)
B. Financial Reporting Entity (Continued)
Joint Ventures (Continued)
Central Minnesota Emergency Services Board (Continued)
With that objective in mind, the Parties to this Agreement wish to collectively prepare and administer a plan which provides for the installation, operation, and maintenance of local and regional enhancements to the Statewide Public Safety Radio and Communication System (ARMER). This agreement may be utilized to provide joint purchase of common individual equipment needs. Joint purchases may occur when it is determined that standardization of equipment is in the best interests of the Parties to this Agreement or when other advantages might be achieved by joint purchases. The City of St. Cloud is the fiscal agent for the Central Minnesota Emergency Services Board.

Separately issued financial reports of the Central Minnesota Emergency Services Board may be obtained from the Fiscal Agent at the following address:

Central Minnesota Emergency Services Board
1201 7th Street South
St. Cloud, MN 56301

City of St. Cloud/St. Cloud School District Fiber Optic Infrastructure Joint Powers Agreement
The City is a participant in a joint powers agreement with the St. Cloud School District for the installation and maintenance of a fiber optic network to carry voice, data, and video between the various facilities. The agreement was entered into by the City and School District pursuant to the authority conferred upon the parties by Minnesota Statute 471.59. The Joint Powers Board is comprised of two City Council members appointed by the City and two School Board members appointed by the School District. The City and the School District each have 50% equity interest in the jointly used strands of fiber. The individual strands designed for the exclusive use of either the City or the School District is the responsibility of the party receiving the benefit of the use. There are sufficient resources on hand at year end to minimize any potential financial burden on participating governments in the future. Separate financial statements are not prepared for the City of St. Cloud/St. Cloud School District Fiber Optic Infrastructure Joint Powers agreement.

C. Basis of Presentation – Government-Wide Financial Statements
While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Interfund services provided and used are not eliminated in the process of consolidation.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Powers of the City (Continued)

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The government 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.

- Improvement Bonds Debt Service Fund accounts for the payments made for principal and interest on bonds issued to finance improvement projects.

- The Infrastructure Management Capital Projects Fund accounts for the resources accumulated for financing the City's annual improvement projects.

- The Improvement Construction Capital Projects Fund accounts for the resources and expenditures for the City's construction costs for various improvements including water, sewer, storm sewer, street surfacing, and sidewalk improvements.

The government reports the following major Enterprise Funds:

- The Water Utility Fund accounts for the financial activity related to providing water service to the residents of the City.

- The Wastewater Utility Fund accounts for the financial activity related to providing sewer service to the residents of the City and surrounding communities.

- The Hydroelectric Utility Fund accounts for the financial activity relating to the operation of a hydroelectric facility located on the Mississippi River.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Powers of the City (Continued)

D. Basis of Presentation – Fund Financial Statements (Continued)

The government reports the following major Enterprise Funds: (continued)

- The Stormwater Utility Fund accounts for the financial activity related to protecting and improving quality of local water resources and to maintain compliance with requirements by the U.S. Environmental Protection Agency.

- The Street Light Utility Fund accounts for the financial activity for the cost and maintenance of the City's street lights. The revenue is generated through charges applied on the City's utility bills to residents.

- The Parking System Fund accounts for the activities of several downtown City operated parking lots and ramps as well as on-street parking system.

- The Refuse Service Fund accounts for the activity related to a City operated refuse and recycling pick-up service for residential properties.

- The Municipal Athletic Complex (MAC) Fund accounts for the activity of a City operated MAC which includes two ice arenas, two baseball stadiums and an executive nine-hole golf course.

- The River's Edge Convention Center Fund accounts for the activity of a City operated Convention Center and building maintenance costs of the Paramount Theatre.

Additionally, the government reports the following fund types:

- Internal Service Funds account for insurance, energy and information technology services provided to other departments of the City on a cost reimbursement basis.

- Custodial Funds account for the Local Area Sales Tax Fund for the area half-cent sales tax that the City of St. Cloud receives on behalf of neighboring cities. The Volunteer Fire Relief Investment Fund was established to account for the investments from the former St. Cloud Volunteer Firefighters Relief Association. The investments are held on behalf of the former members of the association. The Central Minnesota Emergency Services Board Fund was established to account for the pass-through revenue received by the City on behalf of 18 counties in the Central Minnesota Emergency Services System.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Powers of the City (Continued)

D. Basis of Presentation – Fund Financial Statements (Continued)

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities' column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in the fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities' column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes 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.

The 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 government considers revenues to be available if they are collected within 60 days 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. General capital assets acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Powers of the City (Continued)

E. Measurement Focus and Basis of Accounting (Continued)

Property taxes, sales taxes, franchise taxes, licenses, 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. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). State and Federal expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 90 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary and custodial funds are reported using the economic resources measurement focus and the accrual basis of accounting.

F. Budgetary Information

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are legally adopted by Council resolution for the general and special revenue funds.

Formal budgetary integration is employed as a management control device during the year for the general fund and special revenue funds. Formal budgetary integration is not employed for debt service funds because effective budgetary control is alternatively achieved through general obligation bond indenture provisions. Budgetary control for capital projects funds is based on a project completion time cycle rather than an annual basis, therefore, budgetary comparisons on an annual basis would not present meaningful information.

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

1. Budget requests are submitted by all department heads to the City Finance Department. The Finance Department compiles the budget requests into an overall preliminary City budget.

2. The preliminary budget is submitted to the Mayor and City Administrator for their review and/or modification. City administration balances expenditure requests with available revenue to present a balanced budget.

3. The City administration presents the proposed budgets to the City Council which in turn holds a public hearing on the budget. The budget process is set forth in Sec. 8.20 of the City Charter and truth in taxation laws adopted by the State of Minnesota. The budget resolution adopted by the City Council sets forth the budget at the department level for the General Fund, and the fund level for the Special Revenue funds.

4. Prior to December 31, the budget is legally enacted through the passage of the budget resolution adopted by the City Council.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Powers of the City (Continued)

F. Budgetary Information (Continued)

5. Sec. 8.21 of the City Charter provides that after the budget has been duly adopted by the City Council, the Council shall not have the power to increase the total budget beyond estimated revenues, unless the actual revenues exceed the estimated revenues, and in that event, not beyond such actual revenues. The City Administrator and Director of Finance are authorized to approve transfers of appropriations between individual expenditure accounts within a department's or fund's budget.

6. Budget amounts are as originally adopted, and as amended by the City Council. Individual budget amendments were not material in relation to the original budget resolution adopted by the City Council. Budget appropriations lapse at the end of the City's fiscal year.

G. Assets, Liabilities, Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position or Fund Balance

1. Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisitions.

2. Investments

Investments for the City are reported at the fair value hierarchy as described below.

3. GASB 72 Disclosure

Certain investments for the City are reported at fair value as disclosed in Note III. 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. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

4. GASB 79 Disclosure

In accordance with GASB Statement No. 79, the Minnesota Municipal Investment Pool securities are valued at amortized cost, which approximates fair value. There are no restrictions or limitations on withdrawals from the 4M Liquid Asset Fund. Investments in the 4M Plus must be deposited for a minimum of 14 calendar days. Withdrawals prior to the 14-day restriction period will be subject to a penalty equal to seven days interest on the amount withdrawn. Seven days' notice of redemption is required for withdrawals of investments in the 4M Term Series withdrawn prior to the maturity date of that series. A penalty could be assessed as necessary to recoup the Series for any charges, losses, and other costs attributable to the early redemption.

5. Inventories, Prepaid Items, and Land Held for Resale

Inventories are valued at cost using the first-in/first-out (FIFO) method and consists of expendable supplies and vehicle repair parts. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Powers of the City (Continued)

G. Assets, Liabilities, Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position or Fund Balance (Continued)

5. Inventories, Prepaid Items, and Land Held for Resale (Continued)

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Land was acquired by the City for subsequent resale for redevelopment purposes. Land held for resale is reported as an asset at lower of cost or estimated realizable value in the fund that acquired it.

6. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets, except for infrastructure assets, are defined by the government as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. For infrastructure assets the same estimated minimum useful life is used (in excess of one year), but only those infrastructure projects that cost more than $50,000 are reported as capital assets.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the government chose to include all such items regardless of their acquisition date or amount. The government was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical costs. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at acquisition value at the date of donation.

Land and construction in progress are not depreciated. The other property, plant, equipment, and infrastructure of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Capital Asset Classes	Years
Buildings	20-50
Machinery and equipment	3-20
Improvements	10-20
Infrastructure	20-40
Furniture and office equipment	3-10
Temporary easement	Length of term or 5 years

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Powers of the City (Continued)

G. Assets, Liabilities, Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position or Fund Balance (Continued)

7. Lease Receivable

The City is a lessor for numerous noncancellable leases. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date.

Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term in a systematic and rational manner.

Key estimates and judgments include how the City determines (1) the discount rate, (2) lease term, (3) lease receipts, and (4) amortization.

The City determines the discount rate for leases based on the applicable State and Local Government Securities (SLGS) rate. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

8. Right-to-Use Lease Assets/Lease Liabilities

The City recorded right-to-use lease assets as a result of implementing GASB Statement No. 87, Leases. The right-to-use lease assets are initially measured at an amount equal to the initial measurement of the lease liability plus any payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right-to-use assets are amortized on a straight-line basis over the life of the related lease.

Key estimates and judgments related to leases include (1) the discount rate, (2) lease term, (3) lease payments, and (4) amortization.

The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City determines its estimated borrowing rate based on the applicable State and Local Government Securities rate. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a re-measurement of the leases and will remeasure the right-to-use lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of the lease liability.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Powers of the City (Continued)

G. Assets, Liabilities, Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position or Fund Balance (Continued)

9. Subscription-Based Information Technology Arrangements

The City recorded right-to-use subscription assets as a result of implementing GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The right-to-use subscription assets are initially measured at an amount equal to the initial measurement of the subscription liability, plus any payments associated with the subscription contract at the commencement of the term, plus any capitalizable initial implementation costs to place the subscription into service. The right-to-use assets are amortized on a straight-line basis over the life of the subscription term.

Key estimates and judgements related to Subscription-Based Information Technology Arrangements include (1) the discount rate, (2) subscription term, (3) subscription payments, and (4) amortization.

The City uses the interest rate charged by the subscription vendor as the discount rate. When the interest rate charged by the vendor is not provided, the City determines its estimated borrowing rate based on the applicable State and Local Government Securities rate. The subscription term includes the noncancellable period of the subscription and the period covered by the option to extend, if it is reasonably certain of being exercised.

The City monitors changes in circumstances that would result in an amendment or modification of the City's right-to-use subscription asset. Such amendments or modifications could result in either a termination of the right-to-use subscription asset or an addition of a separate, additional, right-to-use subscription asset.

10. Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expenses) until then. The City has three items that qualify for reporting in this category. The City presents deferred outflows of resources on the Statement of Net Position for the deferred charge on refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The City presents deferred outflows of resources on the Statement of Net Position for deferred outflows of resources related to pensions and OPEB for various estimate differences that will be amortized and recognized over future years.

11. Deferred Inflows of Resources

In addition to liabilities, the City's financial statements report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in fund balance or net assets that apply to a future period. The City will not recognize the related revenue until a future event occurs. The City has four items that qualify for reporting in this category. The City presents deferred inflows of resources on the Governmental Fund Balance Sheet as unavailable

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Powers of the City (Continued)

G. Assets, Liabilities, Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position or Fund Balance (Continued)

11. Deferred Inflows of Resources (Continued)

revenue. The governmental funds report unavailable revenues from four sources: grants, leases, property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City presents deferred inflows of resources on the Statement of Net Position for deferred inflows of resources related to leases, pensions and OPEB for various estimate differences that will be amortized and recognized over future years.

12. Pensions

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. 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.

13. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

14. Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance.

Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

15. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Powers of the City (Continued)

G. Assets, Liabilities, Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position or Fund Balance (Continued)

15. Fund Balance Policies (Continued)

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purpose but does not meet the criteria to be classified as committed. The city council has by resolution authorized the city administrator and finance director to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

The City will maintain an assigned and unassigned General fund balance within a range of 35% - 50%, with a target of 50% of budgeted operating expenditures; however, this need could fluctuate with each year's budget objectives.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Powers of the City (Continued)

H. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Taxes

Property tax levies are set by the City Council in December of each year and are certified to Stearns, Benton, and Sherburne Counties for collection in the following year. In Minnesota, counties act as collection agents for all property taxes. The counties spread all levies over taxable property. Such taxes become a lien on January 1, of the following year, and are recorded as receivables by the City at that date. Revenues from property taxes are accrued and recognized in the year collectible, net of delinquencies.

Real property taxes may be paid by taxpayers in two equal installments on May 15 and October 15. Personal property taxes may be paid on February 28 and June 30. The counties provide tax settlements to cities and other taxing districts normally during the months of January, June and December.

Delinquent taxes receivable represents the past six years of uncollected tax levies. The net amount of delinquent taxes receivable is fully offset by unavailable revenue in the governmental funds of the fund financial statements because they are not known to be available to finance current expenditures.

3. Compensated Absences

The government's policy permits employees to accumulate earned but unused vacation, compensatory time and sick leave benefits. Depending on the bargaining group, varying amounts may be carried over to the next year or paid out upon separation from government service. The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

4. Proprietary Funds Operating and Nonoperating Revenues and Expenses

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 enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service 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.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Deficit Fund Balance

The following funds had deficit balances at December 31, 2025:

Major Funds	
Improvement Bonds	$ 1,725
Special Revenue Funds	
Gardens	9,850
TIF NABC Holdings/Tri County Abstract	22,377
TIF Model College	34,077
Capital Projects Funds	
Park Improvements and Beautification	393,107
Tech Demolition Project	345,188
Fire Station Construction	820,380
Proprietary Funds	
Self-Insurance	2,028,855

The Improvement Bonds fund has a deficit due to the timing of accounts payable. The fund deficit will be eliminated in the next year.

The Gardens fund has a deficit due to higher than anticipated increases in supplies. The deficit will be eliminated over the next few years through operational changes and increases in revenue. The TIF special revenue funds have deficit fund balances due to TIF collections being less than TIF debt payments. It is anticipated that these fund deficits will be eliminated in future years from additional tax increment collections.

The Park Improvements and Beautification fund has a deficit due to timing of project funding. The fund deficit will be eliminated in 2026. The Tech Demolition Project fund has a deficit fund balance due to timing of project funding. The fund deficit will be eliminated in the next year. The Fire Station Construction fund has a deficit due to project timing. The deficit will be eliminated in 2026 with the issuance of a bond for the project.

The Self-Insurance fund has a deficit net position due to the increasing cost of insurance and large claims submitted. The deficit will be eliminated in the next several years through premium adjustments and charging departments for overages.

III. DETAILED NOTES ON ALL FUNDS

A. Assets

1. Deposits and Investments (Including Cash Equivalents)

Deposits

Minn. Stat. Sec. 118A.02 and 118A.04 authorize the City to deposit its cash and to invest in certificates of deposit in financial institutions designated by the City Council. Minnesota statutes require that all City deposits be covered by insurance, surety bond, or collateral.

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it. The City has an investment policy in place to address custodial credit risk for deposits, stating that all deposits and investments must be in compliance with *Minnesota Statutes* 118A. As of December 31, 2025, the City's bank balance was not exposed to custodial credit risk because it was fully insured and collateralized.

Minn. Stat. Sec. 118A.04 and 118A.05 authorizes the types of securities available to the City for investment. The commercial paper investment as of December 31, 2025 represents an ongoing overnight sweep agreement arrangement at applicable daily quoted rates. Funds are re-deposited to City's bank account at 8:00 a.m. on the ensuing business day. Authorized investments are the same for all fund types and include the following:

1. Securities which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentality's, or organizations created by an act of Congress, except mortgage-backed securities defined as "high risk" by Minn. Stat. Sec. 118A.04, subd. 6;

2. Mutual funds with shares of registered investment companies provided the mutual fund receives certain ratings depending on its investments;

3. General obligations of the State of Minnesota and its municipalities, and in certain state agency and local obligations of Minnesota and other states provided such obligations have certain specified bond ratings by a national bond rating service;

4. Bankers' acceptances of United States banks;

5. Commercial paper issued by United States corporations or their Canadian subsidiaries that is rated in the highest quality category by two nationally recognized rating agencies and matures in 270 days or less; and

6. With certain restrictions, in repurchase agreements, securities lending agreements, joint powers investment trusts, and guaranteed investment contracts.

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Assets (Continued)

1. Deposits and Investments (Including Cash Equivalents) (Continued)

Investments (Continued)

As of December 31, 2025, the City had the following investments:

Investment Type	Weighted Average Maturity (Years)	Fair Value
U.S. government securities	0.62	$ 26,375,964
Taxable municipal bonds	0.78	17,753,005
Money market funds	N/A	59,600,496
Overnight repurchase agreement - commercial paper	N/A	19,757,077
Total investments		123,486,542
Deposits		(3,329,277)
Petty cash		11,600
Cash and cash equivalents with fiscal agent		135,711
Total cash and investments		$ 120,304,576

These amounts are presented on the statement of net position as follows:

Cash and investments (including cash equivalents)	$ 106,486,047
Cash and investments (with fiscal agent)	13,134,498
Total	119,620,545

These amounts are presented on the statement of fiduciary net position as follows:

Cash and investments	684,031
Total cash and investments	$ 120,304,576

The City has the following recurring fair value measurements as of December 31, 2025:

- Securities of $59,600,496 classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.
- Government securities of $26,375,964 and taxable municipal bonds of $17,753,005 are valued using a matrix pricing model (level 2 inputs).

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Assets (Continued)

2. Investment Risks

The City's investment policy is to follow Minnesota State Statutes as described above. This reduces the City's exposure to credit, custodial credit, and interest rate risks. Specific risk information for the City is as follows:

Credit Risk

The City's investments in Federal Home Loan Bank and Federal National Mortgage Association were rated Aaa by Moody's Investors Service and AAA by Standard and Poor's. The City invests in a Money Market Fund, which is rated AA+ by Standard and Poor's and Aaa by Moody's Investor Service. The City's investment policy does not address the rating requirements for mutual funds.

Custodial Credit Risk – Investments

For an investment, this is the risk in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The City's investment policy does not address this risk however at December 31, 2025, the City is not exposed to custodial credit risk; all investments are insured and are registered in the name of the government.

Interest Rate Risk

The City's investment policy states that interest rate risk may be minimized by structuring the investment portfolio so that securities mature to meet cash requirements as well as investing operating funds in shorter-term securities or money market funds.

Concentration Credit Risk

The City was exposed to concentration of credit risk at December 31, 2025, due to the fact that their investments in Overnight Repurchases Agreement - Commercial paper (16.4%), individually exceeded five percent of the City's total investments. The City's investment policy also does not address this risk.

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Assets (Continued)

3. Receivables

Receivables as of year-end for the City's individual major and non-major funds in the aggregate, are as follows:

		Capital Projects		Enterprise			
	General	Infrastructure Management	Improvement Construction	Water Utility	Wastewater Utility	Hydroelectric Utility	Stormwater Utility
Accounts	$ 1,398,702	$ -	$ -	$ 1,141,401	$ 966,077	$ 95,186	$ 146,553
Unbilled accounts	-	-	-	2,030,930	1,933,957	-	448,513
Investment income	327,099	-	2,085	-	-	-	-
Delinquent taxes	499,354	31,171	-	-	-	-	-
Special assessments	258,766	4,827,706	-	1,487,298	-	-	4,614
Lease	645,732	-	-	320,702	-	-	-
Notes receivable	-	-	-	-	24,702,761	-	-
Total receivables	$ 3,129,653	$ 4,858,877	$ 2,085	$ 4,980,331	$27,602,795	$ 95,186	$ 599,680

	Enterprise						
	Street Light Utility	Parking System	Refuse Service	Municipal Athletic Complex	River's Edge	Non-Major Funds	Total
Accounts	$ 104,926	$ 4,026	$ 328,648	$ 149,799	$ 178,665	$ 238,542	$ 4,752,525
Unbilled accounts	294,430	-	770,931	-	-	-	5,478,761
Investment income	-	-	-	-	-	8,689	337,873
Delinquent taxes	-	211	-	-	-	171,988	702,724
Special assessments	-	-	-	-	-	-	6,578,384
Lease	-	253,887	-	94,337	-	440,238	1,754,896
Notes receivable	-	-	-	-	-	-	24,702,761
Total receivables	$ 399,356	$ 258,124	$ 1,099,579	$ 244,136	$ 178,665	$ 859,457	$ 44,307,924

The City of St. Cloud has entered into multiple financing agreements with six other cities related to the financing of several capital improvement projects at the wastewater treatment facility (WWTF). The six other cities lease a percentage of the WWTF's capacity and therefore are sharing in the costs of the projects. The financing of these projects is funded by either the issuance of a bond or by a loan from the Minnesota Public Facilities Authority (PFA) to the City of St. Cloud. The six other cities' notes contain a schedule of maturities and specified interest rate that corresponds to the maturity schedules and interest rates of the St. Cloud loan agreements with PFA or the bond debt schedule. The obligation of the six cities to make scheduled payments to St. Cloud pursuant to the cities' notes is absolute and unqualified. Additions to notes receivable are recorded as capital contributions on the statement of revenues, expenses and changes in net position. Interest received from the notes receivable which is recorded as interest income for the year ended December 31, 2025 is $337,000.

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Assets (Continued)

3. Receivables (Continued)

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

	General	Capital Projects: Infrastructure Management	Capital Projects: Improvement Construction	Non-Major and Other Funds	Total
Leases	$ 645,732	$ -	$ -	$ 440,238	$ 1,085,970
Delinquent property taxes	499,354	31,171	-	171,988	702,513
Special assessments not yet due	258,766	4,827,706	-	-	5,086,472
Aids and grant revenue	-	-	1,475,273	-	1,475,273
Total deferred inflows of resources	$ 1,403,852	$ 4,858,877	$ 1,475,273	$ 612,226	$ 8,350,228

The annual receivable for all leases outstanding as of December 31, 2025:

Year Ending December 31	Governmental Activities: Principal	Governmental Activities: Interest	Governmental Activities: Total	Business-Type Activities: Principal	Business-Type Activities: Interest	Business-Type Activities: Total
2026	$ 94,092	$ 33,152	$ 127,244	$ 143,081	$ 18,249	$ 161,330
2027	58,599	30,539	89,138	147,881	14,217	162,098
2028	54,644	28,900	83,544	110,342	10,148	120,490
2029	57,044	27,259	84,303	20,427	7,749	28,176
2030	59,538	25,548	85,086	21,900	7,116	29,016
2031-2035	264,645	104,137	368,782	134,289	24,423	158,712
2036-2040	332,368	62,113	394,481	91,006	3,850	94,856
2041-2044	165,040	16,476	181,516	-	-	-
Total	$ 1,085,970	$ 328,124	$ 1,414,094	$ 668,926	$ 85,752	$ 754,678

During 2025, the City received principal and interest inflows of $202,446.

On September 26, 2008, the City entered into a lease agreement with T-Mobile for space at a water tower for antenna facilities. The lease totaled $735,134. The agreement includes monthly payments of $1,300, with a 3% annual increase through September 1, 2038.

On March 7, 2019, the City entered into a lease agreement with Eich Motor Company for the use of land. The lease totaled $40,000. The agreement includes annual payments of $2,000. The lease agreement is through February 20, 2039.

In 2022, the City entered into a lease agreement with Gans for the use of crop land. The lease totaled $58,523. The agreement includes annual payments of $11,023, with a 3% increase annually. The lease agreement is through December 31, 2026.

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Assets (Continued)

3. Receivables (Continued)

In 2022, the City entered into a lease agreement with Brambrink for the use of crop land. The lease totaled $63,550. The agreement includes annual payments of $11,970, with a 3% increase annually. The lease agreement is through December 31, 2026.

On April 1, 2021, the City entered into a lease agreement with Wacosa for the use of a facility. The lease totaled $64,500. The agreement includes monthly payments of $500. The lease agreement is through December 31, 2031.

On January 1, 2021, the City entered into a lease agreement with the Great River Regional Library for the use of a parking lot. The lease totaled $553,530. The agreement includes annual payments of $20,600, increasing annually by 3%. The lease agreement is through December 31, 2040.

On July 1, 2023, the City entered into a lease agreement with Midline Credit for the use of parking ramp spaces. The lease totaled $536,295. The agreement includes annual payments of $25,448. The least agreement is through September 30, 2028.

On July 1, 2024, the City entered into a lease agreement with Catholic Charities for the use of a facility. The lease totaled $25,200. The agreement includes monthly payments of $700. The lease agreement is through June 30, 2027.

On May 1, 2024, the City entered into a lease agreement with Jupiter Moon for the building at Munsinger Gardens. The lease totaled $47,090. The agreement includes monthly payments of $1,500 for the months of May through October and monthly payments of $533 from the months of November through April. Additionally, there is an annual rate increase of 3% in 2025 and 2026 due in a lump sum amount on May 1st. The lease agreement is through April 30, 2027.

On February 10, 2025, the City entered into a lease agreement with Avivo for land. The lease totaled $854,446. The agreement includes annual payments of $50,208 for 2026-2030, $41,160 for 2031-2035, $43,218 for 2036-2040, and $45,379 for 2041-2044. The lease agreement is through June 30, 2025.

On January 9, 2023, the City entered into a lease agreement with Brandl Baseball, LLC for baseball facilities. The lease totaled $202,512. The agreement includes annual payments of $33,752. The lease agreement is through December 31, 2028.

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Assets (Continued)

4. Capital Assets

Capital asset activity for the year ended December 31, 2025 was as follows:

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Governmental activities:					
Capital assets, not being depreciated or amortized:					
Land	$ 50,159,789	$ 500	$ -	$ -	$ 50,160,289
Construction in progress*	52,841,215	23,393,956	-	8,987,367	67,247,804
Total capital assets, not being depreciated or amortized	103,001,004	23,394,456	-	8,987,367	117,408,093
Capital assets, being depreciated:					
Buildings	112,539,593	822,626	-	36,292	113,325,927
Furniture and office equipment	7,917,698	29,877	-	-	7,947,575
Machinery and automotive equipment	39,745,270	5,312,172	6,492	390,833	44,673,101
Other improvements including infrastructure	257,760,171	7,028,998	-	32,493	264,756,676
Intangible Right to Use Assets, being amortized:					
Land	174,004	-	-	-	174,004
Furniture and office equipment	2,195,690	231,054	-	235,096	2,191,648
Machinery and automotive equipment	1,049,541	35,270	-	-	1,084,811
Subscription based assets	1,051,229	106,631	-	69,024	1,088,836
Total capital assets, being depreciated or amortized	422,433,196	13,566,628	6,492	763,738	435,242,578

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Assets (Continued)

4. Capital Assets (Continued)

Capital asset activity for the year ended December 31, 2025 was as follows:

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Governmental activities: (continued)					
Less accumulated depreciation for:					
Buildings	$ 46,338,855	$ 3,205,718	$ -	$ 36,292	$ 49,508,281
Furniture and office equipment	5,665,941	475,156	-	-	6,141,097
Machinery and automotive equipment	29,866,420	1,622,731	6,492	372,760	31,122,883
Other improvements including infrastructure	171,292,217	6,539,603	-	32,493	177,799,327
Less accumulated amortization for:					
Land	20,307	11,604	-	-	31,911
Furniture and office equipment	1,321,099	649,951	-	235,096	1,735,954
Machinery and automotive equipment	262,728	248,532	-	-	511,260
Subscription based assets	415,537	300,129	-	23,712	691,954
Total accumulated depreciation or amortization	255,183,104	13,053,424	6,492	700,353	267,542,667
Total capital assets, being depreciated or amortized - net	167,250,092	513,204	-	63,385	167,699,911
Governmental activities capital assets - net	$ 270,251,096	$ 23,907,660	$ -	$ 9,050,752	$ 285,108,004
Business-type activities:					
Capital assets, not being depreciated or amortized:					
Land	$ 11,803,393	$ 248,905	$ -	$ -	$ 12,052,298
Construction in progress	68,144,469	30,748,018	-	57,101,673	41,790,814
Total capital assets, not being depreciated or amortized	79,947,862	30,996,923	-	57,101,673	53,843,112
Capital assets, being depreciated:					
Buildings	193,438,674	19,675,613	-	42,396	213,071,891
Furniture and office equipment	1,780,335	1,434,230	-	-	3,214,565
Machinery and automotive equipment	83,692,503	24,474,630	(6,492)	1,400,367	106,760,274
Other improvements including infrastructure	344,414,386	14,238,538	-	61,720	358,591,204
Intangible Right to Use Assets, being amortized:					
Land	42,083	-	-	-	42,083
Buildings	345,062	-	-	-	345,062
Furniture and office equipment	31,630	-	-	-	31,630
Subscription based assets	188,945	-	-	-	188,945
Total capital assets, being depreciated or amortized - net	623,933,618	59,823,011	(6,492)	1,504,483	682,245,654

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Assets (Continued)

4. Capital Assets (Continued)

Capital asset activity for the year ended December 31, 2025 was as follows:

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Business-type activities: (continued)					
Less accumulated depreciation for:					
Buildings	$ 98,288,225	$ 5,830,028	$ -	$ 8,195	$ 104,110,058
Furniture and office equipment	830,493	100,264	-	-	930,757
Machinery and automotive equipment	43,869,623	4,172,136	(6,492)	1,400,251	46,635,016
Other improvements including infrastructure	201,169,002	7,813,879	-	45,261	208,937,620
Less accumulated amortization for:					
Land	11,916	3,972	-	-	15,888
Buildings	28,041	9,347	-	-	37,388
Furniture and office equipment	8,355	6,328	-	-	14,683
Subscription based assets	100,844	60,018	-	-	160,862
Total accumulated depreciation or amortization	344,306,499	17,995,972	(6,492)	1,453,707	360,842,272
Total capital assets, being depreciated or amortized - net	279,627,119	41,827,039	-	50,776	321,403,382
Business-type activities capital assets - net	$ 359,574,981	$ 72,823,962	$ -	$ 57,152,449	$ 375,246,494

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

	Depreciation Expense	Amortization Expense
Governmental activities:		
General government	$ 481,710	$ 321,905
Public safety	2,007,377	826,327
Public works	6,203,379	32,009
Culture and recreation	3,150,742	29,386
Economic Development	-	589
Total governmental activities	$ 11,843,208	$ 1,210,216
Business-type activities:		
Water utility	$ 4,753,205	$ 11,684
Wastewater utility	7,903,031	14,303
Hydroelectric utility	650,111	911
Stormwater utility	1,890,369	3,090
Street light utility	210,556	442
Parking system	865,671	1,030
Refuse service	329,715	7,357
Municipal athletic complex	345,621	6,032
River's edge convention center	968,028	34,816
Total business-type activities	$ 17,916,307	$ 79,665

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Liabilities

Long-Term Debt

1. Changes in Long-Term Debt

The following is a summary of long-term liability activity of the City for the year ended December 31, 2025:

	Balance 01/01/25	Issued	Retired	Balance 12/31/25
Governmental Activities:				
General obligation bonds	$ 29,910,000	$ 8,650,000	$ 3,385,000	$ 35,175,000
General obligation sales tax bonds	3,655,000	-	360,000	3,295,000
General obligation improvement bonds	13,700,000	-	4,330,000	9,370,000
General obligation tax increment bonds	780,000	-	155,000	625,000
General obligation street reconstruction bonds	21,540,000	7,665,000	2,055,000	27,150,000
Unamortized premiums	6,323,080	2,127,752	1,047,162	7,403,670
Lease liability	1,716,771	266,324	894,220	1,088,875
Subscriptions	303,183	106,631	367,107	42,707
Financed purchase	96,217	-	27,996	68,221
Loans payable	3,754,702	-	-	3,754,702
Compensated absences*	8,426,096	1,185,345	-	9,611,441
Total Governmental Activities	90,205,049	20,001,052	12,621,485	97,584,616
Business Type Activities:				
Revenue bonds	780,000	-	380,000	400,000
General obligation revenue bonds	26,205,000	-	2,220,000	23,985,000
Notes from direct borrowing [(1)]	87,030,862	11,246,800	8,489,704	89,787,958
Unamortized premiums	2,718,594	-	291,925	2,426,669
Unamortized discounts	(18,218)	-	(4,554)	(13,664)
Lease liability	386,089	-	14,666	371,423
Subscriptions	70,861	-	61,339	9,522
Financed purchase	68,482	-	26,477	42,005
Compensated absences*	1,754,328	145,825	-	1,900,153
Total Business Type Activities	118,995,998	11,392,625	11,479,557	118,909,066
Total Long-Term Liabilities	$ 209,201,047	$ 31,393,677	$ 24,101,042	$ 216,493,682

[(1)] = $3,745,119 of PFA loan principal anticipated to be withdrawn in future years.

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

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Liabilities (Continued)

Long-Term Debt (Continued)

2. Annual Requirements – Principal and Interest

All Government Bonds included in the Governmental Activities carry the full faith and credit guarantee of the City. This includes Improvement Bonds financed primarily through special assessments.

The annual requirements to retire all bonded debt outstanding as of December 31, 2025:

Year Ending	Governmental Activities			Business-Type Activities		
December 31	Principal	Interest	Total	Principal	Interest	Total
2026	$ 11,105,000	$ 2,755,048	13,860,048	$ 11,843,000	$ 1,939,816	$ 13,782,816
2027	9,710,000	2,505,858	12,215,858	11,238,000	1,788,740	13,026,740
2028	9,185,000	2,142,175	11,327,175	11,153,000	1,573,083	12,726,083
2029	6,935,000	1,812,838	8,747,838	11,026,000	1,357,559	12,383,559
2030	5,575,000	1,529,672	7,104,672	10,569,000	1,154,693	11,723,693
2031-2035	24,730,000	4,155,253	28,885,253	35,593,077	3,554,742	39,147,819
2036-2040	7,265,000	481,047	7,746,047	21,157,000	1,268,022	22,425,022
2041-2045	1,110,000	22,300	1,132,300	5,339,000	253,524	5,592,524
Total	75,615,000	15,404,191	91,019,191	117,918,077	12,890,179	130,808,256
Less [1]	-	-	-	(3,745,119)	-	(3,745,119)
Total	$ 75,615,000	$ 15,404,191	$ 91,019,191	$ 114,172,958	$ 12,890,179	$ 127,063,137

[1] = PFA loan to be withdrawn in future years.

The annual requirements to retire all leases outstanding as of December 31, 2025:

Year Ending	Governmental Activities			Business-Type Activities		
December 31	Principal	Interest	Total	Principal	Interest	Total
2026	$ 416,217	$ 33,071	$ 449,288	$ 15,201	$ 13,351	$ 28,552
2027	273,304	18,952	292,256	15,753	12,798	28,551
2028	157,121	10,095	167,216	11,923	12,265	24,188
2029	102,989	5,391	108,380	12,197	11,787	23,984
2030	13,099	3,244	16,343	10,403	11,337	21,740
2031-2035	42,078	13,271	55,349	43,064	50,636	93,700
2036-2040	56,624	7,540	64,164	40,336	41,364	81,700
2041-2045	27,443	999	28,442	48,230	35,470	83,700
2046-2050	-	-	-	57,669	26,031	83,700
2051-2055	-	-	-	68,955	14,745	83,700
2056-2058	-	-	-	47,692	2,529	50,221
Total	$ 1,088,875	$ 92,563	$ 1,181,438	$ 371,423	$ 232,313	$ 603,736

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Liabilities (Continued)

Long-Term Debt (Continued)

2. Annual Requirements – Principal and Interest (Continued)

The annual requirements to retire all subscriptions outstanding as of December 31, 2025:

Year Ending December 31	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2026	$ 34,493	$ 1,984	$ 36,477	$ 4,572	$ 476	$ 5,048
2027	8,214	251	8,465	4,950	247	5,197
Total	$ 42,707	$ 2,235	$ 44,942	$ 9,522	$ 723	$ 10,245

The annual requirements to retire all financed purchases outstanding as of December 31, 2025:

Year Ending December 31	Governmental Activities			Business-Type Activities		
	Financed Purchase			Financed Purchase		
	Principal	Interest	Total	Principal	Interest	Total
2026	$ 29,098	$ 2,513	$ 31,611	$ 27,689	$ 1,592	$ 29,281
2027	30,284	1,328	31,612	14,316	324	14,640
2028	8,839	191	9,030	-	-	-
Total	$ 68,221	$ 4,032	$ 72,253	$ 42,005	$ 1,916	$ 43,921

The annual requirements to retire all loans payable outstanding as of December 31, 2025:

Year Ending December 31	Governmental Activities		
	Loans Payable		
	Principal	Interest	Total
2026	$ -	$ -	$ -
2027	-	-	-
2028	-	-	-
2029	-	-	-
2030	3,754,702	-	3,754,702
Total	$ 3,754,702	$ -	$ 3,754,702

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Liabilities (Continued)

Long-Term Debt (Continued)

3. Components of Long-Term Liabilities

Long-term liabilities at December 31, 2025, are comprised of the following individual issues:

PRIMARY GOVERNMENT

Description	Interest Rate	Final Maturity	Original Issued	Outstanding	Due Within One Year
GOVERNMENTAL ACTIVITIES					
General Obligation Bonds:					
Equipment Certificates					
Series 2016A	2.00 to 5.00%	2026	$ 3,085,000	$ 360,000	$ 360,000
Series 2016G	2.00 to 4.00	2026	4,990,000	630,000	630,000
Series 2024B	5.00	2035	4,005,000	4,005,000	260,000
Series 2025A	5.00	2037	8,650,000	8,650,000	-
Street Reconstruction					
Series 2017A	2.00 to 5.00	2029	3,280,000	1,420,000	345,000
Series 2018B	5.00	2029	4,060,000	1,890,000	440,000
Series 2019A	4.00 to 5.00	2030	4,045,000	2,280,000	415,000
Series 2021B	2.00 to 5.00	2033	2,485,000	1,925,000	215,000
Series 2022B	4.00 to 5.00	2033	4,310,000	3,635,000	380,000
Series 2023A	5.00	2034	4,670,000	4,325,000	410,000
Series 2024B	5.00	2035	4,010,000	4,010,000	260,000
Series 2025A	5.00	2037	7,665,000	7,665,000	-
Capital Improvement Plan Bond					
Series 2021A	2.00 to 5.00	2042	8,710,000	7,925,000	345,000
Public Safety Facilities					
Refunding, Series 2017C	2.13 to 5.00	2028	19,565,000	6,925,000	2,215,000
Park Referendum 2024A	5.00	2035	6,680,000	6,680,000	435,000
Total General Obligation Bonds			90,210,000	62,325,000	6,710,000
Sales Tax Bonds:					
Tax Abatement					
YMCA/Aquatics Center, Series 2016B	2.00 to 4.00	2039	3,055,000	2,315,000	140,000
Beaver Island Trail Phase 3, Series 2016B	2.00 to 4.00	2029	2,230,000	980,000	235,000
Total Sales Tax Revenue Bonds			5,285,000	3,295,000	375,000
Improvement Bonds:					
General Obligation					
Infrastructure Management					
Series 2014A	2.00 to 4.00	2026	9,280,000	990,000	990,000
Series 2015A	3.00 to 5.00	2027	10,255,000	2,260,000	1,120,000
Series 2016E	2.00 to 4.00	2027	3,870,000	835,000	410,000
Refunding, Series 2016F	2.00 to 4.00	2027	6,200,000	1,115,000	550,000
Series 2018A	5.00	2029	3,800,000	1,810,000	425,000
Series 2019B	4.00 to 5.00	2030	2,125,000	1,230,000	230,000
Series 2021B	2.00 to 5.00	2033	1,545,000	1,130,000	135,000
Total Improvement Bonds			37,075,000	9,370,000	3,860,000

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Liabilities (Continued)

Long-Term Debt (Continued)

3. Components of Long-Term Liabilities (Continued)

PRIMARY GOVERNMENT (CONTINUED)

Description	Interest Rate	Final Maturity	Original Issued	Outstanding	Due Within One Year
GOVERNMENTAL ACTIVITIES (CONTINUED)					
Tax Increment Bonds:					
General Obligation					
Refunding, Series 2011B	2.00 to 3.20%	2028	1,625,000	355,000	115,000
Refunding, Series 2012A	0.50 to 2.50	2031	730,000	270,000	45,000
Total Tax Increment Bonds			2,355,000	625,000	160,000
Lease Liability				1,088,875	416,217
Subscriptions				42,707	34,493
Financed Purchase				68,221	29,098
Loans Payable				3,754,702	-
Compensated Absences				9,611,441	6,051,596
TOTAL GENERAL GOVERNMENTAL ACTIVITIES			$ 134,925,000	$ 90,180,946	$ 17,636,404
BUSINESS TYPE ACTIVITIES					
Revenue Bonds:					
Hydroelectric					
Taxable, Series 2016H	3.00 to 4.00%	2026	$ 3,130,000	$ 400,000	$ 400,000
General Obligation					
Wastewater					
Series 2013B	3.00 to 4.00	2029	5,140,000	1,660,000	395,000
Series 2016A	2.00 to 5.00	2031	4,285,000	1,600,000	350,000
Street Energy					
Tax Abatement, Series 2016B	2.00 to 4.00	2034	6,455,000	3,865,000	385,000
Parking					
Refunding, Series 2017B	4.00 to 5.00	2027	2,785,000	735,000	360,000
River's Edge Convention Center					
Tax Abatement Refunding Series 2021C	2.00 to 5.00	2036	18,615,000	16,125,000	880,000
Total Revenue Bonds			$ 40,410,000	$ 24,385,000	$ 2,770,000

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Liabilities (Continued)

Long-Term Debt (Continued)

3. Components of Long-Term Liabilities (Continued)

PRIMARY GOVERNMENT (CONTINUED)

Description	Interest Rate	Final Maturity	Original Issued	Outstanding	Due Within One Year
BUSINESS TYPE ACTIVITIES (CONTINUED)					
Notes from Direct Borrowing:					
Water					
Series 2009	2.48	2028	6,167,901	$ 1,167,000	$ 379,000
Series 2010	1.66	2030	7,736,790	2,176,000	421,000
Series 2015C	1.00	2035	11,732,105	6,133,000	586,000
Series 2016D	1.00	2031	4,479,021	1,919,000	312,000
Series 2020A	1.03	2040	40,055,140	31,524,000	1,955,000
Series 2022A	1.61	2032	1,166,077	420,173	114,000
Wastewater					
Series 2010	1.77	2030	40,115,015	11,697,000	2,258,000
Series 2016C	1.00	2026	4,062,885	453,000	453,000
Series 2017D	1.10	2037	16,712,029	10,701,000	839,000
Series 2021	1.00	2031	7,419,725	4,648,328	775,000
Series 2024	1.88	2044	22,665,704	18,949,457	981,000
Total Notes from Direct Borrowing			$ 162,312,392	$ 89,787,958	$ 9,073,000
Lease Liability				371,423	15,201
Subscriptions				9,522	4,572
Financed Purchase				42,005	27,689
Compensated Absences				1,900,153	1,073,013
TOTAL BUSINESS TYPE ACTIVITIES			$ 202,722,392	$ 116,496,061	$ 12,963,475
TOTAL DENT OUTSTANDING - PRIMARY GOVERNMENT*			$ 337,647,392	$ 206,677,007	$ 30,599,879

*Excludes unamortized premiums and discounts.

The City pledged future hydroelectric facility revenues, as specified in the bond document, to repay $3,130,000 Hydroelectric Revenue Bonds issued in 2016. Proceeds from the bonds provided financing for improvements to the hydroelectric generation facility. The bonds are payable solely from hydroelectric facility revenues and are payable through 2026. Annual principal and interest payments on the bonds are expected to require less than 20% of net revenues. In 2024, the principal and interest payments represented 23.1% of net revenues. The total principal and interest remaining to be paid on the bonds is $416,000. Principal and interest paid for the current year and total customer net revenues were $411,200 and $1,783,595 respectively.

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Liabilities (Continued)

Long-Term Debt (Continued)

4. Loans Payable – Governmental

The City assumed loan obligations to St. Cloud Opportunities and East Central Energy from the St. Cloud HRA in the amount of $3,754,702 at the end of 2010. The loans represent amounts used to acquire and develop a 355-acre tract of land called the Airport Business Park. Payment on the loans will be made solely with the proceeds from the sale of lots on the property or from other project related resources. Because payments are made from sales proceeds, liabilities are recorded only in an amount equal to the land held for resale.

5. Financed Purchase from Direct Borrowing

On January 3, 2022, the City entered into a financed purchase agreement with Lease Servicing Center, Inc. for a new Zamboni at the Municipal Athletic Complex. The financed purchased obligation for this capital asset totaled $130,145, which was the purchase price of the Zamboni. The financed purchased agreement includes semi-annual payments of $14,528 with the final payment due on February 15, 2027. Depreciation expense for 2025 is $13,014, total accumulated depreciation is $39,043.

On December 4, 2023, the City entered into a financed purchase agreement with Enterprise for a new van for the Engineering Department. The financed purchased obligation for this capital asset totaled $57,534, which was the purchase price of the van. The financed purchased agreement includes monthly payments of $1,129 with the final payment due on December 1, 2027. Depreciation expense for 2025 is $11,507, total accumulated depreciation is $23,973.

On April 3, 2024, the City entered into a financed purchase agreement with Enterprise for a new truck for the Fire Department. The financed purchased obligation for this capital asset totaled $62,404, which was the purchase price of the truck. The financed purchased agreement includes monthly payments of $1,505 with the final payment due on June 1, 2028. Depreciation expense for 2025 is $12,481, total accumulated depreciation is $18,721.

6. Conduit Debt Obligations

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. 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. At December 31, 2025, the bonds have an aggregate outstanding principal amount payable of $687,590,067.

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Liabilities (Continued)

Long-Term Debt (Continued)

7. Lease Liability

Lease obligations and annual payment amounts shown below and on the following pages include both principal and interest.

On July 29, 1997, the City entered into a lease agreement with the St Cloud Veterans Affairs Medical Center and the Department of Veterans Affairs for a ground lease. The obligation totaled $175,000. The agreement includes annual payments of $5,000 through July 28, 2032.

On January 12, 2004, the City entered into a lease agreement with the St Cloud HRA for a portion of Germain Towers. The obligation totaled $340,877. The agreement includes annual payments of $16,740. The lease runs through December 31, 2058.

On March 28, 2022, the City entered into a lease agreement for copiers. The obligation totaled $41,460. The agreement includes monthly payments of $691 through March 28, 2027.

On March 5, 2021, the City entered into a lease agreement for a copier. The obligation totaled $10,980. The agreement includes monthly payments of $183 through April 15, 2026.

On January 26, 2022, the City entered into a lease agreement for a copier. The obligation totaled $11,553. The agreement includes monthly payments of $193 through March 9, 2027.

On November 23, 2021, the City entered into a lease agreement for two Ford Police Interceptor Utility vehicles. The lease obligation totaled $65,005. The lease agreement includes monthly payments of $1,354 through September 1, 2026.

On November 3, 2021, the City entered into a lease agreement for four Chevrolet Traverse vehicles. The lease obligation totaled $102,161. Payments on the lease do not start until the vehicle is fielded. The lease agreement includes monthly payments of $2,128 through July 1, 2026.

Utility vehicles. Payments on the lease do not start until the vehicle is fielded. The lease obligation totaled $127,736. The lease agreement includes monthly payments of $1,331 through August 27, 2026 for two vehicles, $665 through December 1, 2025 for one vehicle, and $665 through June 22, 2026 for one vehicle.

On January 1, 2023, the City entered into two lease agreements for two copiers. The obligation totaled $10,209, each. The agreements include monthly payments of $182 through December 1, 2027.

On March 27, 2023, the City entered into a lease agreement for land rental. The obligation totaled $132,567. The agreement includes annual payments of $8,230 through March 27, 2042.

On January 1, 2023, the City entered into a lease agreement for a computers and miscellaneous technology equipment. The obligation totaled $20,869. The agreement includes annual payments of $7,138 through January 1, 2025. The lease runs through December 31, 2026.

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Liabilities (Continued)

Long-Term Debt (Continued)

7. Lease Liability (Continued)

On November 23, 2021, the City entered into a lease agreement for four Ford Police Interceptor
On March 1, 2023, the City entered into two lease agreements for computers and miscellaneous technology equipment. The obligations totaled $48,859. The agreements include annual payments of $16,733 through March 1, 2025. The lease runs through February 28, 2026.

On June 1, 2023, the City entered into two lease agreements for computers and miscellaneous technology equipment. The obligations totaled $40,930. The agreements include annual payments of $14,010 through June 1, 2025. The lease runs through May 31, 2026.

On August 1, 2023, the City entered into a lease agreement for computers and miscellaneous technology equipment. The obligation totaled $27,783. The agreement includes annual payments of $9,509 through August 1, 2025. The lease runs through July 31, 2026.

On September 1, 2023, the City entered into three lease agreements for computers and miscellaneous technology equipment. The obligations totaled $78,920. The agreements include annual payments of $27,061 through September 1, 2025. The lease runs through August 31, 2026.

On October 1, 2023, the City entered into a lease agreement for computers and miscellaneous technology equipment. The obligation totaled $11,741. The agreement includes annual payments of $4,051 through October 1, 2025. The lease runs through September 30, 2026.

On November 1, 2023, the City entered into two lease agreements for computers and miscellaneous technology equipment. The obligations totaled $33,872. The agreements include annual payments of $11,690 through November 1, 2025. The lease runs through October 31, 2026.

On June 1, 2023, the City entered into a lease agreement for a Chevy Traverse vehicle. The lease obligation totaled $26,950. The lease agreement includes monthly payments of $592 through May 1, 2027.

On January 1, 2023, the City entered into a lease agreement for a copier. The obligation totaled $10,232. The agreement includes monthly payments of $182 through December 1, 2027.

On July 1, 2023, the City entered into a lease agreement for a Ford F-150 vehicle. The lease obligation totaled $38,526. The lease agreement includes monthly payments of $686 through June 1, 2028.

On February 26, 2024, the City entered into a lease agreement for a postage machine. The lease obligation totaled $23,071. The lease agreement includes quarterly payments of $1,154. The lease runs through May 25, 2029.

On January 1, 2024, the City entered into a lease agreement for computers and miscellaneous technology equipment. The obligation totaled $43,134. The agreement includes annual payments of $14,378 through January 1, 2026. The lease runs through December 31, 2026.

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Liabilities (Continued)

Long-Term Debt (Continued)

7. Lease Liability (Continued)

On March 1, 2024, the City entered into a lease agreement for computers and miscellaneous technology equipment. The obligation totaled $14,567. The agreement includes annual payments of $4,856 through March 1, 2026. The lease runs through February 28, 2027.

On May 1, 2024, the City entered into a lease agreement for computers and miscellaneous technology equipment. The obligation totaled $201,604. The agreement includes annual payments of $67,201 through May 1, 2026. The lease runs through April 30, 2027.

On July 1, 2024, the City entered into a lease agreement for computers and miscellaneous technology equipment. The obligation totaled $20,030. The agreement includes annual payments of $6,677 through July 1, 2026. The lease runs through June 30, 2027.

On December 1, 2024, the City entered into a lease agreement for computers and miscellaneous technology equipment. The obligation totaled $28,923. The agreement includes annual payments of $9,641 through December 1, 2026. The lease runs through November 30, 2027.

On March 1, 2024, the City entered into a lease agreement for A/V Equipment. The lease obligation totaled $79,753. The lease agreement includes monthly payments of $1,329 through February 1, 2029.

On September 1, 2024, the City entered into a lease agreement for a Ford F-150 vehicle. The lease obligation totaled $49,239. The lease agreement includes monthly payments of $1,026 through August 1, 2028.

On February 1, 2024, the City entered into two lease agreements for two Ford Police Interceptor Utility vehicles. The lease obligation totaled $88,632. The lease agreement includes monthly payments of $1,847 through January 1, 2028.

On March 1, 2024, the City entered into two lease agreements for three Ford Police Interceptor Utility vehicles. The lease obligation totaled $135,094. The lease agreement includes monthly payments of $2,815 through February 1, 2028.

On April 1, 2024, the City entered into a lease agreement for two Ford Police Interceptor Utility vehicles. The lease obligation totaled $90,649. The lease agreement includes monthly payments of $1,889 through March 1, 2028.

On December 1, 2024, the City entered into two lease agreement for five Ford Police Interceptor Utility vehicles. The lease obligations totaled $286,618. The lease agreement includes monthly payments of $4,777 through November 1, 2029.

On March 1, 2024, the City entered into a lease agreement for a Hyundai Tucson vehicle. The lease obligation totaled $46,637. The lease agreement includes monthly payments of $777 through February 1, 2029.

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Liabilities (Continued)

Long-Term Debt (Continued)

7. Lease Liability (Continued)

On December 1, 2024, the City entered into a lease agreement for a Ford Explorer vehicle. The lease obligation totaled $68,130. The lease agreement includes monthly payments of $1,136 through November 1, 2029.

On December 1, 2024, the City entered into a lease agreement for a copier. The obligation totaled $12,241. The agreement includes monthly payments of $204 through November 1, 2029.

On April 28, 2025, the City entered into a lease agreement for a copier. The obligation totaled $93,433. The agreement includes monthly payments of $1,557 through March 28, 2030.

On February 1, 2025, the City entered into a lease agreement for a Ford Tucson vehicle. The lease obligation totaled $38,382. The lease agreement includes monthly payments of $598 through January 1, 2030.

On May 1, 2025, the City entered into a lease agreement for a copier. The obligation totaled $11,420. The agreement includes monthly payments of $190 through May 1, 2030.

On March 1, 2025, the City entered into two lease agreements for computers and miscellaneous technology equipment. The obligations totaled $86,611. The agreements include annual payments of $28,871 through March 1, 2027. The lease runs through February 28, 2028.

On November 1, 2025, the City entered into a lease agreement for computers and miscellaneous technology equipment. The obligation totaled $11,592. The agreement includes monthly payments of $322 through October 1, 2028.

On November 1, 2025, the City entered into a lease agreement for computers and miscellaneous technology equipment. The obligation totaled $21,389. The agreement includes annual payments of $7,130 through November 1, 2027. The lease runs through October 31, 2028.

On December 1, 2025, the City entered into a lease agreement for computers and miscellaneous technology equipment. The obligation totaled $21,637. The agreement includes annual payments of $7,212 through December 1, 2027. The lease runs through November 30, 2028.

8. Subscription Liability

On January 1, 2023, the City entered into a subscription-based information technology arrangement (SBITA) with CDW-G for Cisco Direct software. A one-time payment of $17,730. was made on April 24, 2023. The arrangement runs through January 1, 2026.

On January 2, 2023, the City entered into a subscription-based information technology arrangement (SBITA) with VelocityEHS. The obligation totaled $33,320. Variable payments made for 2025 totaled $6,658 with a three percent increase per annum. The subscription runs through January 1, 2028.

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Liabilities (Continued)

Long-Term Debt (Continued)

8. Subscription Liability (Continued)

On March 1, 2023, the City entered into a subscription-based information technology arrangement (SBITA) with CDW-G for a Microsoft Enterprise Agreement subscription. Total payments for 2025 were $194,796.75 which includes payment for additional licenses for the final year of the agreement. The arrangement runs through February 28, 2026.

On August 1, 2023, the City entered into a subscription-based information technology arrangement (SBITA) with Momentus Technologies for Ungerboeck software. The obligation totaled $65,005. Variable payments made during 2025 totaled $24,165. The arrangement runs through July 31, 2026.

On September 6, 2023, the City entered into a subscription-based information technology arrangement (SBITA) with Sanity Solutions for Beyond Identity licenses. The obligation totaled $102,919. The arrangement includes annual payments of $34,306. The arrangement runs through September 6, 2026.

On January 1, 2024, the City entered into a subscription-based information technology arrangement (SBITA) with Traffic Control Corporation for Centracs software. A one-time payment of $10,450 was made in January 2024. The arrangement runs through December 31, 2026.

On March 1, 2024, the City entered into a subscription-based information technology arrangement (SBITA) with Prana Diabetes for license to their HabitNu platform. Annual payments of $9,000 will be made for two years. The arrangement runs through February 28, 2026.

On April 22, 2024, the City entered into a subscription-based information technology arrangement (SBITA) with CDW-G for Netmotion software. One-time payments totaling $85,208 were made in 2024, for the arrangement which runs through October 16, 2029.

On April 25, 2024, the City entered into a subscription-based information technology arrangement (SBITA) with ePlan, Inc. for ePlansoft Review subscription licenses. The original agreement was modified in 2025 and variable payments totaling $98,051 are being made annually. The arrangement runs through April 24, 2027.

On August 1, 2024, the City entered into a subscription-based information technology arrangement (SBITA) with LogMeIn USA for LastPass licenses. A one-time payment of $100,781 was made on August 28, 2024. The arrangement runs through July 31, 2029.

On October 1, 2024, the City entered into a subscription-based information technology arrangement (SBITA) with CDW-G for Netmotion software. A one-time payment of $110,563 was made in 2024. On August 27, 2025, a one-time payment of $12,500 was made for additional licenses for the arrangement which runs through September 30, 2029.

On November 1, 2024, the City entered into a subscription-based information technology arrangement (SBITA) with TransUnion for a subscription to TLOxP. The obligation totals $21,600, monthly payments are $600. The arrangement runs through October 31, 2027.

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Liabilities (Continued)

Long-Term Debt (Continued)

8. Subscription Liability (Continued)

On September 24, 2024, the City entered into a subscription-based information technology arrangement with High Point Networks for a subscription for Veeam Essentials. A one-time payment of $2,568 was made on September 23, 2024. The arrangement runs through September 24, 2027.

On April 12, 2025, the City entered into a subscription-based information technology arrangement (SBITA) with Law Enforcement Technologies for a subscription for LETS base service. A one-time payment of $3,582 was made on March 1, 2025. The arrangement runs through April 11, 2027.

On August 1, 2025, the City entered into a subscription-based information technology arrangement (SBITA) with Calculated Risk Technologies for a subscription for the CRT Tool Suite. A one-time payment of $4,500 was made on August 4,2025. The arrangement runs through July 31, 2028.

On December 1, 2025, the City entered into a subscription-based information technology arrangement (SBITA) with High Point Technologies for a subscription for the Extreme NAC. A one-time payment of $86,049 was made on August 4,2025. The arrangement runs through December 1, 2032.

C. Summary of Interfund Balances

Advance To/From Other Funds

	Advance To Other Funds		Advance From Other Funds
Non-Major Governmental	$ 61,663	(1)	$ 711,663
Water Utility	325,000	(1)	-
Wastewater Utility	325,000	(1)	-
Total	$ 711,663		$ 711,663

(1) = Economic development advance

Due From/To Other Funds

	Due From Other Funds		Due To Other Funds
General	$ 1,758,371	(1)	$ -
Infrastructure Management Capital Projects	4,325,972	(1)	-
Non-Major Governmental	581,139	(1)	4,907,111
Internal Service	-	(1)	1,758,371
Total	$ 6,665,482		$ 6,665,482

(1) = Provide funding for negative cash at year end.

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Summary of Interfund Balances (Continued)
Interfund Transfers

Transfers In Reported In Fund	Transfers Out Reported In Fund	Amount	
Other non-major governmental	Infrastructure management capital projects	$ 71,053	(2)
	Other non-major governmental	5,011,839	(1),(2)
	General	161,600	(1)
Improvement bonds debt service	Infrastructure management capital projects	4,755,000	(2)
Improvement construction capital projects	Other non-major governmental	1,351,444	(2)
	Water utility enterprise	1,854,045	(3)
	Wastewater utility enterprise	1,072,042	(3)
	Storm water utility enterprise	673,840	(3)
Street light utility enterprise	Internal service	99,679	(2)
General	Internal service	158,000	(2)
Water utility enterprise	Internal service	127,000	(2)
	Wastewater utility enterprise	174,901	(6)
	Storm water utility enterprise	226,704	(6)
Wastewater utility enterprise	Storm water utility enterprise	623,943	(6)
Storm water utility enterprise	Wastewater utility enterprise	179,403	(6)
Parking system enterprise	General	15,796	(1)
Municipal athletic complex enterprise	River's edge convention center enterprise	65,881	(5)
	Other non-major governmental	737,500	(4)
Total		$17,359,670	
Transfers in, reported in	Statement of revenues, expenditures, and changes in fund balance (B-3)	$15,108,863	
	Statement of revenues, expenses, and changes in fund net position (C-2)	2,250,807	
Total		$17,359,670	
Net transfers in, reported in	Statement of revenues, expenditures, and changes in fund balance (B-3)	$ 3,004,631	
	Transfer from governmental to business-type (C-2)	(384,679)	
	Capital contributions from business-type to governmental (C-3)	-	
	Capital contributions from governmental to business-type (C-3)	(28,153)	
Net transfers in, reported in	Statement of activities (A-2)	$ 2,591,799	

(1) = Budgeted or council approved transfer
(2) = Transfer for debt service payments, and cost sharing of expenditures
(3) = Transfer for funds share of improvement construction projects.
(4) = Transfer of sales tax for capital improvements.
(5) = Transfer for capital related debt payments.
(6) = Transfer of assets

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Components of Fund Balance

At December 31, 2025, portions of the City's fund balance are not available for appropriation due to balances that cannot be spent (Non-spendable), legal restrictions (Restricted), City Council action (Committed), policy and/or intent (Assigned). The following is a summary of the components of fund balance:

	General	Improvement Bonds	Infrastructure Management Capital Projects	Improvement Construction Capital Projects	Other Non-Major Governmental
Nonspendable					
Inventory	$ 13,972	$ -	$ -	$ -	$ -
Prepaid items	223,713	-	-	-	20,412
Restricted					
Debt service payments	-	-	-	-	5,084,995
Economic development	-	-	-	-	6,409,670
Tax increment financing	-	-	-	-	1,333,770
Fire equipment	-	-	-	-	149,144
Park development	-	-	-	-	620,936
Radio and IT equipment	-	-	-	-	6,620,975
Committed					
Library operations	-	-	-	-	155,816
Development	-	-	-	-	473,911
Park development and gardens	-	-	-	-	955,622
Senior programs	-	-	-	-	273,388
Tax increment financing	-	-	-	-	701,707
City festivals	-	-	-	-	142,631
Fire hazardous material	-	-	-	-	23,611
Metro area network	-	-	-	-	283,796
Cable TV access	-	-	-	-	644,637
National opiod settlement	-	-	-	-	73,920
Affordable housing aid	-	-	-	-	178,508
Assigned					
Debt service payments	-	-	10,138,325	-	-
Community facilities	-	-	-	-	10,892,778
Senior programs	203,000	-	-	-	-
Equipment purchases	-	-	-	-	201,862
Infrastructure improvements	-	-	-	1,858,366	4,074,625
Unassigned	28,122,127	(1,725)	-	-	(1,625,029)
Total Fund Balance	$ 28,562,812	$ (1,725)	$ 10,138,325	$ 1,858,366	$ 37,691,685

IV. OTHER INFORMATION

A. Risk Management

Worker's Compensation

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 disasters. The City participates in a group worker's compensation plan with the League of Minnesota Cities Insurance Trust (LMCIT), which is a public entity risk pool currently operating as a common risk management and insurance program for member Minnesota cities. The plan is administered by Berkley Administrators.

The worker's compensation plan is self-sustaining based on the premiums charged, so that total contributions plus compounded earnings on these contributions will equal the amount needed to satisfy claims liabilities and other expenses. The City has entered into a paid loss retro plan with LMCIT whereby the City's premium depends in part on the actual losses incurred during the year. The City pays a basic premium in monthly installments and at the end of each month LMCIT invoices the City for claims paid during that period. Each department is charged their share of the premium cost based upon salary and worker's compensation class code. The payments for the paid loss retro plan are made out of the Self-Insurance Internal Service Fund.

	Year Ended	
	2025	2024
Beginning of year liability	$ 53,697	$ 103,995
Current year claims and administration	848,307	1,020,470
Claim payments	(846,953)	(1,070,768)
End of year liability	$ 55,051	$ 53,697

Dental Insurance

The City contracts with HealthPartners to administer a self-insured dental benefits plan for its employees. The City sets annual premiums based on the recommendation of the plan administrator, and accumulates premiums collected from all funds in the Self Insurance Internal Service Fund. All claims are processed through HealthPartners, who bills the City monthly for the actual dental costs incurred by covered employees. The payments to HealthPartners are made out of the premiums accumulated in the Self-Insurance Internal Service Fund.

	Year Ended	
	2025	2024
Beginning of year liability	$ 12,577	$ 15,606
Current year claims and administration	545,736	559,540
Claim payments	(543,063)	(562,569)
End of year liability	$ 15,250	$ 12,577

IV. OTHER INFORMATION (CONTINUED)

A. Risk Management (Continued)

Health Insurance

On January 1, 2013 the City consolidated all health insurance coverage with HealthPartners and established a self-insurance program. The program is funded by the City contributions, employee payroll withholding, and payments from retired City employees that remain on the City's insurance plan. The funds are deposited in the Self Insurance Internal Service Fund from which all claims plus an administration fee are charged. Stop-loss coverage is in effect for individual claims exceeding $100,000. The current minimum aggregate attachment point for the current year was set at $10,876,111, which is 125% of the expected claims for the plan year.

Changes in the health insurance liability for claims and administration fees for the health insurance program for the Self Insurance Internal Service Fund are as follows:

	Year Ended	
	2025	2024
Beginning of year liability	$ 490,131	$ 840,946
Current year claims and administration	13,798,145	13,443,607
Claim payments	(13,860,325)	(13,794,422)
End of year liability	$ 427,951	$ 490,131

The City continues to carry commercial insurance for employee standard liability, property, and automotive insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There were no significant reductions in insurance coverage from the previous year.

B. Post-employment HealthCare Plan

1. Plan Description

The City's defined OPEB plan provides a single employer defined benefit healthcare plan to eligible retirees and their spouses. The plan offers medical coverage. Medical coverage is administered by HealthPartners. It is the City's policy to periodically review its medical coverage, and to obtain requests for proposals in order to provide the most favorable benefits and premiums for City employees and retirees. No assets are accumulated in a trust.

In addition, the City provides retiree health care benefits in accordance with various union contracts, relief association bylaws, and state statutes. The City's obligation for post-retirement benefits are all financed on a pay-as-you-go basis. The General Fund is typically used to liquidate governmental OPEB liabilities.

IV. OTHER INFORMATION (CONTINUED)

B. Post-employment HealthCare Plan (Continued)

2. Contributions

Retirees and their spouses contribute to the healthcare plan at the same rate as City employees, except as described below. This results in the retirees receiving an implicit rate subsidy. Contribution requirements are established by the City, based on the contract terms with HealthPartners. Contributions of $1,443,569 for 2025 were paid according to the following agreements:

a. St. Cloud Firefighter's Relief Association Members

The City's obligation for retired employees who were members of the St. Cloud Firefighter's Relief Association consists of the payment of 100% of the health and dental insurance benefits for the retiree (minimum age 50) and surviving spouse for life. The authority for the payment of this obligation resulted from special state legislation. Expenditures for the retiree and surviving spouse health care benefits are recognized as claims are paid and are recorded as current expenditures in the Fire Department in the General Fund. The City of St. Cloud provided coverage to nine retirees and surviving spouses during 2025 at a cost of $134,845.

b. St. Cloud PERA Firefighter Members

The City's obligation for retired PERA firefighters who were hired before July 23rd, 2001 consists of payment of 100% of the cost of single health insurance premiums or 90% of the cost of family health insurance premiums from age of retirement during any five-consecutive year period following the date of retirement for fire captains and during the five-consecutive year period immediately following retirement for battalion chiefs and fire fighters. Also, the City will pay for coverage on behalf of the retired employee at the rate of 50% of the cost of the premium during the year following the five years designated by the employee.

The authority for the payment of this obligation is from the union contract or in accordance with State Statute §299A.465; when a police officer or firefighter is disabled in the line of duty, the City is responsible for the continued payment of the employer's contribution for health insurance coverage of the officer or firefighter and, if applicable, their dependents until the officer or firefighter reaches or, if deceased, would have reached the age of 65. Expenditures for retiree health care benefits are recognized as claims are paid and are recorded as current expenditures in the Fire Department in the General Fund. The City provided coverage to 21 retirees, five due to disability, during 2025 at a cost of $422,573.

IV. OTHER INFORMATION (CONTINUED)

B. Post-employment HealthCare Plan (Continued)

2. Contributions (Continued)

c. St. Cloud PERA Police Members

The City's obligation for retired PERA police members who were hired before January 1st, 1999 consists of payment of 100% of the cost of single health insurance premiums or 90% of the cost of family health insurance premiums from age of retirement during any five-consecutive year period following the date of retirement for police lieutenants and during the five-consecutive year period immediately following retirement up to age 65 for police officers, sergeants and commanders. Also, the City will pay for coverage on behalf of the retired employee (up to age 65) at the rate of 50% of the cost of the premium during the year following the five years designated by the employee.

The authority for the payment of this obligation is from the union contract or in accordance with State Statute §299A.465; when a police officer or firefighter is disabled in the line of duty, the City is responsible for the continued payment of the employer's contribution for health insurance coverage of the officer or firefighter and, if applicable, their dependents until the officer or firefighter reaches or, if deceased, would have reached the age of 65. Expenditures for retiree health care benefits are recognized as claims are paid and are recorded as current expenditures in the Police Department in the General Fund. The City provided coverage to 29 retirees, 12 due to disability, during 2025 at a cost of $657,104.

d. St. Cloud AFSCME General Members

The City's obligation for AFSCME General members who retire after age 55 consists of the payment of 100% of the cost of single health insurance premiums or 90% of the cost of family health insurance premiums for qualified earned years of coverage, with a maximum of five years, during the consecutive period immediately following retirement, up to age 65. Also, the City will pay for qualified earned coverage in excess of five years on behalf of the retired employee (up to age 65) at the rate of 50% of the cost of the premium during the year following the initial five years.

AFSCME General members who were hired prior to January 1, 2007, will earn one year of retiree insurance for each five-year increment of service for the first twenty years of service. After twenty years of service, an employee will gain six months of insurance coverage for each two and one-half years of service. The maximum coverage available under this benefit shall be six years. AFSCME General employees hired between January 1, 2007 through December 31, 2012 must have a minimum of 20 years of service to qualify for these benefits. AFSCME General employees hired after January 1, 2013 are not eligible for any City paid retiree health insurance. The authority for the payment of this obligation is from the AFSCME General union contract.

Expenditures for retiree health care benefits are recognized as current expenditures in the appropriate department. The City provided coverage to 14 retirees in 2025 at a cost of $163,619.

IV. OTHER INFORMATION (CONTINUED)

B. Post-employment HealthCare Plan (Continued)

2. Contributions (Continued)

e. Unclassified and Classified Non-Bargaining Employees

The City's obligation for retired unclassified and classified non-bargaining employees who were appointed prior to August 6, 2001, consists of the payment of 100% of the cost of single health insurance coverage or 90% of the cost of family coverage during the five-consecutive year period immediately following the date of retirement up to age 65. Also, the City will pay for coverage on behalf of the retired employee (up to age 65) at a rate of 50% of the premium cost during the year following the five years designated by the employee.

The authority for the payment of this obligation is from the employment guide for unclassified and classified non-bargaining employees. Expenditures for retiree health care benefits are recognized as current expenditures in the appropriate department. The City provided coverage to three retirees in 2025 at a cost of $65,428.

3. Members

As of December 31, 2023, the following were covered by the benefit terms:

Active employees electing coverage	449
Active employees waiving coverage	27
Retirees electing coverage	86
Total	562

IV. OTHER INFORMATION (CONTINUED)

B. Post-employment HealthCare Plan (Continued)

4. Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of December 31, 2025, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Key Methods and Assumptions Used in Valuation of Total OPEB Liability	
Inflation	2.50%
Health care cost trend rate	
Group Plans	6.90% for FY2024, gradually decreasing over several decades to an ultimate rate of 3.90% in FY2075 and later years.
Medicare Plans	5.1% for FY2024, gradually decreasing over several decades to an ultimate rate of 3.90% in FY2075 and later years.
Mortality assumptions:	
General Employees	Based on the Pub-2010 General mortality tables with projected mortality improvements based on scale MP-2021, and other adjustments.
Police & Fire Employees	Based on the Pub-2010 Public Safety mortality tables with projected mortality improvements based on scale MP-2021, and other adjustments.

The discount rate used to measure the total OPEB liability was 4.08% based on the Fidelity 20-year Municipal GO AA Index.

5. Total OPEB Liability

The City's total OPEB liability of $24,370,651 was measured as of December 31, 2024 and was determined by an actuarial valuation as of that date.

Changes in the total OPEB liability are as follows:

	Total OPEB Liability
Balance at January 1, 2025 [(1)]	$ 24,970,053
Changes for the year:	
Services cost	952,532
Interest	940,178
Differences between expected and actual experience	(78,581)
Changes in assumptions	(445,176)
Changes in benefit terms	-
Employer contributions	(1,968,355)
Net Changes	(599,402)
Balance at December 31, 2025 [(1)]	$ 24,370,651

IV. OTHER INFORMATION (CONTINUED)

B. Post-employment HealthCare Plan (Continued)

5. Total OPEB Liability (Continued)

Changes in assumptions and other inputs reflect a change in the discount rate from 3.77% in 2024 to 4.08% in 2025.

[(1)]The City has elected to use the GASB 75 "lookback" method where assets and liabilities are measured as of the prior fiscal year-end; but applied to the current fiscal year.

6. OPEB Liability Sensitivity

The following presents the City's total OPEB liability calculated using the discount rate of 4.08% as well as the liability measured using 1% lower and 1% higher than the current discount rate.

		Total OPEB Liability
1% Lower	3.08%	$ 25,841,082
Current Discount Rate	4.08%	$ 24,370,651
1% Higher	5.08%	$ 22,998,341

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 and 1% higher than the current healthcare cost trend rates.

		Total OPEB Liability
1% Lower	5.90%	$ 22,361,679
Current Trend Rate	6.90%	$ 24,370,651
1% Higher	7.90%	$ 26,650,645

7. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2025, the City recognized OPEB expense of $2,869,612. At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual liability	$ 6,202,815	$ 101,678
Changes in acturial assumptions	1,128,119	2,698,946
Contributions paid subsequent to the measurement date	2,047,834	-
Total	$ 9,378,768	$ 2,800,624

IV. OTHER INFORMATION (CONTINUED)

B. Post-employment HealthCare Plan (Continued)

7. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

The $2,047,834 reported as deferred outflows of resources related to OPEB resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31	Total
2026	$ 933,917
2027	1,053,820
2028	856,122
2029	614,104
2030	405,470
Thereafter	666,877
	$ 4,530,310

C. Defined Benefit Pension Plans

The City participates in various pension plans. Total pension expense for all plans recognized by the City for the year ended December 31, 2025, was $4,114,536.

The General Fund, Water, Wastewater, Hydroelectric, Stormwater, Street Light, Parking System, Refuse, Municipal Athletic Complex (MAC), and River's Edge Convention Center typically liquidate the liability related to pensions.

1. 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, 353D, 353E, 353G, and 356. Minnesota Statutes Chapter 356 defines each plan's financial reporting requirements. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

a. General Employees Retirement Plan

Membership in the General Plan includes employees of counties, cities, townships, schools in non-certified positions, and other governmental entities whose revenues are derived from taxation, fees, or assessments. Plan membership is required for any employee who is expected to earn more than $425 in a month, unless the employee meets exclusion criteria.

IV. OTHER INFORMATION (CONTINUED)

C. Defined Benefit Pension Plans (Continued)

1. Plan Description (Continued)

b. Public Employees Police and Fire Plan

Membership in the Police and Fire Plan includes full-time, licensed police officers and firefighters who meet the membership criteria defined in Minnesota Statutes § 353.64 and who are not earning service credit in any other PERA retirement plan or a local relief association for the same service. Employers can provide Police and Fire Plan coverage for part-time positions and certain other public safety positions by submitting a resolution adopted by the City Council. The resolution must state that the position meets plan requirements.

2. 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. When a member is vested, they have earned enough service credit to receive a lifetime monthly benefit after leaving public service and reaching an eligible retirement age. Members who retire at or over their Social Security full retirement age with at least one year of service qualify for a retirement benefit.

a. General Employees Plan Benefits

General Employees Plan requires three years of service to vest. Benefits are based on a member's highest average salary for any 5 successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for General Plan members. Members hired prior to July 1, 1989, receive the higher of Step or Level formulas. Only the Level formula is used for members hired after June 30, 1989. Under the Step formula, General Plan members receive 1.2% of the highest average salary for each of the first 10 years of service and 1.7% for each additional year. Under the Level formula, General Plan members receive 1.7% of the highest average salary for all years of service. For members hired prior to July 1, 1989, a full retirement benefit is available when age plus years of service equal 90 and normal retirement age is 65. Members can receive a reduced requirement benefit as early as age 55 if they have three or more years of service. Early retirement benefits are reduced by .25% for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of .25% for each month the member is younger than age 62. The Level formula allows General Plan members to receive a full retirement benefit at age 65 if they were first hired before July 1, 1989 or at age 66 if they were hired on or after July 1, 1989. Early retirement begins at age 55 with an actuarial reduction applied to the benefit.

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%. The 2025 annual increase was 1.25%. 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. 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.

IV. OTHER INFORMATION (CONTINUED)

C. Defined Benefit Pension Plans (Continued)

2. Benefits Provided

b. Police and Fire Plan Benefits

Benefits for the Police and Fire Plan members hired before July 1, 2010, are vested after three years of service. Members hired on or after July 1, 2010, are 50% vested after five years of service and 100% vested after 10 years. After five years, vesting increase by 10% each full year of service until members are 100% vested after 10 years. Police and Fire Plan members receive 3% of highest average salary for all years of service. Police and Fire Plan members receive a full retirement benefit when they are 55 and vested, or when their age plus their years of service equals 90 or greater if they were first hired before July 1, 1989. Early retirement starts at age 50, and early retirement benefits are reduced by 0.417% each month members are younger than age 55.

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. 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.

3. Contributions

Minnesota Statutes Chapter 353, 353E, 353G, and 356 set the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature.

a. General Employees Fund Contributions

General Plan members were required to contribute 6.50% of their annual covered salary in fiscal year 2025 and the City was required to contribute 7.50% for General Plan members. The City's contributions to the General Employees Fund for the year ended December 31, 2025, were $1,872,201. The City's contributions were equal to the required contributions as set by state statute.

b. Police and Fire Fund Contributions

Police and Fire Plan members were required to contribute 11.80% of their annual covered salary in fiscal year 2025 and the City was required to contribute 17.70% for Police and Fire Plan members. The City's contributions to the Police and Fire Fund for the year ended December 31, 2025, were $3,851,367. The City's contributions were equal to the required contributions as set by state statute.

IV. OTHER INFORMATION (CONTINUED)

C. Defined Benefit Pension Plans (Continued)

4. Pension Costs

a. General Employees Fund Pension Costs

At December 31, 2025, the City reported a liability of $8,747,149 for its proportionate share of the General Employees Fund'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 $211,009.

City's proportionate share of the net pension liability	$ 8,747,149
State of Minnesota's proportionate share of the net pension liability associated with the City	211,009
Total	$ 8,958,158

The net pension liability was measured as of June 30, 2025, 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, 2024, through June 30, 2025, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.2640% at the end of the measurement period and 0.2763% for the beginning of the period.

For the year ended December 31, 2025, the City recognized pension expense of $(90,805) for its proportionate share of the General Employees Plan's pension expense. Included in the amount, the City also recognized an additional $42,232 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of $16 million to the General Employees Fund.

IV. OTHER INFORMATION (CONTINUED)

C. Defined Benefit Pension Plans (Continued)

4. Pension Costs (Continued)

a. General Employees Fund Pension Costs (Continued)

At December 31, 2025, the City reported its proportionate share of the General Employees Plan'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 actuarial economic experience	$ 855,663	$ -
Changes in actuarial assumptions	210,753	2,077,745
Net difference between projected and actual investment earnings	-	3,592,108
Changes in proportion	264,630	342,675
Contributions paid to PERA subsequent to the measurement date	936,100	-
Total	$ 2,267,146	$ 6,012,528

The $936,100 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, 2026. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31	Pension Expense Amount
2026	$ (981,514)
2027	(1,730,042)
2028	(1,348,167)
2029	(621,759)
	$ (4,681,482)

IV. OTHER INFORMATION (CONTINUED)

C. Defined Benefit Pension Plans (Continued)

4. Pension Costs (Continued)

b. Police and Fire Fund Pension Costs

At December 31, 2025, the City reported a liability of $16,228,926 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2025, 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, 2024, through June 30, 2025, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 1.3851% at the end of the measurement period and 1.4031% for the beginning of the period.

The State of Minnesota contributed $18 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2025. 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, 2024. The direct state aid payment will increase by $17.7 million, which was paid on October 1, 2025. Thereafter, by October 1 of each year, the State will pay $26.7 million to the Police and Fire Fund until the fund is 110% funded for a minimum of three consecutive years (on an actuarial value of assets basis). The $9 million in supplemental state aid will continue until the fund and the State Patrol Plan (administered by the Minnesota State Retirement System) are 100% funded for three consecutive years (on an actuarial value of assets basis). The State of Minnesota's proportionate share of the net pension liability associated with the City totaled $562,575.

City's proportionate share of the net pension liability	$ 16,228,926
State of Minnesota's proportionate share of the net pension liability associated with the City	562,575
Total	$ 16,791,501

For the year ended December 31, 2025, the City recognized pension expense of $4,200,191 for its proportionate share of the Police and Fire Plan's pension expense. Included in this amount, the City recognized $124,661 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of $9 million to the Police and Fire Fund.

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 because this contribution was not considered to meet the definition of a special funding situation. The City recognized $369,825 for the year ended December 31, 2025, as revenue and an offsetting reduction of the net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.

IV. OTHER INFORMATION (CONTINUED)

C. Defined Benefit Pension Plans (Continued)

4. Pension Costs (Continued)

b. Police and Fire Fund Pension Costs (Continued)

At December 31, 2025, the City reported its proportionate share of the Police and Fire Plan'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 actuarial economic experience	$ 7,448,195	$ -
Changes in acturial assumptions	11,894,572	20,043,867
Net difference between projected and actual investment earnings	-	7,408,704
Changes in proportion	975,401	321,795
Contributions paid to PERA subsequent to the measurement date	1,925,684	-
Total	$ 22,243,852	$ 27,774,366

The $1,925,684 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, 2026. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31	Pension Expense Amount
2026	$ 3,592,784
2027	(3,430,049)
2028	(7,634,953)
2029	(369,460)
2030	385,480
	$ (7,456,198)

5. Long-Term Expected Return on Investment

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 table on the following page:

IV. OTHER INFORMATION (CONTINUED)

C. Defined Benefit Pension Plans (Continued)

5. Long-Term Expected Return on Investment (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	33.50%	5.10%
International Equity	16.50%	5.30%
Fixed Income	25.00%	0.75%
Private Markets	25.00%	5.90%
Total	100.00%	

6. Actuarial Methods and Assumptions

The total pension liability for each of the cost-sharing defined benefit plans was determined by an actuarial valuation as of June 30, 2025, using the entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used to determine the total liability is 7.0%. The 7.0% assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of investment return rates considered reasonable by the actuary. An investment return of 7.0% is within that range.

Inflation is assumed to be 2.25% for the General Employees Plan and the Police and Fire Plan. Benefit increases after retirement are assumed to be 1.5% for the General Employees Plan and 1% for the Police and Fire Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 11.5% after one year of service to 3.0% after 27 years of service. In the Police and Fire Plan, salary growth assumptions range in annual increments from 10.75% after one year of service to 3.0% after 23 years of service.

Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table. Mortality rates for the Police and Fire Plan are based on the Pub-2010 Public Safety Employee Mortality tables. The tables are adjusted slightly to fit PERA's experience.

Actuarial assumptions for the General Employees Plan are reviewed every four years. The General Employees Plan was last reviewed in 2022. The assumption changes were adopted by the Board and became effective with the July 1, 2023, actuarial valuation. The Police and Fire Plan was reviewed in 2024. The assumption changes were adopted by the board and became effective with the July 1, 2025, actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2025:

General Employees Fund

Changes in Actuarial Assumptions:

- The combined service annuity loading factors increased from 15% to 19% for vested terminated members and from 3% to 44% for non-vested, terminated members. The assumed post-retirement benefit increase changed from 1.25% to 1.5%.

IV. OTHER INFORMATION (CONTINUED)

C. Defined Benefit Pension Plans (Continued)

6. Actuarial Methods and Assumptions (Continued)

General Employees Fund (Continued)

Changes in Plan Provisions:

- The post-retirement benefit increase formula changed to 100% of the Social Security annual increase, between 1% and 1.75%, beginning January 1, 2026. If the funded ratio (on a market value of assets basis) is less than 85% for the last two consecutive annual valuations or is less than 80% in the most recent actuarial valuation, the maximum is reduced to 1.5%. Previously, the benefit increase was 50% of the Social Security annual increase, between 1% and 1.5%.
- The 1% additional employer contribution is eliminated when the plan reaches 98% funded status (on an actuarial value of assets basis); this contribution was previously scheduled to stop when the plan reached 100% funded status.

Police and Fire Fund

Changes in Actuarial Assumptions:

- Assumed rates of salary increases were reduced slightly.
- Assumed rates of retirement were adjusted, resulting in an overall increase in unreduced (full) retirements and an overall increase in reduced (early) retirements.
- Assumed rates of withdrawal were modified; the new rates will increase predicted terminations, especially in the first few years of employment.
- Assumed rates of disabled retirement were significantly increased, especially for ages over age 30.
- Continued used of Pub-2010 Public Safety Mortality Table with rates adjusted to better fit observed experience.
- Percent married assumption for female retirees lowered from 70% to 65%.
- Minor changes were made to form of payment assumptions for retirees.
- Minor changes were made to assumptions made with respect to missing participant data.
- The combined service annuity load changed from 33% to 13% for vested, terminated members and from 2% to 38% for non-vested, terminated members.

Changes in Plan Provisions:

- The period of time needed for benefit recipients to receive their first benefit increase was reduced by one year (from 36 months to 24 months for a full increase).
- The January 1, 2026, benefit increase changed from 1% to 3%; subsequent January 1 increases will be 1%.
- The threshold to end the $9 million annual state aid contribution changed from the earlier of July 1, 2048, or 90% funded for both PERA Police & Fire and MSRS State Patrol for three consecutive years to 100% funded for both PERA Police & Fire and MSRS State Patrol for three consecutive years (on an actuarial value of assets basis).
- The threshold to end the additional $9 million annual state aid contribution changed from the earlier of July 1, 2048 or 100% funded for a minimum of three consecutive years to 110% funded for a minimum of three consecutive years (on an actuarial value of assets basis).
- An additional $17.7 million in direct state aid will be paid annually each October 1 beginning October 1, 2025, through June 30, 2048.
- Join and survivor actuarial equivalent factors were updated to reflect changes in assumptions.

IV. OTHER INFORMATION (CONTINUED)

C. Defined Benefit Pension Plans (Continued)

7. Discount Rate

The discount rate used to measure the total pension liability in 2025 was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net positions of the General Employees and Police and Fire Plans 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.

8. Pension Liability Sensitivity

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

	General Employees Fund		Police and Fire Fund	
1% Lower	6.00%	$ 21,245,455	6.00%	$ 42,523,228
Current Discount Rate	7.00%	$ 8,747,150	7.00%	$ 16,228,926
1% Higher	8.00%	$ (1,391,788)	8.00%	$ (5,362,844)

9. Pension Plan Fiduciary Net Position

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

D. Public Employees Defined Contribution Plan (Defined Contribution Plan)

Five city council members of the City of St. Cloud are covered by the Defined Contribution Plan, a multiple employer deferred compensation plan administered by PERA. The Defined Contribution Plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

The defined contribution plan consists of individual accounts paying a lump-sum benefit. Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses; therefore, there is no future liability to the City. Minnesota Statutes Chapter 353D and 356, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5% of salary which is matched by the elected official's employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees must be a fixed percent of salary. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives 2% of employer contributions and twenty-five hundredths of 1% (.25%) of the assets in each member's account annually.

IV. OTHER INFORMATION (CONTINUED)

D. Public Employees Defined Contribution Plan (Defined Contribution Plan) (Continued)

Pension expense for the year is equal to the contributions made. Total contributions made by the City during fiscal year 2025 were:

	Contribution Amount		Percentage of Covered Payroll		Required Rate for Employees and Employers
For the Year Ended:	Employee	Employer	Employee	Employer	
December 31, 2025	$ 5,150	$ 5,150	5%	5%	5%

V. COMMITMENTS

The City has the following commitments outstanding at year-end for various construction projects; they are summarized as follows:

Project	Project Authorization	Expended Through 12/31/2025	Remaining Commitment
Whitney Regional Park Improvements	$ 4,742,927	$ 4,428,903	$ 314,024
Park Playground Project	478,784	329,916	148,868
Pan Park Place Phase 4 Neighborhood Improvements	4,358,752	4,336,078	22,674
Lincoln Avenue Improvements	4,553,972	4,481,925	72,047
Fire Station 6	2,537,192	814,260	1,722,932
SW Water Improvements Phase II	370,660	39,908	330,752
W/WW Modeling	29,000	28,034	966
Metro Forcemain	22,951,629	20,964,377	1,987,252
Digester Improvements	222,625	221,545	1,080
Food Seperator Equipment	9,885	8,000	1,885
Scum Well Drive Mechanism	93,300	51,315	41,985
Bar Screen Replacement	254,816	127,408	127,408
Green Hydrogen Project	6,650,265	2,573,235	4,077,030
Hydroelectric Tainter Gate Rehabilitation Project	677,900	429,100	248,800
LSL Replacement	969,166	670,508	298,658
Pond 40 Outlet Improvements	56,485	52,550	3,935
MAC Expansion and Renovation Project	16,519,140	13,789,309	2,729,831
	$ 65,476,498	$ 53,346,371	$ 12,130,127

VI. TAX INCREMENT FINANCING

The City has entered into nine Tax Increment Financing agreements which meet the criteria for disclosure under *Governmental Accounting Standards Board Statement No. 77 Tax Abatement Disclosures.* The City's authority to enter into these agreements comes from Minnesota Statute 469. The City entered into these agreements for the purpose of economic development.

Under each agreement, the City and developer agree on an amount of development costs to be reimbursed to the developer by the City though tax revenues from the additional taxable value of the property generated by the development (tax increment). A "pay-as-you-go" note is established for this amount, on which the City makes payments for a fixed period of time with available tax increment revenue after deducting for certain administrative costs.

During the year ended December 31, 2025, the City generated $359,999 in tax increment revenue and made $267,934 in payments to developers.

VII. NEW STANDARDS ISSUED BUT NOT YET IMPLEMENTED

GASB Statement No. 103, Financial Reporting Model Improvements. The changes required by this Statement provide clarity, enhance the relevance of information, provide more useful information for decision-making, and provide for greater comparability amongst government entities. This Statement will be effective for the year ending December 31, 2026.

GASB Statement No. 104, Disclosure of Certain Capital Assets. The disclosures required by this Statement provide users of the financial statements with essential information about certain types of capital assets. This Statement will be effective for the year ending December 31, 2026.

CITY OF ST. CLOUD, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Changes in Total OPEB Liability and Related Ratios

	12/31/2025	12/31/2024	12/31/2023	12/31/2022
Total OPEB Liability				
Service cost	$ 952,532	$ 745,741	$ 1,025,080	$ 915,104
Interest	940,178	762,782	402,731	388,851
Differences between expected and actual experience	(78,581)	4,854,071	(4,541)	3,158,835
Changes of assumptions	(445,176)	672,563	(2,614,387)	(710,190)
Changes in benefit terms	-	663,185.00	-	-
Benefit payments	(1,968,355)	(1,633,342)	(1,532,577)	(1,302,635)
Net change in total OPEB liability	(599,402)	6,065,000	(2,723,694)	2,449,965
Beginning of year	24,970,053	18,905,053	21,628,747	19,178,782
End of Year	$24,370,651	$24,970,053	$18,905,053	$21,628,747
Covered-employee payroll	$46,378,723	$41,011,407	$37,122,313	$35,768,711
Net OPEB liability as a percentage of covered-employee payroll	52.5%	60.9%	50.9%	60.5%

Note 1: Schedule is intended to show ten-year trend. Additional years will be reported as they become available.

Note 2: There are no assets accumulated in a trust to pay related benefits for the plan.

	12/31/2021	12/31/2020	12/31/2019	12/31/2018
Total OPEB Liability				
Service cost	$ 786,867	$ 650,423	$ 698,193	$ 611,285
Interest	506,848	537,415	527,721	589,368
Differences between expected and actual experience	(71,009)	2,845,557	-	-
Changes of assumptions	915,308	779,886	(1,506,931)	479,711
Changes in benefit terms	-	88,222	-	-
Benefit payments	(1,206,414)	(978,933)	(1,278,800)	(1,307,396)
Net change in total OPEB liability	931,600	3,922,570	(1,559,817)	372,968
Beginning of year	18,247,182	14,324,612	15,884,429	15,511,401
End of Year	$19,178,782	$18,247,182	$14,324,612	$15,884,369
Covered-employee payroll	$38,327,213	$33,583,296	$33,605,693	$32,662,308
Net OPEB liability as a percentage of covered-employee payroll	50.0%	54.3%	42.6%	48.6%

See notes to required supplementary information.

CITY OF ST. CLOUD, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of the Proportionate Share of the Net Pension Liability
Last Ten Years GERF Retirement Funds

For Fiscal Year Ended June 30	City's Proportion of the Net Pension Liability (Asset)	City's Proportionate Share of the Net Pension Liability (Asset)	State's Proportionate Share of the Net Pension Liability Associated with the City	City's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with the City	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2025	0.2460%	$ 8,747,149	$ 211,009	$ 8,958,158	$ 25,166,880	34.76%	90.78%
2024	0.2763%	10,215,039	264,140	10,479,179	23,893,727	42.75%	89.08%
2023	0.2706%	15,131,649	417,188	15,548,837	21,133,453	71.60%	83.10%
2022	0.2653%	21,011,848	616,055	21,627,903	19,621,520	107.09%	76.67%
2021	0.2618%	11,180,033	341,422	11,521,455	19,268,820	58.02%	87.00%
2020	0.2714%	16,271,670	501,637	16,773,307	19,340,973	84.13%	79.06%
2019	0.2716%	15,015,156	466,646	15,481,802	19,185,467	78.26%	80.23%
2018	0.2733%	15,161,563	497,388	15,658,951	18,438,861	82.23%	79.53%
2017	0.2749%	17,549,435	220,700	17,770,135	17,715,124	99.06%	75.90%
2016	0.2784%	22,604,699	295,188	22,899,887	17,053,275	132.55%	68.91%

See notes to required supplementary information.

CITY OF ST. CLOUD, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of City's Contributions
Last Ten Years GERF Retirement Funds

December 31	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	$ 1,872,201	$ 1,872,201	$ -	$ 24,962,680	7.50%
2024	1,902,831	1,902,831	-	25,371,080	7.50%
2023	1,681,228	1,681,228	-	22,416,373	7.50%
2022	1,488,790	1,488,790	-	19,850,533	7.50%
2021	1,454,437	1,454,437	-	19,392,493	7.50%
2020	1,435,886	1,435,886	-	19,145,147	7.50%
2019	1,465,260	1,465,260	-	19,536,800	7.50%
2018	1,412,560	1,412,560	-	18,834,133	7.50%
2017	1,353,270	1,353,270	-	18,043,589	7.50%
2016	1,294,495	1,294,495	-	17,259,910	7.50%

See notes to required supplementary information.

CITY OF ST. CLOUD, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of the Proportionate Share of the Net Pension Liability
Last Ten Years PEPFF Retirement Funds

For Fiscal Year Ended June 30	City's Proportion of the Net Pension Liability (Asset)	City's Proportionate Share of the Net Pension Liability (Asset)	State's Proportionate Share of the Net Pension Liability Associated with the City	City's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with the City	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2025	1.3851%	$ 16,228,926	$ 562,575	$ 16,791,501	$ 21,044,836	77.12%	91.78%
2024	1.4031%	18,459,415	703,666	19,163,081	19,445,082	94.93%	90.17%
2023	1.3651%	23,573,502	949,566	24,523,068	17,573,251	134.14%	86.47%
2022	1.3418%	58,389,836	2,550,760	60,940,596	16,269,288	358.90%	70.53%
2021	1.3298%	10,144,965	461,475	10,606,440	15,884,723	63.87%	93.66%
2020	1.3865%	18,150,770	N/A	18,150,770	15,737,430	115.34%	87.19%
2019	1.4262%	14,990,803	N/A	14,990,803	15,173,835	98.79%	89.26%
2018	1.3866%	14,654,934	N/A	14,654,934	14,523,513	100.90%	88.84%
2017	1.3530%	18,267,110	N/A	18,267,110	13,894,245	131.47%	85.43%
2016	1.3940%	55,946,646	N/A	55,946,646	13,431,242	416.54%	63.88%

See notes to required supplementary information.

CITY OF ST. CLOUD, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of City's Contributions
Last Ten Years PEPFF Retirement Funds

December 31	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	$ 3,851,367	$ 3,851,367	$ -	$ 21,759,136	17.70%
2024	3,598,505	3,598,505	-	20,330,537	17.70%
2023	3,285,054	3,285,054	-	18,559,627	17.70%
2022	2,935,877	2,935,877	-	16,586,876	17.70%
2021	2,823,451	2,823,451	-	15,951,701	17.70%
2020	2,799,741	2,799,741	-	15,817,746	17.70%
2019	2,653,881	2,653,881	-	15,657,115	16.95%
2018	2,379,870	2,379,870	-	14,690,556	16.20%
2017	2,326,072	2,326,072	-	14,356,470	16.20%
2016	2,216,950	2,216,950	-	13,684,870	16.20%

See notes to required supplementary information.

CITY OF ST. CLOUD, MINNESOTA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

OTHER POST EMPLOYMENT BENEFITS

2025 Changes

- The discount rate and index rate changed from 3.77% to 4.08% based on updated 20-year municipal bond rates.

2024 Changes

- The discount rate was changed from 4.05% to 3.77% based on updated 20-year municipal bond rates.
- Healthcare trend rates were reset to reflect updated cost increase expectations.
- Medical per capita claims costs were updated to reflect recent experience.
- Withdrawal, retirement, mortality, and salary increase rates were updated from the rates used in the 7/1/2021 PERA General Employees Plan valuation to the rates used in the 2023 experience study.
- Mortality rates were updated from the rates used in the 7/1/2021 PERA Police & Fire Plan valuation to the rates used in the 7/1/2023 valuation.
- The percent of future retirees not eligible for an explicit subsidy assumed to elect coverage at retirement changed from 20% to 10% to reflect recent plan experience.
- The general inflation assumption was changed from 2.25% to 2.50% based on an updated analysis of historical inflation rates and forward-looking market expectations.
- The wage inflation and payroll growth assumption was changed from 3.00% to 3.25% based on an updated analysis of historical rates and forward-looking market expectations and the 7/1/2023 PERA valuations, adjusted for inflation.

2023 Changes

- The discount rate and index rate changed from 1.84% to 4.05%.

2022 Changes

- The discount rate was changed from 2.00% to 1.84% based on updated 20-year municipal bond rates.
- Healthcare trend rates were reset to reflect updated cost increase expectations
- Medical per capita claims costs were updated to reflect recent experience.
- Withdrawal, retirement, mortality, disability, and salary increase rates were updated from the rates used in the 7/1/2019 PERA General Employees Plan and 7/1/2019 PERA Police & Fire Plan valuations to the rates used in the 7/1/2021 valuations.
- The percent of future retirees not eligible for an explicit subsidy assumed to elect coverage at retirement changed from 30% to 20% to reflect recent plan experience.
- The percent of future retirees assumed to elect spouse coverage at retirement changed from 60% to 65% to reflect recent plan experience.

2021 Changes

- The discount rate and index rate changed from 2.75% to 2.00%.

OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

2020 Changes

- The discount rate was changed from 3.71% to 2.75% based on updated 20-year municipal bond rates.
- Healthcare trend rates were reset to reflect updated cost increase expectations, including the repeal of the Affordable Care Act's Excise Tax on high-cost health insurance plans.
- Medical per capita claims costs were updated to reflect recent experience and new plan offerings, including an adjustment to reflect age/gender based risk scores published by the Society of Actuaries.
- Mortality and salary increase rates were updated from the rates used in the 7/1/2017 PERA General Employees Plan and 7/1/2017 Police & Fire Plan valuations to the rates used in the 7/1/2019 valuations.
- The inflation assumption was changed from 2.75% to 2.25% based on an updated historical analysis of inflation rates and forward-looking market expectations.

2019 Changes

- The discount rate and index rate changed from 3.31% to 3.71%.

2018 Changes

The following change was recognized under GASB 75 during the fiscal year:

- The discount rate was changed from 3.81% to 3.31% based on updated 20-year municipal bond rates.

Since the most recent GASB 45 valuation, the following changes have been made:

- The discount rate was changed from 3.50% to 3.81% based on updated 20-year municipal bond rates.
- The actuarial cost method changed from using the Projected Unit Credit cost method to the Entry Age Normal level percent of pay cost method due to new GASB 74/75 accounting rules.
- Healthcare trend rates were reset to reflect updated cost increase expectations, including an adjustment to reflect the impact of the Affordable Care Act's Excise Tax on high-cost health insurance plans.
- Medical per capita claims costs were updated to reflect recent experience.
- Withdrawal, retirement and mortality rates were updated from the rates used in the 7/1/2015 PERA General Employees Retirement Plan and the 7/1/2015 PERA Police & Fire Plan to the rates used in the 7/1/2017 valuations.
- A salary scale assumption was added to reflect the cost method change. Rates are from the 7/1/2017 PERA General Employees Retirement Plan and 7/1/2017 PERA Police & Fire Plan valuations.
- The percent of future retirees not eligible for a direct subsidy assumed to elect coverage at retirement changed from 50% to 30% to reflect recent plan experience.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

GENERAL EMPLOYEES FUND

2025 Changes

Changes in Actuarial Assumptions

- The combined service annuity loading factors increased from 15% to 19% for vested, terminated members and from 3% to 44% for non-vested, terminated members.
- The assumed post-retirement benefit increase changed from 1.25% to 1.5%.

Changes in Plan Provisions

- The post-retirement benefit increase formula changed to 100% of the Social Security annual increase, between 1% and 1.75%, beginning January 1, 2026. If the funded ratio (on a market value of assets basis) is less than 85% for the last two consecutive annual valuations or is less than 80% in the most recent actuarial valuation, the maximum is reduced to 1.5%. Previously, the benefit increase was 50% of the Social Security annual increase, between 1% and 1.5%.
- The 1% additional employer contribution is eliminated when the plan reaches 98% funded status (on an actuarial value of assets basis); this contribution was previously scheduled to stop when the plan reached 100% funded status.

2024 Changes

Changes in Actuarial Assumptions

- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.
- Minor increase in assumed withdrawals for males and females.
- Lower rates of disability.
- Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study.
- Minor changes to form of payment assumptions for male and female retirees.
- Minor changes to assumptions made with respect to missing participant data.

Changes in Plan Provisions

- The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

2023 Changes

Changes in Actuarial Assumptions

- The investment return assumption and single discount rate were changed from 6.5% to 7.0%.

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.

GENERAL EMPLOYEES FUND (CONTINUED)

2023 Changes (Continued)

Changes in Plan Provisions (Continued)

- A one-time, non-compounding benefit increase of 2.5% minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

2022 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2021 Changes

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.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

2020 Changes

Changes in Actuarial Assumptions

- The price inflation assumption was decreased from 2.5% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.0%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019, experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019, experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changes as recommended in the June 30, 2019, experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019, experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the Pub-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.

GENERAL EMPLOYEES FUND (CONTINUED)

2020 Changes (Continued)

Changes in Actuarial Assumptions (Continued)

- The assumed number of married male new retirees electing the 100% Joint and Survivor option changed from 35% to 45%. The assumed number of married female new retires electing the 100% Joint and Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

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% thereafter. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2019 Changes

Changes in Actuarial Assumptions

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

Changes in 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

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.0% per year through 2044 and 2.5% per year thereafter to 1.25% per year.

Changes in Plan Provisions

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.00% to 3.00%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Postretirement benefit increases were changed from 1.00% per year with a provision to increase to 2.50% upon attainment of 90.00% funding ratio to 50.00% of the Social Security Cost of Living Adjustment, not less than 1.00% and not more than 1.50%, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

GENERAL EMPLOYEES FUND (CONTINUED)

2017 Changes

Changes in Actuarial Assumptions

- The 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% for vested deferred member liability and 3% 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.

Changes in Plan Provisions

- The State's contribution for the Minneapolis Employees Retirement Fund equals $16,000,000 in 2017 and 2018, and $6,000,000 thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from $21,000,000 to $31,000,000 in calendar years 2019 to 2031. The State's contribution changed from $16,000,000 to $6,000,000 in calendar years 2019 to 2031.

2016 Changes

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, the inflation was decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

POLICE AND FIRE FUND

2025 Changes

Changes in Actuarial Assumptions

- Assumed rates of salary increases were reduced slightly.
- Assumed rates of retirement were adjusted, resulting in an overall increase in unreduced (full) retirements and an overall increase in reduced (early) retirements.
- Assumed rates of withdrawal were modified; the new rates will increase predicted terminations, especially in the first few years of employment.
- Assumed rates of disabled retirement were significantly increased, especially for ages over age 30.
- Continued used of Pub-2010 Public Safety Mortality Table with rates adjusted to better fit observed experience.
- Percent married assumption for female retirees lowered from 70% to 65%.
- Minor changes were made to form of payment assumptions for retirees.
- Minor changes were made to assumptions made with respect to missing participant data.
- The combined service annuity load changed from 33% to 13% for vested, terminated members and from 2% to 38% for non-vested, terminated members.

Changes in Plan Provisions

- The period of time needed for benefit recipients to receive their first benefit increase was reduced by one year (from 36 months to 24 months for a full increase).
- The January 1, 2026, benefit increase changed from 1% to 3%; subsequent January 1 increases will be 1%.
- The threshold to end the $9 million annual state aid contribution changed from the earlier of July 1, 2048, or 90% funded for both PERA Police & Fire and MSRS State Patrol for three consecutive years to 100% funded for both PERA Police & Fire and MSRS State Patrol for three consecutive years (on an actuarial value of assets basis).
- The threshold to end the additional $9 million annual state aid contribution changed from the earlier of July 1, 2048 or 100% funded for a minimum of three consecutive years to 110% funded for a minimum of three consecutive years (on an actuarial value of assets basis).
- An additional $17.7 million in direct state aid will be paid annually each October 1 beginning October 1, 2025, through June 30, 2048.
- Joint and survivor actuarial equivalent factors were updated to reflect changes in assumptions.

2024 Changes

Changes in Plan Provisions

- The State contribution of $9.0 million per year will continue until the earlier of 1) both the Police and Fire Plan and the State Patrol Retirement Fund attain 90% funded status for three consecutive years (on an actuarial value of assets basis) or 2) July 1, 2048. The contribution was previously due to expire after attaining a 90% funded status for one year.
- The additional $9.0 million contribution will continue until the Police and Fire Plan is fully funded for a minimum of three consecutive years on an actuarial value of assets basis, or July 1, 2048, whichever is earlier. This contribution was previously due to expire upon attainment of fully funded status on an actuarial value of assets basis for one year (or July 1, 2048 if earlier).

POLICE AND FIRE FUND (CONTINUED)

2023 Changes

Changes in Actuarial Assumptions

- The investment return assumption was changed from 6.5% to 7.0%.
- The single discount rate changed from 5.4% to 7.0%.

Changes in Plan Provisions

- Additional one-time direct state aid contribution of 19.4 million will be 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 3.0% 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

Changes in Actuarial Assumptions

- The mortality improvement scale was changed from scale MP-2020 to scale MP-2021.
- The single discount rate was changed from 6.5% to 5.4%.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2021 Changes

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 table for healthy annuitants and employees was changed from RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to MN-2020.
- The base mortality table for disabled annuitants was changed from the RP-2014 healthy annuitant mortality table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety disabled annuitant mortality table (with future mortality improvement according to Scale MP-2020).
- Assumed rates of salary increase were modified as recommended in the July 14, 2020 experience study. The overall impact is a decrease in gross salary increase rates.
- Assumed rates of rates of retirement were changed as recommended in the July 14, 2020 experience study. The changes result in 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.

POLICE AND FIRE FUND (CONTINUED)

- Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates in more projected disabilities.
- Assumed percent married for active female members was changed from 60% to 70%. Minor changes to form of payment assumptions were applied.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2020 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2019 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2018 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- Postretirement benefit increases were changed to 1.00% for all years, with no trigger.
- An end date of July 1, 2048 was added to the existing $9.0 million state contribution.
- New annual state aid will equal $4.5 million in fiscal years 2019 and 2020, and $9.0 million thereafter until the plan reaches 100% funding, or July 1, 2048, if earlier.
- Member contributions were changed from 10.80% to 11.30% of pay, effective January 1, 2019 and 11.80% of pay, effective January 1, 2020.
- Employer contributions were changed from 16.20% to 16.95% of pay, effective January 1, 2019 and 17.70% of pay, effective January 1, 2020.
- Interest credited on member contributions decreased from 4.00% to 3.00%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

POLICE AND FIRE FUND (CONTINUED)

2017 Changes

Changes in Actuarial Assumptions

- Assumed Salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34% lower than the previous year.
- Assumed rates of retirement were changed, resulting in fewer retirements.
- The CSA load was 30% for vested and non-vested deferred members. The CSA has been changed to 33% for vested members and 2% 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.

Changes in Plan Provisions

- The assumed post-retirement benefit increase rate was changed from 1% for all years to 1% per year through 2064 and 2.5% thereafter.
- The single discount rate was changed from 5.6% per annum to 7.5% per annum.
- There have been no changes since the prior valuation.

2016 Changes

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2037 and 2.5% 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 single discount rate changed from 7.90% to 5.60%.
- 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.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

CITY OF ST. CLOUD, MINNESOTA

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for revenues derived from taxes or other earmarked revenue sources. These funds are usually required by statute, charter provision, or local ordinance to finance particular functions or activities of government. The non-major Special Revenue Funds maintained by the City of St. Cloud and their purposes are:

REVOLVING LOANS
This fund was established to account for grant monies administered by the City to account for business related loans.

COMMUNITY DEVELOPMENT BLOCK GRANT
This fund was established to account for grant monies through the United States Department of Housing and Urban Development. The Community Development Block Grant provides annual grants on a formula basis to states, cities and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low-and moderate-income persons.

LIBRARY
This fund was established to account for expenditures relating to the City's cost of operating the Great River Regional Library Headquarters building located in downtown St. Cloud. The Great River Regional Library is a separate governmental entity authorized by State Statutes.

FRANCHISE FEE DEVELOPMENT
This fund was established to account for the City's share of redevelopment costs. Funding is provided by an additional 1% electric franchise fee effective 1/1/2018.

ECONOMIC DEVELOPMENT
This fund was established for the purpose of accounting for the revenues and expenditures of activities under the direction of the Economic Development Authority (EDA). The EDA was established in September 2010 and the responsibility for economic development was transferred from the St. Cloud EDA to the City EDA effective December 31, 2010.

DEVELOPMENT
This fund was established for the purpose of providing funds for short-term and long-range planning for the City. Authority for the establishment of this fund is provided by Section 8.4, Paragraph 5, of the City Charter. Twenty-five percent of all funds received from the sale of licenses and the issuance of permits is reclassified from the General Fund to the Development Fund.

PARK RESERVE
This fund was set up to account for funds received from developers on new plats.

GARDENS
The Gardens Fund is responsible for planning, developing and maintaining the City's flower gardens within the City's park system.

CITY OF ST. CLOUD, MINNESOTA

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS – CONTINUED

RETIRED AND SENIOR VOLUNTEER PROGRAM
This fund was established to account for expenditures relating to the Retired and Senior Volunteer Program. The program involves City funds as well as other financing sources.

TIF SPENDING PLAN
To account for the transfer and spending of unobligated increment for certain specified purposes. Increment not spent by December 31, 2025, must be returned to the funds of the contributing TIF districts.

TIF – WEBWAY II
To account for the operation of the Webway II tax increment financing district of the EDA and financing from property tax increments.

TIF – ETC ENTERPRISES
To account for the operation of the ETC Enterprises tax increment financing district of the EDA and financing from property tax increments.

TIF - EASTGATE
To account for the operation of the Eastgate tax increment financing district of the EDA and financing from property tax increments.

TIF – WESTWOOD VILLAGE
To account for the operation of the Westwood Village tax increment financing district of the EDA and financing from property tax increments.

TIF – WESTWOOD PHASE II
To account for the operation of the Westwood Phase II tax increment financing district of the EDA and financing from property tax increments.

TIF – WESTWIND APARTMENTS
To account for the operation of the Westwind Apartments tax increment financing district of the EDA and financing from property tax increments.

TIF - MAHOWALD
To account for the operation of the Mahowald tax increment financing district of the EDA and financing from property tax increments.

TIF – NABC HOLDINGS/TRI COUNTY ABSTRACT
To account for the operation of the NABC Holdings/Tri County Abstract tax increment financing district of the EDA and financing from property tax increments.

TIF – MODEL COLLEGE
To account for the operation of the Model College tax increment financing district of the EDA and financing from property tax increments.

CITY OF ST. CLOUD, MINNESOTA

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS – CONTINUED

TIF – MICROBIOLOGICS
To account for the operation of the Microbiologics tax increment financing district of the EDA and financing from property tax increments.

TIF – GRANITE BOWL
To account for the operation of the Granite Bowl tax increment financing district of the EDA and financing from property tax increments.

TIF – PARK INDUSTRIES II
To account for the operation of the Park Industries II tax increment financing district of the EDA and financing from property tax increments.

TIF – GATEWAY
To account for the operation of the Gateway tax increment financing district of the EDA and financing from property tax increments.

TIF – ASSOCIATED WHOLESALE GROCERS
To account for the operation of the Associated Wholesale Grocers tax increment financing district of the EDA and financing from property tax increments.

TIF – COOPER AVENUE DEVELOPMENT
To account for the operation of the Cooper Avenue Development tax increment financing district of the EDA and financing from property tax increments.

MARCO TAX ABATEMENT
To account for the operation of the Marco Tax Abatement tax increment financing district of the EDA and financing from property tax increments.

HOTEL-MOTEL TAX
This fund was established by City of St. Cloud Ordinance #984 to account for the collection and disbursement of a 3 percent hotel-motel tax. City of St. Cloud Ordinance #1263 dated August 18, 1986, raised the tax rate to 5 percent effective January 1, 1987.

FIRE HAZARDOUS MATERIAL
This fund was established to account for contributions received from the State of Minnesota for the purpose of providing training and equipment relating to the hazardous material operation.

METROPOLITAN AREA NETWORK CONSORTIUM
This fund was established by the City of St. Cloud and the St. Cloud School District Number 742 for the purpose of operating fiber optic communications network providing voice, data and video connectivity to City and School District operated facilities.

CITY OF ST. CLOUD, MINNESOTA

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS – CONTINUED

CABLE TV ACCESS OPERATING
This fund was established to account for amounts collected from the cable TV franchise agreement to support the cost of providing the local government access channel. The City collects a subscriber fee of 1.5% in gross revenues per month according to the cable TV franchise agreement.

NATIONAL OPIOID SETTLEMENT
This fund was established to account for amounts collected and spent from the various national opioid settlements received through 2039.

AFFORDABLE HOUSING AID
This fund was established to account for amounts collected and spent from the State Affordable Housing Aid and Local Affordable Housing Aid programs.

DEBT SERVICE FUNDS

Debt Service Funds are established to account for the payment of principal and interest on long-term, general obligation debt. The debt issued for and paid by revenue generated from the City's business-type activities is accounted for in the Proprietary Funds. The non-major Debt Service Funds maintained by the City of St. Cloud and their purposes are:

TAX INCREMENT BONDS
This fund was established to finance the redevelopment costs of projects approved by the City Council and administered by the St. Cloud Housing and Redevelopment Authority. The debt payments on these bonds issued are secured by the tax increment revenue generated by the districts benefitting from the redevelopment.

STREET RECONSTRUCTION BONDS
This fund was established to account for the payment of principal and interest for the Street Reconstruction Bonds.

AQUATICS CENTER BOND
This fund was established to account for the payment of principal and interest for the construction of the Aquatics Center.

BEAVER ISLAND TRAIL III BOND
This fund was established to account for the payment of principal and interest for the construction of the Beaver Island Trail Phase III.

ENTERPRISE RESOURCE PLANNING (ERP) PROJECT BOND
This fund was established to account for the City's Enterprise Resource Planning Software Project, including the Legal case management system and the Laserfiche expansion.

FIRE TRUCKS/RADIO REPLACEMENT BOND
This fund was established to account for the payment of principal and interest for the purchase of three fire trucks and radio equipment.

CITY OF ST. CLOUD, MINNESOTA

NON-MAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUNDS - CONTINUED

PUBLIC SAFETY FACILITIES REFUNDING BOND
This fund was established to refund the $37,010,000 G.O. Public Safety Facilities Bonds, Series 2008A.

CITY HALL IMPROVEMENT BOND
This fund was established to account for the payment of the principal and interest for the renovation of the former Tech High School to a City Hall.

PARK REFERENDUM BOND
This fund was established to account for the payment of the principal and interest for debt associated with the park improvement projects approved by the November 2022 referendum.

FIRE EQUIPMENT BOND
This fund was established to account for the payment of the principal and interest for debt associated with the purchase of various fire equipment.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are established to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by Proprietary Funds. The non-major Capital Projects Funds maintained by the City of St. Cloud and their purposes are:

PERMANENT IMPROVEMENT
This fund is used primarily to finance the City's share of improvement projects, such as miscellaneous street surfacing and sidewalk projects and other miscellaneous improvements, such as traffic signals.

MUNICIPAL STATE-AID ROAD
This fund was established to account for revenues received for various State-Aid road construction projects. The actual construction costs are accounted for in a separate capital project fund.

RADIO AND IT EQUIPMENT
This fund was established to account for the acquisition of public safety radios and various IT equipment.

FIRE EQUIPMENT
This fund was established to account for the acquisition of large Fire Department equipment.

PUBLIC WORKS EQUIPMENT FUND
This fund was established to account for the acquisition of large Public Works equipment.

I-94 BUSINESS PARK
This fund was established to account for the acquisition and construction of the Business Park.

AIRPORT BUSINESS PARK
This fund was established to account for the acquisition and construction of the Airport Business Park.

CITY OF ST. CLOUD, MINNESOTA

NON-MAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS - CONTINUED

PARK REFERENDUM PHASE 1
This fund was established to account for the property taxes collected from the voter approved park referendum to construct splash pads in the City's parks.

PARK IMPROVEMENTS AND BEAUTIFICATION
This fund was established to account for donations and other revenue which will be used to make improvements to the City's parks.

TECH DEMOLITION PROJECT
This fund was established to account for the demolition costs of the unused north side of the former Tech High School.

FIRE STATION CONSTRUCTION
This fund was established to account for the construction of Fire Station 6, which was approved by the November 2024 referendum.

LOCAL SALES TAX PROJECTS
This fund was established to account for the one-half percent local option sales tax collections that will be used to fund transportation, park and community facility projects.

CITY OF ST. CLOUD, MINNESOTA

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2025

	Special Revenue			
	Revolving Loans	Community Development Block Grant	Library	Economic Development
Assets:				
Cash and investments	$ 243,513	$ -	$ 174,516	$ 610,682
Cash deposited with fiscal agent	-	-	-	-
Accounts receivable	-	-	80,071	2,000
Investment income receivable	-	-	-	-
Delinquent taxes receivable	-	-	5,938	10,811
Due from other governmental units	-	109,098	2,952	26,935
Due from other funds	-	-	-	-
Prepaid items	-	-	1,631	-
Advance to other funds	-	-	-	61,663
Lease receivable	-	-	379,450	-
Land held for resale	-	-	-	394,381
Total Assets	$ 243,513	$ 109,098	$ 644,558	$ 1,106,472
Liabilities:				
Accounts and contracts payable	$ -	$ 377	$ 8,747	$ 15,168
Salaries payable	-	3,349	-	7,237
Due to other governmental units	-	236	92,976	519
Due to other funds	-	105,136	-	-
Unearned revenue	-	-	-	-
Advance from other funds	-	-	-	-
Total Liabilities	-	109,098	101,723	22,924
Deferred Inflows of Resources:				
Unavailable revenue - leases	-	-	379,450	-
Unavailable revenue - property taxes	-	-	5,938	10,811
Total Deferred Inflows of Resources	-	-	385,388	10,811
Fund Balances:				
Nonspendable	-	-	1,631	-
Restricted	243,513	-	-	1,072,737
Committed	-	-	155,816	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	243,513	-	157,447	1,072,737
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	$ 243,513	$ 109,098	$ 644,558	$ 1,106,472

Special Revenue							
Development	Park Reserve	Gardens	Retired and Senior Volunteer Program	TIF Spending Plan	TIF Webway II	TIF ETC Enterprises
$ 644,710	$ 955,622	$ 3,883	$ 284,556	$ 701,707	$ 3,773	$ 24,347
-	-	-	-	-	-	-
-	-	2,408	741	-	-	-
-	-	-	-	-	-	-
-	-	9,335	-	-	-	-
-	-	4,919	34,684	-	-	-
105,136	-	-	-	-	-	-
17,550	-	50	1,181	-	-	-
-	-	-	-	-	-	-
-	-	14,329	-	-	-	-
-	-	-	-	-	-	-
$ 767,396	$ 955,622	$ 34,924	$ 321,162	$ 701,707	$ 3,773	$ 24,347
$ 22,041	$ -	$ 591	$ 25,869	$ -	$ -	$ -
12,940	-	6,313	9,607	-	-	-
935	-	12,861	682	-	-	-
-	-	-	-	-	-	-
240,019	-	1,345	10,435	-	-	-
-	-	-	-	-	-	-
275,935	-	21,110	46,593	-	-	-
-	-	14,329	-	-	-	-
-	-	9,335	-	-	-	-
-	-	23,664	-	-	-	-
17,550	-	50	1,181	-	-	-
-	-	-	-	-	3,773	24,347
473,911	955,622	-	273,388	701,707	-	-
-	-	-	-	-	-	-
-	-	(9,900)	-	-	-	-
491,461	955,622	(9,850)	274,569	701,707	3,773	24,347
$ 767,396	$ 955,622	$ 34,924	$ 321,162	$ 701,707	$ 3,773	$ 24,347

(Continued)

CITY OF ST. CLOUD, MINNESOTA

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2025

	Special Revenue			
	TIF Eastgate	TIF Westwood Village	TIF Westwood Phase II	TIF Westwind Apartments
Assets:				
Cash and investments	$ 3,757	$ 867,610	$ 18,992	$ 8,669
Cash deposited with fiscal agent	-	-	-	-
Accounts receivable	-	-	-	-
Investment income receivable	-	-	-	-
Delinquent taxes receivable	-	2,704	-	-
Due from other governmental units	-	-	960	-
Due from other funds	-	-	-	-
Prepaid items	-	-	-	-
Advance to other funds	-	-	-	-
Lease receivable	-	-	-	-
Land held for resale	-	-	-	-
Total Assets	$ 3,757	$ 870,314	$ 19,952	$ 8,669
Liabilities:				
Accounts and contracts payable	$ -	$ -	$ -	$ -
Salaries payable	-	-	-	-
Due to other governmental units	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	-	-	-	-
Advance from other funds	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources:				
Unavailable revenue - leases	-	-	-	-
Unavailable revenue - property taxes	-	2,704	-	-
Total Deferred Inflows of Resources	-	2,704	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	3,757	867,610	19,952	8,669
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	3,757	867,610	19,952	8,669
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	$ 3,757	$ 870,314	$ 19,952	$ 8,669

Special Revenue					
TIF Mahowald	TIF NABC Holdings/ Tri County Abstract	TIF Model College	TIF Microbiologics	TIF Granite Bowl	TIF Park Industries II
$ 13,123	$ 198	$ 5,011	$ 134,730	$ 30,404	$ 66,892
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,871	10,198	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ 14,994	$ 10,396	$ 5,011	$ 134,730	$ 30,404	$ 66,892
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	22,575	39,088	-	-	-
-	22,575	39,088	-	-	-
-	-	-	-	-	-
1,871	10,198	-	-	-	-
1,871	10,198	-	-	-	-
-	-	-	-	-	-
13,123	-	-	134,730	30,404	66,892
-	-	-	-	-	-
-	-	-	-	-	-
-	(22,377)	(34,077)	-	-	-
13,123	(22,377)	(34,077)	134,730	30,404	66,892
$ 14,994	$ 10,396	$ 5,011	$ 134,730	$ 30,404	$ 66,892

(Continued)

CITY OF ST. CLOUD, MINNESOTA

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2025

	Special Revenue			
	TIF Gateway	TIF Associated Wholesale Grocers	TIF Cooper Ave Development	Marco Tax Abatement
Assets:				
Cash and investments	$ 14,130	$ 121,558	$ 695	$ 23,779
Cash deposited with fiscal agent	-	-	-	-
Accounts receivable	-	-	-	-
Investment income receivable	-	-	-	-
Delinquent taxes receivable	-	-	-	719
Due from other governmental units	-	-	-	351
Due from other funds	-	-	-	-
Prepaid items	-	-	-	-
Advance to other funds	-	-	-	-
Lease receivable	-	-	-	-
Land held for resale	-	-	-	-
Total Assets	$ 14,130	$ 121,558	$ 695	$ 24,849
Liabilities:				
Accounts and contracts payable	$ -	$ -	$ -	$ -
Salaries payable	-	-	-	-
Due to other governmental units	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	-	-	-	-
Advance from other funds	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources:				
Unavailable revenue - leases	-	-	-	-
Unavailable revenue - property taxes	-	-	-	719
Total Deferred Inflows of Resources	-	-	-	719
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	14,130	121,558	695	24,130
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	14,130	121,558	695	24,130
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	$ 14,130	$ 121,558	$ 695	$ 24,849

Special Revnue							
Hotel-Motel Tax	Fire Hazardous Material	Metropolitan Area Network Consortium	Cable TV Access Operating	National Opioid Settlement	Affordable Housing Aid	Total
$ 191,385	$ -	$ 216,150	$ 613,589	$ 1,114,506	$ 378,341	$ 7,470,828
-	-	-	-	-	-	-
68,225	-	47,647	33,116	-	-	234,208
-	-	-	-	-	-	-
-	-	-	-	-	-	41,576
-	28,269	23,220	-	-	-	231,388
-	-	-	-	-	-	105,136
-	-	-	-	-	-	20,412
-	-	-	-	-	-	61,663
-	-	-	-	-	-	393,779
-	-	-	-	-	-	394,381
$ 259,610	$ 28,269	$ 287,017	$ 646,705	$ 1,114,506	$ 378,341	$ 8,953,371
$ 116,979	$ 385	$ 3,221	$ 463	$ -	$ 199,833	$ 393,674
-	-	-	1,507	-	-	40,953
-	-	-	98	-	-	108,307
-	4,273	-	-	-	-	109,409
-	-	-	-	1,040,586	-	1,292,385
-	-	-	-	-	-	61,663
116,979	4,658	3,221	2,068	1,040,586	199,833	2,006,391
-	-	-	-	-	-	393,779
-	-	-	-	-	-	41,576
-	-	-	-	-	-	435,355
-	-	-	-	-	-	20,412
-	-	-	-	-	-	2,650,020
142,631	23,611	283,796	644,637	73,920	178,508	3,907,547
-	-	-	-	-	-	-
-	-	-	-	-	-	(66,354)
142,631	23,611	283,796	644,637	73,920	178,508	6,511,625
$ 259,610	$ 28,269	$ 287,017	$ 646,705	$ 1,114,506	$ 378,341	$ 8,953,371

(Continued)

CITY OF ST. CLOUD, MINNESOTA

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2025

	Debt Service			
	Street Reconstruction Bonds	Aquatics Center Bond	Enterprise Resource Planning (ERP) Project Bond	Fire Trucks/ Radio Replacement Bond
Assets:				
Cash and investments	$ -	$ 204,502	$ 22,066	$ 227,885
Cash deposited with fiscal agent	-	-	-	-
Accounts receivable	-	-	-	-
Investment income receivable	-	-	-	-
Delinquent taxes receivable	45,210	-	6,361	11,333
Due from other governmental units	24,509	-	3,102	5,520
Due from other funds	-	-	-	-
Prepaid items	-	-	-	-
Advance to other funds	-	-	-	-
Lease receivable	-	-	-	-
Land held for resale	-	-	-	-
Total Assets	$ 69,719	$ 204,502	$ 31,529	$ 244,738
Liabilities:				
Accounts and contracts payable	$ -	$ -	$ -	$ 575
Salaries payable	-	-	-	-
Due to other governmental units	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	-	-	-	-
Advance from other funds	-	-	-	-
Total Liabilities	-	-	-	575
Deferred Inflows of Resources:				
Unavailable revenue - leases	-	-	-	-
Unavailable revenue - property taxes	45,210	-	6,361	11,333
Total Deferred Inflows of Resources	45,210	-	6,361	11,333
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	24,509	204,502	25,168	232,830
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	24,509	204,502	25,168	232,830
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	$ 69,719	$ 204,502	$ 31,529	$ 244,738

Debt Service					Capital Projects	
Public Safety Facilities Refunding Bond	City Hall Improvement Bond	Park Referendum Bond	Fire Equipment Bond	Total	Permanent Improvement	Municipal State-Aid Road
$ 2,286,095	$ 105,165	$ 2,172,834	$ -	$ 5,018,547	$ 81,499	$ 3,059,824
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
41,504	9,226	15,323	1,455	130,412	-	-
20,131	4,795	7,938	1,028	67,023	2	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	22,753	-
-	-	-	-	-	933,300	-
$ 2,347,730	$ 119,186	$ 2,196,095	$ 2,483	$ 5,215,982	$ 1,037,554	$ 3,059,824
$ -	$ -	$ -	$ -	$ 575	$ -	$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	575	-	-
-	-	-	-	-	22,753	-
41,504	9,226	15,323	1,455	130,412	-	-
41,504	9,226	15,323	1,455	130,412	22,753	-
-	-	-	-	-	-	-
2,306,226	109,960	2,180,772	1,028	5,084,995	-	-
-	-	-	-	-	-	-
-	-	-	-	-	1,014,801	3,059,824
-	-	-	-	-	-	-
2,306,226	109,960	2,180,772	1,028	5,084,995	1,014,801	3,059,824
$ 2,347,730	$ 119,186	$ 2,196,095	$ 2,483	$ 5,215,982	$ 1,037,554	$ 3,059,824

(Continued)

CITY OF ST. CLOUD, MINNESOTA

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2025

	Capital Projects				
	Radio and IT Equipment	Fire Equipment	Public Works Equipment Fund	I-94 Business Park	Airport Business Park
Assets:					
Cash and investments	$ -	$ -	$ 201,862	$1,014,677	$ 173,257
Cash deposited with fiscal agent	9,763,050	326,732	-	-	-
Accounts receivable	-	-	-	-	-
Investment income receivable	8,689	-	-	-	-
Delinquent taxes receivable	-	-	-	-	-
Due from other governmental units	-	-	-	-	-
Due from other funds	-	-	-	-	-
Prepaid items	-	-	-	-	-
Advance to other funds	-	-	-	-	-
Lease receivable	-	-	-	-	23,706
Land held for resale	-	-	-	457,293	4,098,193
Total Assets	$ 9,771,739	$ 326,732	$ 201,862	$1,471,970	$ 4,295,156
Liabilities:					
Accounts and contracts payable	$ 80,079	$ 27,388	$ -	$ -	$ -
Salaries payable	-	-	-	-	-
Due to other governmental units	-	-	-	-	-
Due to other funds	3,070,685	150,200	-	-	-
Unearned revenue	-	-	-	-	-
Advance from other funds	-	-	-	-	650,000
Total Liabilities	3,150,764	177,588	-	-	650,000
Deferred Inflows of Resources					
Unavailable revenue - leases	-	-	-	-	23,706
Unavailable revenue - property taxes	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	23,706
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	6,620,975	149,144	-	1,471,970	3,621,450
Committed	-	-	-	-	-
Assigned	-	-	201,862	-	-
Unassigned	-	-	-	-	-
Total Fund Balance	6,620,975	149,144	201,862	1,471,970	3,621,450
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	$ 9,771,739	$ 326,732	$ 201,862	$1,471,970	$ 4,295,156

Capital Projects						
Park Referendum Phase 1	Park Improvements and Beautification	Tech Demolition Project	Fire Station Construction	Local Sales Tax Projects	Total	Total Non-Major Governmental Funds
$ -	$ -	$ -	$ -	$ 8,229,635	$ 12,760,754	$ 25,250,129
1,180,246	-	-	-	-	11,270,028	11,270,028
-	4,334	-	-	-	4,334	238,542
-	-	-	-	-	8,689	8,689
-	-	-	-	-	-	171,988
-	-	-	-	2,187,140	2,187,142	2,485,553
-	-	-	-	476,003	476,003	581,139
-	-	-	-	-	-	20,412
-	-	-	-	-	-	61,663
-	-	-	-	-	46,459	440,238
-	-	-	-	-	5,488,786	5,883,167
$ 1,180,246	$ 4,334	$ -	$ -	$ 10,892,778	$ 32,242,195	$ 46,411,548
$ 80,284	$ 397,441	$ -	$ 64,754	$ -	$ 649,946	$ 1,044,195
2,808	-	-	-	-	2,808	43,761
215	-	-	-	-	215	108,522
476,003	-	345,188	755,626	-	4,797,702	4,907,111
-	-	-	-	-	-	1,292,385
-	-	-	-	-	650,000	711,663
559,310	397,441	345,188	820,380	-	6,100,671	8,107,637
-	-	-	-	-	46,459	440,238
-	-	-	-	-	-	171,988
-	-	-	-	-	46,459	612,226
-	-	-	-	-	-	20,412
620,936	-	-	-	-	12,484,475	20,219,490
-	-	-	-	-	-	3,907,547
-	-	-	-	10,892,778	15,169,265	15,169,265
-	(393,107)	(345,188)	(820,380)	-	(1,558,675)	(1,625,029)
620,936	(393,107)	(345,188)	(820,380)	10,892,778	26,095,065	37,691,685
$ 1,180,246	$ 4,334	$ -	$ -	$ 10,892,778	$ 32,242,195	$ 46,411,548

(Concluded)

CITY OF ST. CLOUD, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2025

	Special Revenue			
	Revolving Loans	Community Development Block Grant	Library	Franchise Fee Development
Revenues:				
Taxes	$ -	$ -	$ 342,509	$ -
Licenses and permits	-	-	-	-
Intergovernmental	47,704	525,825	492	-
Charges for services	-	-	103,563	-
Investment income (loss)	-	-	3,384	7,797
Miscellaneous	-	-	1,192	-
Total Revenues	47,704	525,825	451,140	7,797
Expenditures:				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	449,387	-
Economic development	47,704	525,159	-	-
Capital outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Economic development	-	5,164	-	-
Debt service				
Principal	-	550	294	-
Interest and fiscal charges	-	116	15	-
Total Expenditures	47,704	530,989	449,696	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(5,164)	1,444	7,797
Other Financing Sources (Uses):				
Issuance of debt	-	5,164	-	-
Bond issuance	-	-	-	-
Premium on bonds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	(216,532)
Total Other Financing Sources (Uses)	-	5,164	-	(216,532)
Net Change in Fund Balances	-	-	1,444	(208,735)
Fund Balance - January 1	243,513	-	156,003	208,735
Fund Balance - December 31	$ 243,513	$ -	$ 157,447	$ -

Special Revenue						
Economic Development	Development	Park Reserve	Gardens	Retired and Senior Volunteer Program	TIF Spending Plan	TIF Webway II
$ 626,374	$ -	$ -	$ 606,462	$ -	$ -	$ -
-	768,365	-	-	-	-	-
21,567	764	-	823	426,380	-	-
2,000	-	-	20,822	-	-	-
16,523	27,167	34,321	(4,674)	9,331	25,144	684
-	-	6,337	158,116	57,386	-	-
666,464	796,296	40,658	781,549	493,097	25,144	684
-	899,336	-	-	-	-	-
-	-	-	-	-	-	-
-	-	20,000	742,197	581,269	-	-
557,444	-	-	-	-	-	14,307
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
588	1,176	-	-	5,293	-	-
30	59	-	-	265	-	-
558,062	900,571	20,000	742,197	586,827	-	14,307
108,402	(104,275)	20,658	39,352	(93,730)	25,144	(13,623)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	146,900	-	-
-	-	-	-	-	-	-
-	-	-	-	146,900	-	-
108,402	(104,275)	20,658	39,352	53,170	25,144	(13,623)
964,335	595,736	934,964	(49,202)	221,399	676,563	17,396
$ 1,072,737	$ 491,461	$ 955,622	$ (9,850)	$ 274,569	$ 701,707	$ 3,773

(Continued)

CITY OF ST. CLOUD, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2025

	Special Revenue			
	TIF ETC Enterprises	TIF Eastgate	TIF Westwood Village	TIF Westwood Phase II
Revenues:				
Taxes	$ 33,404	$ -	$ 353,385	$ 57,933
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	482	87	22,208	6
Miscellaneous	-	-	-	-
Total Revenues	33,886	87	375,593	57,939
Expenditures:				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Economic development	32,324	-	-	-
Capital outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Economic development	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	32,324	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,562	87	375,593	57,939
Other Financing Sources (Uses):				
Issuance of debt	-	-	-	-
Bond issuance	-	-	-	-
Premium on bonds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(124,105)	(52,700)
Total Other Financing Sources (Uses)	-	-	(124,105)	(52,700)
Net Change in Fund Balances	1,562	87	251,488	5,239
Fund Balance - January 1	22,785	3,670	616,122	14,713
Fund Balance - December 31	$ 24,347	$ 3,757	$ 867,610	$ 19,952

Special Revenue							
TIF Westwind Apartments	TIF Mahowald	TIF NABC Holdings/Tri County Abstract	TIF Model College	TIF Microbiologics	TIF Granite Bowl	TIF Park Industries II
$ -	$ 13,621	$ 8,689	$ 10,903	$ 63,745	$ 35,143	$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,151	287	52	38	-	3,993	-
-	-	-	-	-	-	-
1,151	13,908	8,741	10,941	63,745	39,136	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
23,836	12,012	16,593	11,035	448	31,242	32,566
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
23,836	12,012	16,593	11,035	448	31,242	32,566
(22,685)	1,896	(7,852)	(94)	63,297	7,894	(32,566)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(22,685)	1,896	(7,852)	(94)	63,297	7,894	(32,566)
31,354	11,227	(14,525)	(33,983)	71,433	22,510	99,458
$ 8,669	$ 13,123	$ (22,377)	$ (34,077)	$ 134,730	$ 30,404	$ 66,892

(Continued)

CITY OF ST. CLOUD, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2025

	Special Revenue			
	TIF Gateway	TIF Associated Wholesale Grocers	TIF Cooper Ave Development	Marco Tax Abatement
Revenues:				
Taxes	$ 16,580	$ 177,221	$ 693	$ 40,746
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	59
Charges for services	-	-	-	-
Investment income (loss)	670	3,939	4	308
Miscellaneous	-	-	-	-
Total Revenues	17,250	181,160	697	41,113
Expenditures:				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Economic development	14,741	156,893	2	37,482
Capital outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Economic development	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	14,741	156,893	2	37,482
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,509	24,267	695	3,631
Other Financing Sources (Uses):				
Issuance of debt	-	-	-	-
Bond issuance	-	-	-	-
Premium on bonds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	2,509	24,267	695	3,631
Fund Balance - January 1	11,621	97,291	-	20,499
Fund Balance - December 31	$ 14,130	$ 121,558	$ 695	$ 24,130

Special Revenue						
Hotel-Motel Tax	Fire Hazardous Material	Metropolitan Area Network Consortium	Cable TV Access Operating	National Opioid Settlement	Affordable Housing Aid	Total
$ 906,724	$ -	$ -	$ 142,351	$ -	$ -	$ 3,436,483
-	-	-	-	-	-	768,365
-	78,400	101,739	-	-	159,208	1,362,961
6,950	-	-	-	-	-	133,335
7,169	328	26,902	22,092	36,235	14,400	260,028
19,600	-	54,357	-	-	-	296,988
940,443	78,728	182,998	164,443	36,235	173,608	6,258,160
908,805	-	302,296	120,980	-	417,359	2,648,776
-	73,412	-	-	-	-	73,412
-	-	-	-	-	-	1,792,853
-	-	-	-	-	-	1,513,788
-	-	-	11,877	-	-	11,877
-	10,972	-	-	-	-	10,972
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	5,164
-	-	-	2,911	-	-	10,812
-	-	-	146	-	-	631
908,805	84,384	302,296	135,914	-	417,359	6,068,285
31,638	(5,656)	(119,298)	28,529	36,235	(243,751)	189,875
-	-	-	-	-	-	5,164
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	14,700	-	-	-	161,600
-	-	-	-	-	-	(393,337)
-	-	14,700	-	-	-	(226,573)
31,638	(5,656)	(104,598)	28,529	36,235	(243,751)	(36,698)
110,993	29,267	388,394	616,108	37,685	422,259	6,548,323
$ 142,631	$ 23,611	$ 283,796	$ 644,637	$ 73,920	$ 178,508	$ 6,511,625

(Continued)

CITY OF ST. CLOUD, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2025

	Debt Service			
	Tax Increment Bonds	Street Reconstruction Bonds	Aquatics Center Bond	Beaver Island Trail III Bond
Revenues:				
Taxes	$ -	$ 2,886,417	$ 200,000	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	4,151	-	-
Charges for services	-	-	-	-
Investment income (loss)	-	-	6,685	-
Miscellaneous	-	-	-	-
Total Revenues	-	2,890,568	206,685	-
Expenditures:				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Economic development	-	-	-	-
Capital outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Economic development	-	-	-	-
Debt service				
Principal	155,000	2,055,000	135,000	225,000
Interest and fiscal charges	20,705	894,132	61,485	31,442
Total Expenditures	175,705	2,949,132	196,485	256,442
Excess (Deficiency) of Revenues Over (Under) Expenditures	(175,705)	(58,564)	10,200	(256,442)
Other Financing Sources (Uses):				
Issuance of debt	-	-	-	-
Bond issuance	-	-	-	-
Premium on bonds	-	-	-	-
Transfers in	176,805	71,053	-	256,442
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	176,805	71,053	-	256,442
Net Change in Fund Balances	1,100	12,489	10,200	-
Fund Balance - January 1	(1,100)	12,020	194,302	-
Fund Balance - December 31	$ -	$ 24,509	$ 204,502	$ -

Debt Service						
Enterprise Resource Planning (ERP) Project Bond	Fire Trucks/ Radio Replacement Bond	Public Safety Facilities Refunding Bond	City Hall Improvement Bond	Park Referendum Bond	Fire Equipment Bond	Total
$ 360,222	$ 641,022	$ 2,381,620	$ 560,611	$ 909,727	$ 125,652	$ 8,065,271
-	-	-	-	-	-	-
517	920	-	805	1,302	182	7,877
-	-	-	-	-	-	-
-	-	30,521	-	57,279	(586)	93,899
-	-	-	-	-	-	-
360,739	641,942	2,412,141	561,416	968,308	125,248	8,167,047
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
345,000	605,000	2,110,000	325,000	-	-	5,955,000
16,325	37,875	284,438	237,575	277,428	166,163	2,027,568
361,325	642,875	2,394,438	562,575	277,428	166,163	7,982,568
(586)	(933)	17,703	(1,159)	690,880	(40,915)	184,479
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	41,943	546,243
-	-	(41,943)	-	-	-	(41,943)
-	-	(41,943)	-	-	41,943	504,300
(586)	(933)	(24,240)	(1,159)	690,880	1,028	688,779
25,754	233,763	2,330,466	111,119	1,489,892	-	4,396,216
$ 25,168	$ 232,830	$ 2,306,226	$ 109,960	$ 2,180,772	$ 1,028	$ 5,084,995

(Continued)

CITY OF ST. CLOUD, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2025

	Capital Projects			
	Permanent Improvement	Municipal State-Aid Road	Radio and IT Equipment	Fire Equipment
Revenues:				
Taxes	$ 3	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	46,559	109,491	71,078	66,028
Miscellaneous	2,000	-	-	-
Total Revenues	48,562	109,491	71,078	66,028
Expenditures:				
Current				
General government	-	-	2,573	-
Public safety	-	-	-	485,641
Culture and recreation	-	-	-	-
Economic development	-	-	-	-
Capital outlay				
General government	-	-	1,055,475	-
Public safety	-	-	919,143	2,731,804
Public works	-	-	1,167,208	-
Culture and recreation	-	-	-	-
Economic development	-	-	-	-
Debt service				
Principal	-	-	86,049	-
Interest and fiscal charges	-	-	83,767	-
Total Expenditures	-	-	3,314,215	3,217,445
Excess (Deficiency) of Revenues Over (Under) Expenditures	48,562	109,491	(3,243,137)	(3,151,417)
Other Financing Sources (Uses):				
Issuance of debt	-	-	86,049	-
Bond issuance	-	-	8,650,000	-
Premium on bonds	-	-	1,128,063	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	9,864,112	-
Net Change in Fund Balances	48,562	109,491	6,620,975	(3,151,417)
Fund Balance - January 1	966,239	2,950,333	-	3,300,561
Fund Balance - December 31	$ 1,014,801	$ 3,059,824	$ 6,620,975	$ 149,144

Capital Projects					
Public Works Equipment Fund	I-94 Business Park	Airport Business Park	Park Referendum Phase 1	Park Improvements and Beautification	Tech Demolition Project
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	24,000	7,200	-
-	-	-	1,500	4,334	-
7,184	36,215	8,393	78,259	(28,972)	-
-	-	23,475	6,250	269,929	-
7,184	36,215	31,868	110,009	252,491	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	113,898	17,512	-
-	-	1,210	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1,575,180	4,898,729	-
-	-	27,150	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	28,360	1,689,078	4,916,241	-
7,184	36,215	3,508	(1,579,069)	(4,663,750)	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	4,320,117	216,532
-	-	-	-	-	-
-	-	-	-	4,320,117	216,532
7,184	36,215	3,508	(1,579,069)	(343,633)	216,532
194,678	1,435,755	3,617,942	2,200,005	(49,474)	(561,720)
$ 201,862	$ 1,471,970	$ 3,621,450	$ 620,936	$ (393,107)	$ (345,188)

(Continued)

CITY OF ST. CLOUD, MINNESOTA

Statement E-2
(Continued)

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2025

	Capital Projects			
	Fire Station Construction	Local Sales Tax Projects	Total	Total Non-Major Governmental Funds
Revenues:				
Taxes	$ -	$ 8,045,999	$ 8,046,002	$ 19,547,756
Licenses and permits	-	-	-	768,365
Intergovernmental	-	-	31,200	1,402,038
Charges for services	-	-	5,834	139,169
Investment income (loss)	(3,719)	392,244	782,760	1,136,687
Miscellaneous	-	-	301,654	598,642
Total Revenues	(3,719)	8,438,243	9,167,450	23,592,657
Expenditures:				
Current				
General government	-	-	2,573	2,651,349
Public safety	-	-	485,641	559,053
Culture and recreation	-	1,266	132,676	1,925,529
Economic development	-	-	1,210	1,514,998
Capital outlay				
General government	-	-	1,055,475	1,067,352
Public safety	816,661	-	4,467,608	4,478,580
Public works	-	-	1,167,208	1,167,208
Culture and recreation	-	-	6,473,909	6,473,909
Economic development	-	-	27,150	32,314
Debt service				
Principal	-	294	86,343	6,052,155
Interest and fiscal charges	-	15	83,782	2,111,981
Total Expenditures	816,661	1,575	13,983,575	28,034,428
Excess (Deficiency) of Revenues Over (Under) Expenditures	(820,380)	8,436,668	(4,816,125)	(4,441,771)
Other Financing Sources (Uses):				
Issuance of debt	-	-	86,049	91,213
Bond issuance	-	-	8,650,000	8,650,000
Premium on bonds	-	-	1,128,063	1,128,063
Transfers in	-	-	4,536,649	5,244,492
Transfers out	-	(6,665,503)	(6,665,503)	(7,100,783)
Total Other Financing Sources (Uses)	-	(6,665,503)	7,735,258	8,012,985
Net Change in Fund Balances	(820,380)	1,771,165	2,919,133	3,571,214
Fund Balance - January 1	-	9,121,613	23,175,932	34,120,471
Fund Balance - December 31	$ (820,380)	$ 10,892,778	$ 26,095,065	$ 37,691,685

(Concluded)

CITY OF ST. CLOUD, MINNESOTA

Statement E-3

GENERAL FUND
SCHEDULE OF REVENUES, COMPARED TO BUDGET
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
Taxes	$ 35,046,600	$ 35,046,600	$ 34,502,652	$ (543,948)
Licenses and Permits	1,933,500	1,933,500	2,305,096	371,596
Intergovernmental:				
Federal grants				
Personnel and administrative grants	200,000	226,800	139,257	(87,543)
Capital grants	-	-	-	-
State grants				
Local governmental aid	15,876,800	15,876,800	15,876,805	5
Other	6,161,300	6,388,000	7,214,460	826,460
Other local governmental units	1,503,100	1,535,900	1,653,672	117,772
Payment from other governmental units in lieu of taxes	39,100	39,100	42,135	3,035
Total Intergovernmental	23,780,300	24,066,600	24,926,329	859,729
Charges for Services:				
General government	576,100	634,700	1,087,164	452,464
Public safety	267,700	267,700	301,805	34,105
Highways and streets	2,436,700	2,436,700	2,388,947	(47,753)
Parks	452,400	452,400	509,250	56,850
Rents	2,500	2,500	10,298	7,798
Total Charges for Services	3,735,400	3,794,000	4,297,464	503,464
Special Assessments	120,000	120,000	130,658	10,658
Fines	710,800	710,800	808,089	97,289
Investment Income	765,400	765,400	733,894	(31,506)
Miscellaneous:				
Other	83,400	105,300	84,757	(20,543)
Total Revenues	$ 66,175,400	$ 66,542,200	$ 67,788,939	$ 1,246,739

CITY OF ST. CLOUD, MINNESOTA

GENERAL FUND
SCHEDULE OF EXPENDITURES, COMPARED TO BUDGET
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
General Government				
Elections				
Services and charges	$ 57,700	$ 57,700	$ 55,570	$ 2,130
Council				
Personal services	64,600	64,600	65,104	(504)
Supplies	500	500	259	241
Services and charges	182,400	182,400	155,698	26,702
Total council	247,500	247,500	221,061	26,439
Mayor				
Personal services	566,000	566,000	578,129	(12,129)
Supplies	7,000	7,000	7,361	(361)
Services and charges	58,000	58,000	32,299	25,701
Debt service	-	-	4,472	(4,472)
Total mayor	631,000	631,000	622,261	8,739
Legal				
Personal services	1,674,300	1,674,300	1,674,984	(684)
Supplies	8,700	8,700	5,763	2,937
Services and charges	111,000	112,000	90,574	21,426
Debt service	-	-	4,631	(4,631)
Total legal	1,794,000	1,795,000	1,775,952	19,048
Human resources				
Personal services	233,600	233,600	233,604	(4)
Supplies	3,600	3,600	3,610	(10)
Services and charges	54,000	54,000	37,711	16,289
Debt service	-	-	926	(926)
Total human resources	291,200	291,200	275,851	15,349
Planning and zoning				
Personal services	90,500	90,500	91,969	(1,469)
Supplies	5,600	5,600	5,817	(217)
Services and charges	40,000	41,400	37,989	3,411
Capital outlay	-	18,000	23,165	(5,165)
Debt service	-	-	1,592	(1,592)
Total planning and zoning	136,100	155,500	160,532	(5,032)

(Continued)

CITY OF ST. CLOUD, MINNESOTA

GENERAL FUND
SCHEDULE OF EXPENDITURES, COMPARED TO BUDGET
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
General Government (Continued)				
Finance				
Personal services	$ 1,476,700	$ 1,547,000	$ 1,547,966	$ (966)
Supplies	19,500	19,500	15,667	3,833
Services and charges	156,500	156,500	126,528	29,972
Debt service	-	-	17,692	(17,692)
Total finance	1,652,700	1,723,000	1,707,853	15,147
Information technology				
Personal services	1,442,600	1,442,600	1,434,072	8,528
Supplies	72,200	72,200	3,251	68,949
Services and charges	549,400	549,400	269,972	279,428
Capital outlay	-	-	188,789	(188,789)
Debt service	-	-	283,577	(283,577)
Total information technology	2,064,200	2,064,200	2,179,661	(115,461)
Total General Government	6,874,400	6,965,100	6,998,741	(33,641)
Public Safety				
Police protection				
Personal services	23,343,500	23,343,500	23,145,825	197,675
Supplies	1,342,400	1,383,900	1,020,962	362,938
Services and charges	2,052,000	2,120,100	1,695,259	424,841
Capital outlay	-	47,500	462,344	(414,844)
Debt service	-	-	687,730	(687,730)
Total police protection	26,737,900	26,895,000	27,012,120	(117,120)
Fire protection				
Personal services	13,228,800	13,493,000	14,037,560	(544,560)
Supplies	572,500	572,800	565,907	6,893
Services and charges	716,600	716,600	467,487	249,113
Capital outlay	18,100	18,100	23,662	(5,562)
Debt service	-	-	83,618	(83,618)
Total fire protection	14,536,000	14,800,500	15,178,234	(377,734)
Emergency management				
Supplies	-	1,100	1,099	1
Services and charges	100,000	101,700	100,766	934
Debt service	-	-	309	(309)
Total emergency management	100,000	102,800	102,174	626

(Continued)

CITY OF ST. CLOUD, MINNESOTA

GENERAL FUND
SCHEDULE OF EXPENDITURES, COMPARED TO BUDGET
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
Public Safety (Continued)				
Health/inspection				
Personal services	$ 1,598,300	$ 1,598,300	$ 1,555,992	$ 42,308
Supplies	49,700	49,700	34,963	14,737
Services and charges	376,100	376,100	269,744	106,356
Debt service	-	-	15,675	(15,675)
Total health/inspection	2,024,100	2,024,100	1,876,374	147,726
Building safety				
Personal services	1,399,500	1,399,500	1,340,268	59,232
Supplies	55,900	55,900	76,249	(20,349)
Services and charges	456,600	456,600	412,238	44,362
Debt service	-	-	3,705	(3,705)
Total building safety	1,912,000	1,912,000	1,832,460	79,540
Public safety contingency				
Personal services	-	-	139,343	(139,343)
Total Public Safety	45,310,000	45,734,400	46,140,705	(406,305)
Public Works				
Engineering				
Personal services	1,435,600	1,435,600	1,487,980	(52,380)
Supplies	26,800	26,800	13,593	13,207
Services and charges	194,000	194,000	116,898	77,102
Capital outlay	13,600	13,600	35,329	(21,729)
Debt service	-	-	35,026	(35,026)
Total engineering	1,670,000	1,670,000	1,688,826	(18,826)
Street maintenance				
Personal services	3,837,600	3,837,600	3,899,456	(61,856)
Supplies	1,355,300	1,355,300	1,250,282	105,018
Services and charges	641,400	641,400	527,425	113,975
Capital outlay	-	-	76,000	(76,000)
Debt service	-	-	11,175	(11,175)
Total street maintenance	5,834,300	5,834,300	5,764,338	69,962
Public works airport				
Services and charges	620,200	620,200	620,200	-
Total Public Works	8,124,500	8,124,500	8,073,364	51,136

(Continued)

CITY OF ST. CLOUD, MINNESOTA

GENERAL FUND
SCHEDULE OF EXPENDITURES, COMPARED TO BUDGET
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
Culture and Recreation				
Aging services				
Personal services	$ 735,100	$ 856,200	$ 793,546	$ 62,654
Supplies	37,400	74,100	71,498	2,602
Services and charges	107,600	137,500	120,009	17,491
Capital outlay	-	-	12,000	(12,000)
Debt service	-	-	14,249	(14,249)
Total aging services	880,100	1,067,800	1,011,302	56,498
Park and recreation				
Personal services	2,545,500	2,619,900	2,597,624	22,276
Supplies	462,300	462,300	451,464	10,836
Services and charges	808,000	741,100	756,914	(15,814)
Capital outlay	-	70,000	70,000	-
Debt service	-	-	10,189	(10,189)
Total park and recreation	3,815,800	3,893,300	3,886,191	7,109
Total Culture and Recreation	4,695,900	4,961,100	4,897,493	63,607
Total Expenditures	$ 65,004,800	$ 65,785,100	$ 66,110,303	$ (325,203)
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,170,600	757,100	1,678,636	(921,536)
Other Financing Sources (Uses):				
Issuance of debt	-	-	269,242	(269,242)
Proceeds from sale of capital assets	5,000	5,000	47,824	(42,824)
Transfers in	-	70,000	158,000	(88,000)
Transfers out	(175,600)	(175,600)	(177,396)	1,796
Total Other Financing Sources (Uses)	(170,600)	(100,600)	297,670	(398,270)
Net Change in Fund Balances	1,000,000	656,500	1,976,306	(1,319,806)
Fund Balance - January 1	26,586,506	26,586,506	26,586,506	-
Fund Balance - December 31	$ 27,586,506	$ 27,243,006	$ 28,562,812	$ (1,319,806)

(Concluded)

CITY OF ST. CLOUD, MINNESOTA

Statement E-5

REVOLVING LOANS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Intergovernmental	$ -	$ 47,704	$ 47,704
Expenditures:			
Current			
Economic development			
Services and charges	-	47,704	(47,704)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-
Fund Balance - January 1	243,513	243,513	-
Fund Balance - December 31	$ 243,513	$ 243,513	$ -

CITY OF ST. CLOUD, MINNESOTA

Statement E-6

COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Intergovernmental	$ 687,500	$ 525,825	$ (161,675)
Expenditures:			
Current			
Economic development			
Personal services	97,300	147,031	(49,731)
Supplies	400	1,055	(655)
Services and charges	589,800	377,073	212,727
Capital outlay			
Economic development	-	5,164	(5,164)
Debt Service	-	666	(666)
Total Expenditures	687,500	530,989	156,511
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(5,164)	(5,164)
Other Financing Sources (Uses):			
Issuance of debt	-	5,164	5,164
Net Change in Fund Balance	-	-	-
Fund Balance - January 1	-	-	-
Fund Balance - December 31	$ -	$ -	$ -

CITY OF ST. CLOUD, MINNESOTA

Statement E-7

LIBRARY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	$ 343,500	$ 342,509	$ (991)
Intergovernmental	-	492	492
Charges for services	121,000	103,563	(17,437)
Investment income (loss)	500	3,384	2,884
Miscellaneous	-	1,192	1,192
Total Revenues	465,000	451,140	(13,860)
Expenditures:			
Current			
Culture and recreation			
Supplies	21,000	31,276	(10,276)
Services and charges	414,600	418,111	(3,511)
Debt Service	-	309	(309)
Total Expenditures	435,600	449,696	(14,096)
Excess (Deficiency) of Revenues Over (Under) Expenditures	29,400	1,444	(27,956)
Fund Balance - January 1	156,003	156,003	-
Fund Balance - December 31	$ 185,403	$ 157,447	$ (27,956)

CITY OF ST. CLOUD, MINNESOTA

Statement E-8

FRANCHISE FEE DEVELOPMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Investment income (loss)	$ -	$ 7,797	$ 7,797
Other Financing Sources (Uses):			
Transfers out	-	(216,532)	(216,532)
Net Change in Fund Balance	-	(208,735)	(208,735)
Fund Balance - January 1	208,735	208,735	-
Fund Balance - December 31	$ 208,735	$ -	$ (208,735)

CITY OF ST. CLOUD, MINNESOTA

Statement E-9

ECONOMIC DEVELOPMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	$ 630,500	$ 626,374	$ (4,126)
Intergovernmental	-	21,567	21,567
Charges for services	38,100	2,000	(36,100)
Investment income (loss)	6,000	16,523	10,523
Total Revenues	674,600	666,464	(8,136)
Expenditures:			
Current			
Economic development			
Personal services	356,200	312,294	43,906
Supplies	2,200	2,148	52
Services and charges	316,200	243,002	73,198
Debt Service	-	618	(618)
Total Expenditures	674,600	558,062	116,538
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	108,402	108,402
Fund Balance - January 1	964,335	964,335	-
Fund Balance - December 31	$ 964,335	$ 1,072,737	$ 108,402

CITY OF ST. CLOUD, MINNESOTA

Statement E-10

DEVELOPMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Licenses and Permits	$ 644,500	$ 768,365	$ 123,865
Intergovernmental	-	764	764
Investment income (loss)	10,000	27,167	17,167
Total Revenues	654,500	796,296	141,796
Expenditures:			
Current			
General government			
Personal services	619,700	568,578	51,122
Supplies	1,000	765	235
Services and charges	100,200	329,993	(229,793)
Debt Service	-	1,235	(1,235)
Total Expenditures	720,900	900,571	(179,671)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(66,400)	(104,275)	(37,875)
Fund Balance - January 1	595,736	595,736	-
Fund Balance - December 31	$ 529,336	$ 491,461	$ (37,875)

CITY OF ST. CLOUD, MINNESOTA

Statement E-11

PARK RESERVE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Investment income (loss)	$ 4,000	$ 34,321	$ 30,321
Miscellaneous	-	6,337	6,337
Total Revenues	4,000	40,658	36,658
Expenditures:			
Current			
Culture and recreation			
Supplies	-	20,000	(20,000)
Capital outlay			
Culture and recreation	20,000	-	20,000
Total Expenditures	20,000	20,000	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,000)	20,658	36,658
Fund Balance - January 1	934,964	934,964	-
Fund Balance - December 31	$ 918,964	$ 955,622	$ 36,658

CITY OF ST. CLOUD, MINNESOTA

Statement E-12

GARDENS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	$ 611,600	$ 606,462	$ (5,138)
Intergovernmental	-	823	823
Charges for services	19,000	20,822	1,822
Investment income (loss)	-	(4,674)	(4,674)
Miscellaneous	152,000	158,116	6,116
Total Revenues	782,600	781,549	(1,051)
Expenditures:			
Current			
Culture and recreation			
Personal services	530,400	561,189	(30,789)
Supplies	107,300	115,964	(8,664)
Services and charges	80,800	65,044	15,756
Total Expenditures	718,500	742,197	(23,697)
Excess (Deficiency) of Revenues Over (Under) Expenditures	64,100	39,352	(24,748)
Fund Balance - January 1	(49,202)	(49,202)	-
Fund Balance - December 31	$ 14,898	$ (9,850)	$ (24,748)

CITY OF ST. CLOUD, MINNESOTA

Statement E-13

RETIRED AND SENIOR VOLUNTEER PROGRAM SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Intergovernmental	$ 407,100	$ 426,380	$ 19,280
Investment income (loss)	-	9,331	9,331
Miscellaneous	30,100	57,386	27,286
Total Revenues	437,200	493,097	55,897
Expenditures:			
Current			
Culture and recreation			
Personal services	511,200	501,448	9,752
Supplies	5,800	5,719	81
Services and charges	67,100	74,102	(7,002)
Debt Service	-	5,558	(5,558)
Total Expenditures	584,100	586,827	(2,727)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(146,900)	(93,730)	53,170
Other Financing Sources (Uses):			
Transfers in	146,900	146,900	-
Net Change in Fund Balance	-	53,170	53,170
Fund Balance - January 1	221,399	221,399	-
Fund Balance - December 31	$ 221,399	$ 274,569	$ 53,170

CITY OF ST. CLOUD, MINNESOTA

Statement E-14

TIF - SPENDING PLAN SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Investment income (loss)	$ -	$ 25,144	$ 25,144
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	25,144	25,144
Fund Balance - January 1	676,563	676,563	-
Fund Balance - December 31	$ 676,563	$ 701,707	$ 25,144

CITY OF ST. CLOUD, MINNESOTA

Statement E-15

TIF - WEBWAY II SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Investment income (loss)	$ -	$ 684	$ 684
Expenditures:			
Current			
Economic development			
Services and charges	-	14,307	(14,307)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(13,623)	(13,623)
Fund Balance - January 1	17,396	17,396	-
Fund Balance - December 31	$ 17,396	$ 3,773	$ (13,623)

CITY OF ST. CLOUD, MINNESOTA

Statement E-16

TIF - ETC ENTERPRISES SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	$ 30,000	$ 33,404	$ 3,404
Investment income (loss)	-	482	482
Total Revenues	30,000	33,886	3,886
Expenditures:			
Current			
Economic development			
Services and charges	-	32,324	(32,324)
Excess (Deficiency) of Revenues Over (Under) Expenditures	30,000	1,562	(28,438)
Fund Balance - January 1	22,785	22,785	-
Fund Balance - December 31	$ 52,785	$ 24,347	$ (28,438)

CITY OF ST. CLOUD, MINNESOTA

Statement E-17

TIF - EASTGATE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Investment income (loss)	$ -	$ 87	$ 87
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	87	87
Fund Balance - January 1	3,670	3,670	-
Fund Balance - December 31	$ 3,670	$ 3,757	$ 87

CITY OF ST. CLOUD, MINNESOTA

Statement E-18

TIF - WESTWOOD VILLAGE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	$ 123,500	$ 353,385	$ 229,885
Investment income (loss)	-	22,208	22,208
Total Revenues	123,500	375,593	252,093
Other Financing Sources (Uses):			
Transfers out	(123,500)	(124,105)	(605)
Net Change in Fund Balance	-	251,488	251,488
Fund Balance - January 1	616,122	616,122	-
Fund Balance - December 31	$ 616,122	$ 867,610	$ 251,488

CITY OF ST. CLOUD, MINNESOTA

Statement E-19

TIF - WESTWOOD PHASE II SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	$ 52,100	$ 57,933	$ 5,833
Investment income (loss)	-	6	6
Total Revenues	52,100	57,939	5,839
Other Financing Sources (Uses):			
Transfers out	(52,100)	(52,700)	(600)
Net Change in Fund Balances	-	5,239	5,239
Fund Balance - January 1	14,713	14,713	-
Fund Balance - December 31	$ 14,713	$ 19,952	$ 5,239

CITY OF ST. CLOUD, MINNESOTA

Statement E-20

TIF - WESTWIND APARTMENTS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Investment income (loss)	$ -	$ 1,151	$ 1,151
Expenditures:			
Current			
Economic development			
Services and charges	-	23,836	(23,836)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(22,685)	(22,685)
Fund Balance - January 1	31,354	31,354	-
Fund Balance - December 31	$ 31,354	$ 8,669	$ (22,685)

CITY OF ST. CLOUD, MINNESOTA

Statement E-21

TIF - MAHOWALD SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	$ 12,200	$ 13,621	$ 1,421
Investment income (loss)	-	287	287
Total Revenues	12,200	13,908	1,708
Expenditures:			
Current			
Economic development			
Services and charges	12,200	12,012	188
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	1,896	1,896
Fund Balance - January 1	11,227	11,227	-
Fund Balance - December 31	$ 11,227	$ 13,123	$ 1,896

CITY OF ST. CLOUD, MINNESOTA

Statement E-22

TIF - NABC HOLDINGS/TRI COUNTY ABSTRACT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	$ 19,800	$ 8,689	$ (11,111)
Investment income (loss)	-	52	52
Total Revenues	19,800	8,741	(11,059)
Expenditures:			
Current			
Economic development			
Services and charges	19,800	16,593	3,207
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(7,852)	(7,852)
Fund Balance - January 1	(14,525)	(14,525)	-
Fund Balance - December 31	$ (14,525)	$ (22,377)	$ (7,852)

CITY OF ST. CLOUD, MINNESOTA

Statement E-23

TIF - MODEL COLLEGE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	$ 10,900	$ 10,903	$ 3
Investment income (loss)	-	38	38
Total Revenues	10,900	10,941	41
Expenditures:			
Current			
Economic development			
Services and charges	10,900	11,035	(135)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(94)	(94)
Fund Balance - January 1	(33,983)	(33,983)	-
Fund Balance - December 31	$ (33,983)	$ (34,077)	$ (94)

CITY OF ST. CLOUD, MINNESOTA

Statement E-24

TIF - MICROBIOLOGICS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	$ -	$ 63,745	$ 63,745
Expenditures:			
Current			
Economic development			
Services and charges	-	448	(448)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	63,297	63,297
Fund Balance - January 1	71,433	71,433	-
Fund Balance - December 31	$ 71,433	$ 134,730	$ 63,297

CITY OF ST. CLOUD, MINNESOTA

Statement E-25

TIF - GRANITE BOWL SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	$ 32,600	$ 35,143	$ 2,543
Investment income (loss)	-	3,993	3,993
Total Revenues	32,600	39,136	6,536
Expenditures:			
Current			
Economic development			
Services and charges	32,600	31,242	1,358
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	7,894	7,894
Fund Balance - January 1	22,510	22,510	-
Fund Balance - December 31	$ 22,510	$ 30,404	$ 7,894

CITY OF ST. CLOUD, MINNESOTA

Statement E-26

TIF - PARK INDUSTRIES II SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Expenditures:			
Current			
Economic development			
Services and charges	$ -	$ 32,566	$ (32,566)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(32,566)	(32,566)
Fund Balance - January 1	99,458	99,458	-
Fund Balance - December 31	$ 99,458	$ 66,892	$ (32,566)

CITY OF ST. CLOUD, MINNESOTA

Statement E-27

TIF - GATEWAY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	$ 15,500	$ 16,580	$ 1,080
Investment income (loss)	-	670	670
Total Revenues	15,500	17,250	1,750
Expenditures:			
Current			
Economic development			
Services and charges	15,500	14,741	759
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	2,509	2,509
Fund Balance - January 1	11,621	11,621	-
Fund Balance - December 31	$ 11,621	$ 14,130	$ 2,509

CITY OF ST. CLOUD, MINNESOTA

Statement E-28

TIF - ASSOCIATED WHOLESALE GROCERS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	$ 36,900	$ 177,221	$ 140,321
Investment income (loss)	-	3,939	3,939
Total Revenues	36,900	181,160	144,260
Expenditures:			
Current			
Economic development			
Services and charges	36,900	156,893	(119,993)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	24,267	24,267
Fund Balance - January 1	97,291	97,291	-
Fund Balance - December 31	$ 97,291	$ 121,558	$ 24,267

CITY OF ST. CLOUD, MINNESOTA

Statement E-29

TIF - COOPER AVENUE DEVELOPMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	$ -	$ 693	$ 693
Investment income (loss)	-	4	4
Total Revenues	-	697	697
Expenditures:			
Current			
Economic development			
Services and charges	-	2	(2)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	695	695
Fund Balance - January 1	-	-	-
Fund Balance - December 31	$ -	$ 695	$ 695

CITY OF ST. CLOUD, MINNESOTA

Statement E-30

MARCO TAX ABATEMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	$ 40,500	$ 40,746	$ 246
Intergovernmental	-	59	59
Investment income (loss)	-	308	308
Total Revenues	40,500	41,113	613
Expenditures:			
Current			
Economic development			
Services and charges	40,500	37,482	3,018
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	3,631	3,631
Fund Balance - January 1	20,499	20,499	-
Fund Balance - December 31	$ 20,499	$ 24,130	$ 3,631

CITY OF ST. CLOUD, MINNESOTA

Statement E-31

HOTEL - MOTEL TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	$ 945,000	$ 906,724	$ (38,276)
Charges for services	-	6,950	6,950
Investment income (loss)	-	7,169	7,169
Miscellaneous	-	19,600	19,600
Total Revenues	945,000	940,443	(4,557)
Expenditures:			
Current			
General government			
Supplies	-	2,962	2,962
Services and charges	945,000	905,843	39,157
Total Expenditures	945,000	908,805	42,119
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	31,638	31,638
Fund Balance - January 1	110,993	110,993	-
Fund Balance - December 31	$ 110,993	$ 142,631	$ 31,638

CITY OF ST. CLOUD, MINNESOTA

Statement E-32

FIRE HAZARDOUS MATERIAL SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Intergovernmental	$ 62,300	$ 78,400	$ 16,100
Investment income (loss)	-	328	328
Total Revenues	62,300	78,728	16,428
Expenditures:			
Current			
Public safety			
Supplies	35,900	29,304	6,596
Services and charges	26,400	44,108	(17,708)
Capital outlay			
Public safety	-	10,972	(10,972)
Total Expenditures	62,300	84,384	(22,084)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(5,656)	(5,656)
Fund Balance - January 1	29,267	29,267	-
Fund Balance - December 31	$ 29,267	$ 23,611	$ (5,656)

CITY OF ST. CLOUD, MINNESOTA

Statement E-33

METROPOLITAN AREA NETWORK CONSORTIUM SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Intergovernmental	$ 96,700	$ 101,739	$ 5,039
Investment income (loss)	-	26,902	26,902
Miscellaneous	40,100	54,357	14,257
Total Revenues	136,800	182,998	46,198
Expenditures:			
Current			
General government			
Supplies	31,200	-	31,200
Services and charges	103,000	302,296	(199,296)
Total Expenditures	134,200	302,296	(168,096)
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,600	(119,298)	(121,898)
Other Financing Sources (Uses):			
Transfers in	14,700	14,700	-
Net Change in Fund Balance	17,300	(104,598)	(121,898)
Fund Balance - January 1	388,394	388,394	-
Fund Balance - December 31	$ 405,694	$ 283,796	$ (121,898)

CITY OF ST. CLOUD, MINNESOTA

Statement E-34

CABLE TV ACCESS OPERATING SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	$ 172,000	$ 142,351	$ (29,649)
Investment income (loss)	5,000	22,092	17,092
Total Revenues	177,000	164,443	(12,557)
Expenditures:			
Current			
General government			
Personal services	92,900	83,320	9,580
Supplies	22,300	7,465	14,835
Services and charges	47,200	30,195	17,005
Capital outlay			
General government	-	11,877	(11,877)
Debt Service	-	3,057	(3,057)
Total Expenditures	162,400	135,914	26,486
Excess (Deficiency) of Revenues Over (Under) Expenditures	14,600	28,529	13,929
Fund Balance - January 1	616,108	616,108	-
Fund Balance - December 31	$ 630,708	$ 644,637	$ 13,929

CITY OF ST. CLOUD, MINNESOTA

Statement E-35

NATIONAL OPIOID SETTLEMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Investment income (loss)	$ -	$ 36,235	$ 36,235
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	36,235	36,235
Fund Balance - January 1	37,685	37,685	-
Fund Balance - December 31	$ 37,685	$ 73,920	$ 36,235

CITY OF ST. CLOUD, MINNESOTA

Statement E-36

AFFORDABLE HOUSING AID SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Intergovernmental	$ -	$ 159,208	$ 159,208
Investment income (loss)	-	14,400	14,400
Total Revenues	-	173,608	173,608
Expenditures:			
Current			
General government			
Services and charges	-	417,359	(417,359)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(243,751)	(243,751)
Fund Balance - January 1	422,259	422,259	-
Fund Balance - December 31	$ 422,259	$ 178,508	$ (243,751)

CITY OF ST. CLOUD, MINNESOTA

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for assets held by the City as an agent for other governmental units.

The Internal Service Funds maintained by the City of St. Cloud and their purposes are:

SELF INSURANCE
This fund was established to record the revenues and expenses for the City's dental and health self-insurance programs.

ENERGY
This fund was established to account for City-wide electric and solar services. This fund will also be used for the management of City-wide energy projects and initiatives.

INFORMATION TECHNOLOGY
This fund was established to account for City-wide information technology expenditures.

CITY OF ST. CLOUD, MINNESOTA

Statement F-1

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
December 31, 2025

	Self Insurance	Energy	Information Technology	Totals
Assets				
Current Assets:				
Cash and cash equivalents	$ -	$ 1,955,312	$ -	$ 1,955,312
Accounts receivable	-	558,072	644	558,716
Due from other governmental units	-	-	5,828	5,828
Prepaid items	-	4,637	244,753	249,390
Total Current Assets	-	2,518,021	251,225	2,769,246
Capital Assets and Right-to-Use Assets:				
Subscription assets	-	-	299,313	299,313
Less accumulated amortization	-	-	(100,014)	(100,014)
Total capital asstes and right-to-use assets	-	-	199,299	199,299
Total Assets	$ -	$ 2,518,021	$ 450,524	$ 2,968,545
Liabilities				
Current Liabilities:				
Accounts payable	$ 498,252	$ 64,696	$ 149	$ 563,097
Due to other funds	1,530,075	-	228,296	1,758,371
Interest Payable	-	-	885	885
Unearned revenue	528	-	-	528
Subscription liability (current portion)	-	-	26,158	26,158
Total Current Liabilities	2,028,855	64,696	255,488	2,349,039
Noncurrent Liabilities:				
Subscription liability (net of current portion)	-	-	-	-
Total Liabilities	2,028,855	64,696	255,488	2,349,039
Net Position				
Net Position:				
Net investment in capital assets	-	-	173,141	173,141
Unrestricted	(2,028,855)	2,453,325	21,895	446,365
Total Net Position	(2,028,855)	2,453,325	195,036	619,506
Total Liabilities and Net Position	$ -	$ 2,518,021	$ 450,524	$ 2,968,545

CITY OF ST. CLOUD, MINNESOTA

Statement F-2

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
For the Year Ended December 31, 2025

	Self Insurance	Energy	Information Technology	Totals
Operating Revenues:				
Sales and charges for services	$ 1,201,764	$ 2,903,477	$ 725,014	$ 4,830,255
Operating Expenses:				
Supplies	826	-	-	826
Other services and charges	1,961,756	2,270,577	604,750	4,837,083
Amortization	-	-	74,904	74,904
Total operating expenses	1,962,582	2,270,577	679,654	4,912,813
Operating income (loss)	(760,818)	632,900	45,360	(82,558)
Nonoperating Revenues (Expenses):				
Investment income (loss)	(37,407)	72,206	-	34,799
Intergovernmental	-	22,598	-	22,598
Interest and fiscal charges	-	-	(440)	(440)
Gain on termination of subscription liability	-	-	1,380	1,380
Total nonoperating revenues (expenses)	(37,407)	94,804	940	58,337
Income (loss) before transfers	(798,225)	727,704	46,300	(24,221)
Transfers out	-	(384,679)	-	(384,679)
Change in net position	(798,225)	343,025	46,300	(408,900)
Net Position - January 1	(1,230,630)	2,110,300	148,736	1,028,406
Net Position - December 31	$ (2,028,855)	$ 2,453,325	$ 195,036	$ 619,506

CITY OF ST. CLOUD, MINNESOTA

Statement F-3

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2025

	Self Insurance	Energy	Information Technology	Totals
Cash Flows From Operating Activities:				
Cash received from customers	$ 1,202,529	$ 3,189,368	$ 751,434	$ 5,143,331
Cash payments to suppliers for goods and services	(2,020,735)	(2,314,304)	(597,033)	(4,932,072)
Net Cash Provided by (Used in) Operating Activities	(818,206)	875,064	154,401	211,259
Cash Flows From Noncapital Financing Activities:				
Transfer out to other funds	-	(384,679)	-	(384,679)
Due to other funds	855,613	-	(115,066)	740,547
State and other local governmental unit grants	-	22,598	-	22,598
Net Cash Provided by (Used in) Noncapital Financing Activities	855,613	(362,081)	(115,066)	378,466
Cash Flows From Capital and Related Financing Activities:				
Principal paid	-	-	(36,811)	(36,811)
Interest and fiscal fees paid	-	-	(2,524)	(2,524)
Net Cash Provided by (Used in) Capital and Related Financing Activities	-	-	(39,335)	(39,335)
Cash Flows From Investing Activities:				
Investment income (loss)	(37,407)	72,206	-	34,799
Net Increase (Decrease) in Cash and Cash Equivalents	-	585,189	-	585,189
Cash and Cash Equivalents at Beginning of Year	-	1,370,123	-	1,370,123
Cash and Cash Equivalents at End of Year	$ -	$ 1,955,312	$ -	$ 1,955,312
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Operating income (loss)	$ (760,818)	$ 632,900	$ 45,360	$ (82,558)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Amortization	-	-	74,904	74,904
Changes in assets and liabilities				
(Increase) decrease in accounts receivable	515	285,891	(644)	285,762
(Increase) decrease in due from other governmental units	-	-	27,065	27,065
(Increase) decrease in prepaids	-	(508)	7,728	7,220
Increase (decrease) in accounts payable	(58,153)	(43,219)	(12)	(101,384)
Increase (decrease) in unearned revenue	250	-	-	250
Total adjustments	(57,388)	242,164	109,041	293,817
Net Cash Provided by (Used in) Operating Activities	$ (818,206)	$ 875,064	$ 154,401	$ 211,259
Noncash Activities:				
Subscription liability for the acquisition of a right to use subscription asset	$ -	$ -	$ 12,500	$ 12,500
Subscription liability for the early termination and modification of a right to use subscription asset	-	-	(46,692)	(46,692)

CITY OF ST. CLOUD, MINNESOTA

FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets held by the City as an agent for other governmental units.

The Fiduciary Funds maintained by the City of St. Cloud and their purposes are:

LOCAL AREA SALES TAX
This fund was established to account for the area half-cent sales tax that the City of St. Cloud administers on behalf of neighboring cities (Sartell, St. Augusta, St. Joseph, Sauk Rapids and Waite Park).

CENTRAL MN EMERGENCY SERVICES BOARD
This fund was established by the City of St. Cloud and the following counties: Benton, Big Stone, Douglas, Grant, Kandiyohi, Meeker, Mille Lacs, Morrison, Otter Tail, Pope, Stearns, Stevens, Swift, Todd, Traverse, Wadena, Wilkin, and Wright Counties for the activities of a Regional Emergency Services Board.

VOLUNTEER FIRE RELIEF INVESTMENTS
This fund was established to account for the investments turned over to the City by the former St. Cloud Volunteer Firefighter's Relief Association. The City will hold the investments until the former members of the Relief Association become eligible for their pension.

CITY OF ST. CLOUD, MINNESOTA

Statement G-1

CUSTODIAL FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
December 31, 2025

	Local Area Sales Tax	Central MN Emergency Services Board	Volunteer Fire Relief Investments	Total Custodial Funds
Assets				
Cash and investments	$ -	$ 548,320	$ 135,711	$ 684,031
Due from other governmental units	1,709,899	30,000	-	1,739,899
Prepaid items	-	37,804	-	37,804
Total Assets	1,709,899	616,124	135,711	2,461,734
Liabilities				
Due to other governmental units	1,709,899	-	-	1,709,899
Net Position	$ -	$ 616,124	$ 135,711	$ 751,835

CUSTODIAL FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended December 31, 2025

	Local Area Sales Tax	Central MN Emergency Services Board	Volunteer Fire Relief Investments	Total Custodial Funds
Additions				
Local sales tax collected for other governments	$ 6,271,306	$ -	$ -	$ 6,271,306
Intergovernmental	-	397,635	-	397,635
Investment income	-	23,235	10,061	33,296
Total additions	6,271,306	420,870	10,061	6,702,237
Deductions				
Supplies	-	9,960	-	9,960
Services and charges	-	282,310	-	282,310
Local sales tax distributed to other governments	6,271,306	-	-	6,271,306
Distributions	-	-	16,968	16,968
Intergovernmental	-	5,749	-	5,749
Total deductions	6,271,306	298,019	16,968	6,586,293
Change in net position	-	122,851	(6,907)	115,944
Net Position - January 1	-	493,273	142,618	635,891
Net Position - December 31	$ -	$ 616,124	$ 135,711	$ 751,835

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CITY OF ST. CLOUD, MINNESOTA

STATISTICAL SECTION
Summary

This part of the City of St. Cloud's annual comprehensive financial report presents detailed information to assist the reader in understanding the preceding financial statements and reports in the context of the City's overall financial health. The statistical section is designed to complement the annual comprehensive financial report by providing an historical analysis of financial indicators.

Contents

Financial Trend Data
These schedules contain trend information to illustrate how the City of St. Cloud's financial performance has changed over time. They include an analysis of revenues and expenses and changes in Net Position for governmental activities and business-type activities.

Table 1 Net Position by Component
Table 2 Changes in Net Position
Table 3 Governmental Activities Tax Revenues by Source
Table 4 Fund Balances of Governmental Funds
Table 5 Changes in Fund Balances of Governmental Funds

Revenue Capacity Data
These schedules contain historical information about the City of St. Cloud's most significant local revenue source, property taxes. Information contained within these schedules includes an illustration of how the City's tax capacity and tax rates have changed over time. Also included is a more comprehensive look at how tax rates of overlapping governments have changed over time.

Table 6 General Governmental Activities Tax Revenues by Source
Table 7 Assessed Value and Estimated Actual Value of Taxable Property
Table 8 Property Tax Rates Per $1,000 of Tax Capacity Value – All Direct and Overlapping Governments
Table 9 Principal Property Taxpayers
Table 10 Property Tax Levies and Collections

Debt Capacity Data
These schedules present information designed to help the reader assess the affordability of the City of St. Cloud's current level of outstanding debt and the City's ability to issue additional debt in the future.

Table 11 Ratios of Outstanding Debt by Type
Table 12 Ratios of General Bonded Debt Outstanding
Table 13 Computation of Direct and Overlapping Bonded Debt
Table 14 Legal Debt Margin Information
Table 15 Pledged-Revenue Coverage

CITY OF ST. CLOUD, MINNESOTA

STATISTICAL SECTION (CONTINUED)
Summary (Continued)

Demographic and Economic Information
These schedules provide demographic and economic indicators to illustrate the overall environment in which the City of St. Cloud's financial activities take place.

Table 16 Demographic and Economic Statistics
Table 17 Principal Employers

Operating Indicators
These schedules contain information about City services and capital assets to assist the reader in understanding how the information contained within the City of St. Cloud's annual comprehensive financial report relates to the services the City provides and the activities it performs.

Table 18 Full-Time Equivalent City Government Employees by Function
Table 19 Operating Indicators by Function
Table 20 Capital Asset Statistics by Function

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CITY OF ST. CLOUD, MINNESOTA

NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)

	2025	2024	2023	2022
Governmental activities				
Net investment in capital assets	$206,745,518	$196,892,589	$182,173,920	$167,974,820
Restricted	13,594,970	12,252,344	10,261,676	11,552,496
Unrestricted	8,198,644	3,699,980	7,311,717	22,569,628
Total governmental activities net position	$228,539,132	$212,844,913	$199,747,313	$202,096,944
Business-type activities				
Net investment in capital assets	$258,785,869	$242,924,556	$232,854,757	$232,148,476
Unrestricted	73,966,279	68,602,416	54,597,346	52,444,032
Total business-type activities net position	$332,752,148	$311,526,972	$287,452,103	$284,592,508
Primary government				
Net investment in capital assets	$465,531,387	$439,817,145	$415,028,677	$400,123,296
Restricted	13,594,970	12,252,344	10,261,676	11,552,496
Unrestricted	82,164,923	72,302,396	61,909,063	75,013,660
Total primary government net position	$561,291,280	$524,371,885	$487,199,416	$486,689,452

Source: City of St. Cloud financial records

Table 1

2021	2020	2019	2018	2017	2016
$ 187,407,277	$ 181,963,781	$ 174,868,424	$ 171,503,825	$ 183,169,979	$ 178,974,090
12,946,754	12,218,759	11,999,483	13,720,427	39,054,867	26,594,202
23,609,391	9,737,875	3,362,126	(3,157,878)	(26,247,849)	(13,338,603)
$ 223,963,422	$ 203,920,415	$ 190,230,033	$ 182,066,374	$ 195,976,997	$ 192,229,689
$ 231,457,101	$ 232,153,630	$ 235,483,686	$ 231,673,813	$ 211,292,061	$ 208,889,717
49,391,563	45,295,768	45,626,154	53,964,007	52,182,566	48,959,577
$ 280,848,664	$ 277,449,398	$ 281,109,840	$ 285,637,820	$ 263,474,627	$ 257,849,294
$ 418,864,378	$ 414,117,411	$ 410,352,110	$ 403,177,638	$ 394,462,040	$ 387,863,807
12,946,754	12,218,759	11,999,483	13,720,427	39,054,867	26,594,202
73,000,954	55,033,643	48,988,280	50,806,129	25,934,717	35,620,974
$ 504,812,086	$ 481,369,813	$ 471,339,873	$ 467,704,194	$ 459,451,624	$ 450,078,983

CITY OF ST. CLOUD, MINNESOTA

CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

	2025	2024	2023	2022
Expenses				
Governmental activities:				
General government	$ 10,003,717	$ 9,885,808	$ 12,937,566	$ 8,629,048
Public safety	50,018,295	46,227,745	48,129,810	41,738,731
Public works	14,112,786	18,226,924	18,793,329	18,574,352
Culture and recreation	9,826,525	9,198,971	9,079,351	8,257,157
Economic development	1,522,378	3,394,813	2,502,526	1,985,567
Interest on long-term debt	1,748,623	1,566,946	1,315,748	1,439,813
Total governmental activities expenses	87,232,324	88,501,207	92,758,330	80,624,668
Business-type activities:				
Water utility	14,537,366	12,555,721	13,202,711	13,147,906
Wastewater utility	15,192,727	15,077,027	14,989,723	15,420,096
Hydroelectric utility	1,370,821	1,416,767	1,252,170	1,298,883
Stormwater utility	3,483,482	3,102,548	3,230,053	3,218,925
Street light utility	1,441,639	1,404,288	1,389,915	1,524,047
Parking system	1,914,196	1,877,670	2,049,904	1,835,048
Refuse service	5,112,753	4,749,117	4,815,610	4,520,208
Municipal athletic complex	2,110,747	2,271,829	2,162,201	2,016,209
River's edge convention center	3,619,582	3,909,825	3,940,925	3,747,800
Total business-type activities expenses	48,783,313	46,364,792	47,033,212	46,729,122
Total primary government expenses	$136,015,637	$134,865,999	$139,791,542	$127,353,790

Table 2

2021	2020	2019	2018	2017	2016
$ 7,474,592	$ 7,391,607	$ 7,467,993	$ 7,096,788	$ 6,853,919	$ 7,279,001
32,280,528	34,446,312	33,432,881	33,153,711	33,629,114	37,999,137
16,298,341	16,880,881	19,497,058	18,732,803	19,377,841	18,317,949
7,657,815	7,382,538	8,025,523	8,327,127	7,309,732	7,964,899
1,885,668	3,435,252	1,565,935	4,473,390	1,696,435	2,869,976
1,738,862	1,914,768	2,125,254	2,357,287	3,058,781	3,334,527
67,335,806	71,451,358	72,114,644	74,141,106	71,925,822	77,765,489
12,641,379	11,890,223	12,997,537	10,885,595	10,222,554	9,892,470
14,497,233	12,936,150	12,994,606	12,389,074	11,500,918	11,606,646
1,307,518	1,346,058	1,371,047	1,517,039	1,427,625	1,519,866
2,848,766	2,758,926	3,062,844	3,122,014	1,351,809	1,484,355
1,459,908	1,356,686	1,386,498	1,311,035	2,685,104	4,663,058
1,774,315	2,062,092	2,598,737	2,532,900	2,701,313	2,246,689
3,884,759	3,977,753	3,943,439	3,778,248	3,358,036	3,634,937
1,730,971	1,585,698	1,779,183	1,696,829	1,743,534	1,831,019
3,847,423	3,509,205	4,594,122	4,359,046	4,482,748	4,497,936
43,992,272	41,422,791	44,728,013	41,591,780	39,473,641	41,376,976
$ 111,328,078	$ 112,874,149	$ 116,842,657	$ 115,732,886	$ 111,399,463	$ 119,142,465

(Continued)

CITY OF ST. CLOUD, MINNESOTA

CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

	2025	2024	2023	2022
Program Revenues				
Governmental activities:				
Charges for services:				
General government	$ 2,701,807	$ 2,553,320	$ 2,728,094	$ 2,247,501
Public safety	2,647,470	2,428,254	2,608,668	2,549,324
Public works	2,533,666	2,787,844	2,218,469	1,683,864
Culture and recreation	648,008	818,900	771,974	710,112
Economic development	25,475	101,486	23,821	61,551
Operating grants and contributions	11,035,085	10,752,352	9,215,656	6,012,608
Capital grants and contributions	6,755,884	16,315,724	6,207,823	10,531,905
Total governmental activities program revenues	26,347,395	35,757,880	23,774,505	23,796,865
Business-type activities:				
Charges for services:				
Water utility	15,758,860	14,853,640	15,978,356	14,299,267
Wastewater utility	17,262,635	14,778,507	13,181,438	12,596,872
Hydroelectric utility	1,783,595	1,910,460	1,370,477	1,818,718
Stormwater utility	2,692,273	2,552,987	2,202,680	2,042,380
Street light utility	1,984,244	1,834,696	1,707,136	1,585,562
Parking system	1,248,735	1,272,880	1,287,045	1,021,146
Refuse service	5,475,816	5,314,349	4,749,207	4,529,677
Municipal athletic complex	1,633,490	1,601,910	1,437,710	1,355,737
River's edge convention center	1,481,323	1,727,673	1,475,600	1,297,874
Operating grants and contributions	1,778,624	331,225	412,002	961,015
Capital grants and contributions	16,697,131	14,854,248	744,448	419,711
Total business-type activities program revenues	67,796,726	61,032,575	44,546,099	41,927,959
Total primary government program revenues	$ 94,144,121	$ 96,790,455	$ 68,320,604	$ 65,724,824

Table 2
(Continued)

2021	2020	2019	2018	2017	2016
$ 2,066,737	$ 1,741,543	$ 2,148,310	$ 2,310,189	$ 2,144,266	$ 2,428,429
2,365,715	2,190,175	2,491,784	2,777,316	2,619,639	2,698,211
2,502,826	2,051,815	2,634,774	2,575,986	1,791,906	2,094,193
460,215	416,887	564,467	618,137	639,191	625,234
292,712	80,691	20,496	32,278	148,704	119,761
13,301,905	12,679,252	5,562,071	5,263,442	5,137,833	5,274,705
11,203,158	7,150,516	8,976,636	13,239,750	15,402,124	12,968,065
32,193,268	26,310,879	22,398,538	26,817,098	27,883,663	26,208,598
13,963,870	12,644,135	10,972,662	10,436,903	10,358,733	10,202,223
10,715,087	10,675,066	11,371,635	10,161,867	10,116,082	9,500,508
2,188,641	2,615,460	2,755,986	2,737,254	2,866,763	2,678,340
1,814,939	1,630,710	1,378,320	953,534	932,714	916,546
1,474,614	1,331,941	1,235,016	1,199,516	1,190,681	1,191,491
849,945	757,899	1,835,901	1,831,651	1,946,849	1,858,734
4,306,490	4,192,279	3,953,711	3,839,606	3,696,667	3,481,905
1,272,413	838,979	1,227,030	1,182,551	1,218,557	1,231,964
668,599	572,815	1,705,355	1,750,446	1,570,377	1,832,505
3,084,818	715,803	133,606	134,649	163,810	345,249
2,557,678	2,368,699	3,319,287	14,254,012	5,922,974	13,104,483
42,897,094	38,343,786	39,888,509	48,481,989	39,984,207	46,343,948
$ 75,090,362	$ 64,654,665	$ 62,287,047	$ 75,299,087	$ 67,867,870	$ 72,552,546

(Continued)

CITY OF ST. CLOUD, MINNESOTA

CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

	2025	2024	2023	2022
Net (expense)/revenue				
Governmental activities	$ (60,884,929)	$ (52,743,327)	$ (68,983,825)	$ (56,827,803)
Business-type activities	19,013,413	14,667,783	(2,487,113)	(4,801,163)
Total primary government net (expense)/revenue	$ (41,871,516)	$ (38,075,544)	$ (71,470,938)	$ (61,628,966)
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes				
General property	$ 40,243,644	$ 40,457,819	$ 35,607,629	$ 30,984,735
Hotel-motel	957,097	957,927	975,226	865,188
Local area	8,245,999	8,049,072	7,948,296	7,994,794
Tax increment	812,063	880,275	713,762	578,883
Franchise	5,416,513	5,001,676	5,646,743	5,729,912
Unrestricted grants and contributions	16,093,162	16,244,177	14,421,933	14,176,496
Interest earnings	2,171,047	1,950,487	2,299,775	(2,198,442)
Gain on sale of capital assets	47,824	8,764	34,236	1,431,573
Special items	-	-	-	(21,792,373)
Transfers	2,591,799	(5,379,243)	(1,079,379)	(2,809,441)
Total governmental activities	76,579,148	68,170,954	66,568,221	34,961,325

Table 2
(Continued)

2021	2020	2019	2018	2017	2016
$ (35,142,538)	$ (45,140,479)	$ (49,716,106)	$ (47,324,008)	$ (44,042,159)	$ (51,556,891)
(1,095,178)	(3,079,005)	(4,839,504)	6,890,209	510,566	4,966,972
$ (36,237,716)	$ (48,219,484)	$ (54,555,610)	$ (40,433,799)	$ (43,531,593)	$ (46,589,919)
$ 29,182,468	$ 28,479,282	$ 27,189,751	$ 25,558,417	$ 24,539,994	$ 23,693,551
653,116	427,433	911,701	958,470	925,129	947,554
7,227,129	6,495,244	6,584,975	6,430,389	6,340,279	6,391,579
915,404	892,773	855,126	824,166	822,232	772,615
4,789,622	4,537,203	4,587,474	4,984,746	3,950,978	3,871,939
13,978,576	13,727,980	12,869,777	12,816,901	12,288,976	12,302,976
(89,626)	1,079,918	1,478,835	440,263	771,850	249,512
22,003	28,958	200	2,701,279	-	-
-	-	-	-	-	-
(1,493,147)	3,162,070	3,401,926	(15,544,080)	(1,849,971)	295,217
55,185,545	58,830,861	57,879,765	39,170,551	47,789,467	48,524,943

(Continued)

CITY OF ST. CLOUD, MINNESOTA

CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

	2025	2024	2023	2022
General Revenues and Other Changes in Net Position (Continued)				
Business-type activities:				
Taxes				
General property	$ -	$ -	$ -	$ -
Food and beverage	1,869,777	1,788,840	1,738,997	1,587,655
Hotel-motel	722,021	722,647	735,698	652,686
Tax increment	61,292	60,041	61,286	69,428
Interest earnings	2,108,676	2,014,221	1,683,332	(806,075)
Gain on sale of capital assets	41,796	24,536	39,363	460
Special items	-	-	-	4,231,412
Transfers	(2,591,799)	5,379,243	1,079,379	2,809,441
Total business-type activities	2,211,763	9,989,528	5,338,055	8,545,007
Total primary government	$ 78,790,911	$ 78,160,482	$ 71,906,276	$ 43,506,332
Changes in Net Position				
Governmental activities	$ 15,694,219	$ 15,427,627	$ (2,415,604)	$ (21,866,478)
Business-type activities	21,225,176	24,657,311	2,850,942	3,743,844
Total primary government	$ 36,919,395	$ 40,084,938	$ 435,338	$ (18,122,634)

Source: City of St. Cloud financial records

Table 2
(Continued)

2021	2020	2019	2018	2017	2016
$ 620,574	$ -	$ -	$ -	$ -	$ -
1,420,811	1,287,691	1,604,044	1,566,232	1,523,330	1,481,088
492,703	322,250	687,761	723,056	697,905	714,821
69,804	68,594	70,028	67,643	123,840	-
382,461	902,098	1,255,517	494,471	911,721	689,919
14,944	-	96,100	53,075	8,000	23,943
-	-	-	-	-	-
1,493,147	(3,162,070)	(3,401,926)	15,544,080	1,849,971	(295,217)
4,494,444	(581,437)	311,524	18,448,557	5,114,767	2,614,554
$ 59,679,989	$ 58,249,424	$ 58,191,289	$ 57,619,108	$ 52,904,234	$ 51,139,497
$ 20,043,007	$ 13,690,382	$ 8,163,659	$ (8,153,457)	$ 3,747,308	$ (3,031,948)
3,399,266	(3,660,442)	(4,527,980)	25,338,766	5,625,333	7,581,526
$ 23,442,273	$ 10,029,940	$ 3,635,679	$ 17,185,309	$ 9,372,641	$ 4,549,578

(Concluded)

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CITY OF ST. CLOUD, MINNESOTA

Table 3

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	Property Tax	Tax Increment	Hotel and Motel Tax	Local Area Tax	Franchise Tax	Total
2025	$ 40,243,644	$ 812,063	$ 957,097	$8,245,999	$5,416,513	$ 55,675,316
2024	40,457,819	880,275	957,927	8,049,072	5,001,676	55,346,769
2023	35,607,629	713,762	975,226	7,948,296	5,646,743	50,891,656
2022	30,984,735	578,883	865,188	7,994,794	5,729,912	46,153,512
2021	29,182,468	915,404	653,116	7,227,129	4,789,622	42,767,739
2020	28,479,282	892,773	427,433	6,495,244	4,537,203	40,831,935
2019	27,189,751	855,126	911,701	6,584,975	4,587,474	40,129,027
2018	25,558,417	824,166	958,470	6,430,389	4,984,746	38,756,188
2017	24,539,994	822,232	925,129	6,340,279	3,950,978	36,578,612
2016	23,693,551	772,615	947,554	6,391,579	3,871,939	35,677,238

Source: City of St. Cloud financial records

CITY OF ST. CLOUD, MINNESOTA

FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2025	2024	2023	2022
General fund				
Nonspendable	$ 237,685	$ 275,844	$ 230,624	$ 372,124
Assigned	203,000	283,705	245,686	281,806
Unassigned	28,122,127	26,026,957	24,622,803	25,267,184
Total general fund	$28,562,812	$26,586,506	$25,099,113	$25,921,114
All other governmental funds				
Nonspendable				
Special revenue funds	$ 20,412	$ 20,284	$ 19,967	$ 24,426
Capital projects funds	-	-	-	17,455
Restricted				
Special revenue funds	2,650,020	2,456,662	3,038,822	4,245,095
Debt service funds	5,084,995	4,397,316	2,894,437	2,977,594
Capital projects funds	12,484,475	10,554,263	5,203,552	5,205,405
Committed				
Special revenue funds	3,907,547	4,169,087	3,455,198	4,138,116
Assigned				
Capital projects funds	27,165,956	24,169,340	27,070,849	29,386,193
Unassigned				
Special revenue funds	(66,354)	(97,710)	(115,667)	(189,305)
Debt service funds	(1,725)	(3,700)	(3,383)	(1,500)
Capital projects funds	(1,558,675)	(1,907,128)	(1,391,899)	(336,489)
Total all other governmental funds	$49,686,651	$43,758,414	$40,171,876	$45,466,990

Source: City of St. Cloud financial records

Table 4

2021	2020	2019	2018	2017	2016
$ 210,441	$ 241,201	$ 192,311	$ 199,966	$ 182,041	$ 194,776
223,814	254,718	253,718	293,329	214,440	231,040
28,603,130	23,013,927	19,345,339	19,718,151	18,799,654	19,181,704
$ 29,037,385	$ 23,509,846	$ 19,791,368	$ 20,211,446	$ 19,196,135	$ 19,607,520
$ 33,751	$ 23,136	$ 25,524	$ 7,718	$ 483	$ 4,057
-	-	-	-	-	-
5,465,802	5,221,782	4,960,301	4,696,749	4,358,981	4,146,876
2,990,336	2,943,985	3,026,840	2,895,901	25,207,914	9,580,701
5,565,432	5,179,926	5,233,416	7,378,234	10,904,109	14,274,696
3,773,530	3,287,148	2,038,739	1,810,432	1,678,957	2,130,073
29,507,098	28,292,535	28,618,015	23,927,388	19,772,240	15,190,147
(86,647)	(997,935)	(1,828,888)	(2,400,765)	(81,744)	(113,241)
(850)	(377)	(5,026)	(1,343)	(2,011)	-
(3,276)	(1,543,287)	(2,360,116)	(3,001,148)	(4,661,772)	(6,402,662)
$ 47,245,176	$ 42,406,913	$ 39,708,805	$ 35,313,166	$ 57,177,157	$ 38,810,647

CITY OF ST. CLOUD, MINNESOTA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2025	2024	2023	2022
Revenues:				
Taxes	$ 55,516,782	$ 55,120,403	$ 50,902,417	$ 46,067,489
Licenses and permits	3,073,461	2,844,420	2,860,723	3,014,296
Intergovernmental	29,760,925	38,070,607	31,277,764	23,799,389
Charges for services	4,448,633	4,710,479	4,383,240	3,229,936
Special assessments	2,518,494	1,509,127	1,857,602	2,070,823
Fines	808,089	696,085	714,275	634,653
Investment income	2,136,248	1,934,595	2,251,925	(2,089,851)
Miscellaneous	688,051	845,184	635,894	614,806
Total revenues	98,950,683	105,730,900	94,883,840	77,341,541
Expenditures:				
General government	9,125,246	9,091,944	11,589,921	7,539,378
Public safety	45,422,715	42,558,883	39,840,586	35,555,991
Public works	7,965,460	11,475,420	12,045,142	7,343,769
Culture and recreation	6,716,584	6,415,922	6,013,414	5,393,821
Miscellaneous (economic development)	1,514,998	3,374,400	2,453,622	1,898,689
Capital outlay	27,989,744	29,782,833	25,555,722	16,197,575
Debt service				
Principal	11,490,820	10,687,666	11,313,151	10,172,289
Interest and fiscal charges	2,676,235	2,406,895	2,381,258	2,618,694
Total expenditures	112,901,802	115,793,963	111,192,816	86,720,206
Excess of revenues over (under) expenditures	(13,951,119)	(10,063,063)	(16,308,976)	(9,378,665)

Table 5

2021	2020	2019	2018	2017	2016
$ 42,863,251	$ 40,728,037	$ 40,151,795	$ 38,780,638	$ 36,603,552	$ 35,705,601
2,608,656	2,614,946	2,809,301	3,183,189	2,756,099	2,875,229
30,393,007	30,861,248	23,650,356	25,764,776	20,627,367	24,451,579
4,175,477	3,077,488	4,208,632	4,070,525	3,230,122	4,059,034
2,446,482	2,955,748	3,311,584	3,429,112	4,623,582	5,257,102
649,805	507,518	753,004	910,775	1,052,975	864,219
(74,656)	984,276	1,372,176	401,848	702,867	231,380
1,828,504	493,805	636,708	1,597,812	9,455,720	4,229,775
84,890,526	82,223,066	76,893,556	78,138,675	79,052,284	77,673,919
6,975,881	6,672,410	6,709,371	6,598,099	6,582,904	6,412,058
33,329,835	32,566,669	32,168,612	31,760,057	29,487,653	28,395,830
7,098,310	6,881,591	8,148,255	8,687,001	7,869,416	6,941,939
5,001,295	4,597,941	5,292,712	5,292,170	5,292,214	5,828,609
1,890,243	3,310,423	1,563,081	4,480,225	1,675,414	2,841,811
24,829,683	14,915,820	20,097,871	20,670,879	19,384,164	36,624,704
10,215,000	9,780,000	9,460,000	32,470,000	13,835,000	20,500,000
2,753,466	2,962,543	3,023,657	3,297,165	3,565,550	3,627,358
92,093,713	81,687,397	86,463,559	113,255,596	87,692,315	111,172,309
(7,203,187)	535,669	(9,570,003)	(35,116,921)	(8,640,031)	(33,498,390)

(Continued)

CITY OF ST. CLOUD, MINNESOTA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2025	2024	2023	2022
Other financing sources (uses):				
Transfers in	$ 15,108,863	$ 13,720,625	$ 22,163,198	$ 14,523,844
Transfers out	(12,104,232)	(16,508,125)	(18,064,765)	(12,379,216)
Bond and loan issuance	16,315,000	14,695,000	4,670,000	4,310,000
Premium on bonds issued	2,127,752	1,810,807	270,216	273,731
Proceeds from debt issuance	360,455	1,409,923	1,118,976	457,404
Sale of capital assets	47,824	8,764	34,236	1,431,573
Total other financing sources (uses)	21,855,662	15,136,994	10,191,861	8,617,336
Special item	-	-	-	(4,133,128)
Net change in fund balances	$ 7,904,543	$ 5,073,931	$ (6,117,115)	$ (4,894,457)
Debt service as a percentage of noncapital expenditures	16.68%	15.22%	15.99%	18.14%

Source: City of St. Cloud financial records

Table 5
(Continued)

2021	2020	2019	2018	2017	2016
$ 17,674,051	$ 17,937,118	$ 17,875,120	$ 38,167,019	$ 9,348,222	$ 16,389,301
(14,215,336)	(12,085,159)	(11,527,862)	(36,185,731)	(8,522,554)	(14,085,764)
12,740,000	-	6,170,000	7,860,000	22,845,000	20,270,000
1,348,271	-	1,028,106	1,083,955	2,838,112	2,508,638
-	-	-	-	-	-
22,003	28,958	200	3,342,998	86,376	884,919
17,568,989	5,880,917	13,545,564	14,268,241	26,595,156	25,967,094
-	-	-	-	-	-
$ 10,365,802	$ 6,416,586	$ 3,975,561	$ (20,848,680)	$ 17,955,125	$ (7,531,296)
19.28%	19.08%	18.81%	38.63%	25.47%	32.37%

(Concluded)

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CITY OF ST. CLOUD, MINNESOTA

Table 6

GENERAL GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Tax Increment	Hotel - Motel Tax	Local Area Tax	Franchise Tax	Total
2025	$ 40,085,110	$ 812,063	$ 957,097	$8,245,999	$5,416,513	$ 55,516,782
2024	40,231,453	880,275	957,927	8,049,072	5,001,676	55,120,403
2023	35,618,390	713,762	975,226	7,948,296	5,646,743	50,902,417
2022	30,898,712	578,883	865,188	7,994,794	5,729,912	46,067,489
2021	29,277,980	915,404	653,116	7,227,129	4,789,622	42,863,251
2020	28,375,384	892,773	427,433	6,495,244	4,537,203	40,728,037
2019	27,212,519	855,126	911,701	6,584,975	4,587,474	40,151,795
2018	25,582,867	824,166	958,470	6,430,389	4,984,746	38,780,638
2017	24,564,934	822,232	925,129	6,340,279	3,950,978	36,603,552
2016	23,721,914	772,615	947,554	6,391,579	3,871,939	35,705,601

Source: City of St. Cloud financial records

CITY OF ST. CLOUD, MINNESOTA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years

Fiscal Year Ended December 31	Real Property	Personal Other	Less: Tax Exempt Real Property
2025	$ 6,050,144,000	$ 40,932,400	NA
2024	5,978,526,900	41,143,100	NA
2023	5,440,805,500	40,558,500	NA
2022	4,699,161,500	39,659,900	NA
2021	4,539,816,900	63,972,100	NA
2020	4,311,842,100	59,859,400	NA
2019	4,137,998,600	58,579,900	NA
2018	3,929,098,700	60,380,100	NA
2017	3,798,912,300	55,573,700	NA
2016	3,695,123,400	53,634,200	NA

Source: City of St. Cloud Property Tax and Records

Table 7

Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Market Value	Assesed (Tax Capacity) Value as a Percentage of Taxable Mkt Value
$ 6,091,076,400	53.974	$ 6,411,500,000	95.00%
6,019,670,000	53.167	6,336,500,000	95.00%
5,481,364,000	51.633	5,769,900,000	95.00%
4,738,821,400	50.904	4,987,990,000	95.00%
4,603,789,000	50.271	4,846,300,000	95.00%
4,371,701,500	50.506	4,650,950,000	94.00%
4,196,578,500	49.995	4,464,445,213	94.00%
3,989,478,800	48.195	4,244,126,400	94.00%
3,854,486,000	47.752	4,100,517,000	94.00%
3,748,757,600	47.568	3,946,060,600	95.00%

CITY OF ST. CLOUD, MINNESOTA

Table 8

PROPERTY TAX RATES PER $1,000 OF TAX CAPACITY VALUE -
ALL DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years

		City of St. Cloud Direct Rate			Overlapping Rates						
Fiscal Year	County	Operating	Debt Service	Total Direct	School District	Counties	Transit District	City EDA	Housing and Redevelopment Authority	Northstar Rail Authority	Total
2025	Stearns	43.879	10.095	53.974	21.666	40.468	2.925	0.906	1.045	0.052	121.036
	Benton	43.879	10.095	53.974	24.761	45.587	2.925	0.906	1.045	0.000	129.198
	Sherburne	43.879	10.095	53.974	21.663	38.246	2.925	0.906	1.045	0.000	118.759
2024	Stearns	41.837	11.330	53.167	21.262	40.078	2.728	0.897	1.019	0.050	119.201
	Benton	41.837	11.330	53.167	21.208	43.927	2.728	0.897	1.019	0.000	122.946
	Sherburne	41.837	11.330	53.167	21.263	36.578	2.728	0.897	1.019	0.000	115.652
2023	Stearns	42.846	8.787	51.633	22.659	42.918	2.998	0.914	0.826	0.025	121.973
	Benton	42.846	8.787	51.633	22.596	48.541	2.998	0.914	0.826	0.000	127.508
	Sherburne	42.846	8.787	51.633	22.659	38.609	2.998	0.914	0.826	0.000	117.639
2022	Stearns	42.535	8.369	50.904	25.037	48.431	3.227	0.907	0.904	0.028	129.438
	Benton	42.535	8.369	50.904	24.968	54.609	3.227	0.907	0.904	0.000	135.519
	Sherburne	42.535	8.369	50.904	25.036	44.054	3.227	0.907	0.904	0.000	125.032
2021	Stearns	41.772	8.499	50.271	25.232	48.569	3.346	0.902	0.898	0.039	129.257
	Benton	41.772	8.499	50.271	25.165	55.120	3.346	0.902	0.898	0.000	135.702
	Sherburne	41.772	8.499	50.271	25.232	45.809	3.346	0.902	0.898	0.000	126.458
2020	Stearns	42.093	8.413	50.506	26.361	50.363	3.530	0.903	0.908	0.064	132.635
	Benton	42.093	8.413	50.506	26.287	58.360	3.530	0.903	0.908	0.000	140.494
	Sherburne	42.093	8.413	50.506	26.507	47.396	3.535	0.905	0.910	0.000	129.759
2019	Stearns	41.346	8.649	49.995	27.803	51.365	3.691	0.901	0.901	0.099	134.755
	Benton	41.346	8.649	49.995	27.728	61.403	3.691	0.901	0.901	0.000	144.619
	Sherburne	41.346	8.649	49.995	27.796	47.896	3.691	0.901	0.901	0.000	131.180
2018	Stearns	40.677	7.518	48.195	28.967	52.488	3.052	0.903	0.903	0.105	134.613
	Benton	40.677	7.518	48.195	34.295	64.315	3.052	0.903	0.903	0.000	151.663
	Sherburne	40.677	7.518	48.195	28.906	49.321	3.052	0.903	0.903	1.501	132.781
2017	Stearns	40.112	7.640	47.752	30.505	52.337	3.194	0.881	0.925	0.106	135.700
	Benton	40.112	7.640	47.752	30.378	65.910	3.194	0.881	0.925	0.000	149.040
	Sherburne	40.112	7.640	47.752	30.442	50.423	3.194	0.881	0.925	1.656	135.273
2016	Stearns	39.905	7.663	47.568	23.632	51.632	3.288	0.853	0.933	0.166	128.072
	Benton	39.905	7.663	47.568	23.558	67.033	3.288	0.853	0.933	0.000	143.233
	Sherburne	39.905	7.663	47.568	23.623	50.440	3.288	0.853	0.933	1.909	128.614

Source: City of St. Cloud Property Tax Records

CITY OF ST. CLOUD, MINNESOTA

Table 9

PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago

	2025			2016		
Taxpayer	*Tax Capacity Value	Rank	Percentage of Total City Tax Capacity Value	*Tax Capacity Value	Rank	Percentage of Total City Tax Capacity Value
Centracare Health System	$ 886,094	1	1.22 %	$ 826,957	3	2.02 %
Contrarian Crossroads LLC	871,770	2	1.20 %	1,402,570	1	3.51 %
Xcel Energy/NSP Minnesota	784,140	3	1.08 %	1,117,691	2	2.82 %
6250 Ridgewood Rd Owner LLC (Bluestem)	487,638	4	0.67 %	344,450	5	0.86 %
Eleven Investments LLC	388,600	5	0.54 %			
St. Cloud Rainbow Village LLC	347,550	6	0.48 %	236,090	9	0.59 %
St. Cloud Business Park LLC	338,959	7	0.47 %			
Joe Belle Limited Partnership	281,154	8	0.39 %			
Anderson Trucking Service LLC	277,972	9	0.38 %			
MIMG CLI Upper Town LLC	263,825	10	0.36 %			
IRET Properties				428,490	4	0.83 %
LSREF4 Bison LLC - Wells Fargo				288,360	6	0.72 %
Target/HRA				268,620	7	0.69 %
Coborns Inc				244,510	8	0.63 %
Miller Real Estate Holdings				228,010	10	0.57 %
			6.79 %			13.24 %

*Combination of commercial and residential properties with mixed weighted tax rates affects tax capacity.

Source: City of St. Cloud Property Tax Records

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CITY OF ST. CLOUD, MINNESOTA

Table 10

PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2025	$ 40,242,792	$ 39,780,257	98.9 %	$ -	$ 39,780,257	98.9 %
2024	40,044,992	39,611,526	98.9 %	132,218	39,743,744	99.2 %
2023	35,702,092	35,452,670	99.3 %	150,007	35,602,677	99.7 %
2022	30,875,692	30,642,441	99.2 %	100,486	30,742,927	99.6 %
2021	29,793,692	29,652,679	99.5 %	84,457	29,737,136	99.8 %
2020	28,317,492	28,096,202	99.2 %	70,698	28,166,900	99.5 %
2019	27,184,592	27,045,200	99.5 %	91,591	27,136,791	99.8 %
2018	25,525,992	25,352,117	99.3 %	94,090	25,446,207	99.7 %
2017	24,532,400	24,428,841	99.6 %	74,172	24,503,013	99.9 %
2016	23,747,400	23,566,123	99.2 %	36,688	23,602,811	99.4 %

Source: City of St. Cloud Financial Records

CITY OF ST. CLOUD, MINNESOTA

RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

	Governmental Activities					
Fiscal Year	Certificates of Indebtedness	Sales Tax Revenue Bonds	General Obligation Bonds	General Obligation Improvement Bonds	General Obligation Tax Increment Bonds	Loans Payable
2025	$ 13,710,213	$ 3,436,300	$ 55,194,136	$ 10,053,021	$ 625,000	$ 3,754,702
2024	6,075,430	3,818,956	50,552,795	14,680,899	780,000	3,754,702
2023	3,045,647	4,191,612	42,458,780	19,263,781	930,000	3,754,702
2022	3,985,864	6,388,167	41,250,791	23,776,663	1,075,000	3,754,702
2021	4,911,081	8,489,719	39,929,402	28,019,545	1,220,000	3,754,702
2020	5,816,298	10,506,271	30,382,735	31,591,776	1,360,000	3,754,702
2019	6,706,515	12,442,823	32,934,339	36,814,006	1,500,000	3,754,702
2018	7,566,732	14,019,375	30,039,237	40,271,372	1,630,000	3,754,702
2017	8,386,949	15,545,927	49,383,112	42,745,370	1,760,000	3,754,702
2016	8,727,166	16,932,478	26,022,166	53,561,333	1,895,000	3,754,702

	Business-Type Activities					
Fiscal Year	Certificates of Participation	Revenue Bonds	Notes from Direct Borrowing[2]	Financed Purchase	Leases[3]	Subscriptions[3]
2025	$ -	$ 26,798,005	$ 89,787,958	$ 42,005	$ 371,423	$ 9,522
2024	-	29,685,376	87,030,862	68,482	386,089	70,861
2023	-	32,417,747	85,536,901	93,800	389,305	126,676
2022	-	35,010,116	82,721,697	270,968	383,107	-
2021	-	37,302,485	78,502,298	302,607	-	-
2020	-	39,042,277	65,708,138	449,017	-	-
2019	-	106,190,842	-	602,030	-	-
2018	-	112,529,052	-	770,404	-	-
2017	-	109,357,592	-	934,190	-	-
2016	380,000	109,257,232	-	1,093,539	-	-

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

[1] See the Schedule of Demographic and Economic Statistics (Table 16) for personal income and population data.
[2] With the implementation of GASB 88, notes from direct borrowing were split out.
[3] With the implementation of GASB 87 and GASB 96, leases and subscriptions were split out.

Source: City of St. Cloud Financial Records

Table 11

Governmental Activities				
Financed Purchase	Leases[3]	Subscriptions[3]	Total Governmental Activities	
$ 68,221	$ 1,088,875	$ 42,707	$ 87,973,175	
96,217	1,716,771	303,183	81,778,953	
54,197	1,294,393	351,609	75,344,721	
-	1,432,274	15,133	81,678,594	
-	-	-	86,324,449	
-	-	-	83,411,782	
-	-	-	94,152,385	
-	-	-	97,281,418	
-	-	-	121,576,060	
-	-	-	110,892,845	

Total Business-Type Activities	Total Primary Government	Percentage of Personal Income[1]	Per Capita[1]
$117,008,913	$204,982,088	4.44%	$ 2,823
117,241,670	199,020,623	4.66%	2,846
118,564,429	193,909,150	4.78%	2,814
118,385,888	200,064,482	5.34%	2,907
116,107,390	202,431,839	5.79%	2,945
105,199,432	188,611,214	5.77%	2,738
106,792,872	200,945,257	6.30%	2,932
113,299,456	210,580,874	7.03%	3,088
110,291,782	231,867,842	8.15%	3,415
110,730,771	221,623,616	7.94%	3,291

CITY OF ST. CLOUD, MINNESOTA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding				
	Certificates of Indebtedness	Sales Tax Revenue Bonds	General Obligation Bonds	General Obligation Improvement Bonds	General Obligation Tax Increment Bonds
2025	$ 13,710,213	$ 3,436,300	$ 55,194,136	$ 10,053,021	$ 625,000
2024	6,075,430	3,818,956	50,552,795	14,680,899	780,000
2023	3,045,647	4,191,612	42,458,780	19,263,781	930,000
2022	3,985,864	6,388,167	41,250,791	23,776,663	1,075,000
2021	4,911,081	8,489,719	39,929,402	28,019,545	1,220,000
2020	5,816,298	10,506,271	30,382,735	31,591,776	1,360,000
2019	6,706,515	12,442,823	32,934,339	36,814,006	1,500,000
2018	7,566,732	14,019,375	30,039,237	40,271,372	1,630,000
2017	8,386,949	15,545,927	49,383,112	42,745,370	1,760,000
2016	8,727,166	16,932,478	26,022,166	53,561,333	1,895,000

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

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property (Table 7) for property value data.
(2) Personal income and population data can be found in the Schedule of Demographic and Economic statistics (Table 16).

Source: City of St. Cloud Financial Records

Table 12

General Bonded Debt Outstanding					
General Obligation Revenue Bonds	Total	Less: Available in Debt Service	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property [1]	Per Capita[2]
$ 116,174,313	$ 199,192,983	$ 4,069,416	$195,123,567	3.11%	$ 2,743
116,716,238	192,624,318	3,470,828	189,153,490	3.04%	2,755
117,954,648	187,844,468	2,011,405	185,833,063	3.26%	2,726
116,180,210	192,656,695	3,774,600	188,882,095	3.86%	2,800
113,896,530	196,466,277	3,602,804	192,863,473	4.05%	2,858
102,495,511	182,152,591	3,505,167	178,647,424	3.92%	2,644
103,599,287	193,996,970	3,498,823	190,498,147	4.35%	2,831
109,610,846	203,137,562	4,601,401	198,536,161	4.79%	2,978
106,122,736	223,944,094	26,916,364	197,027,730	5.46%	3,299
106,010,425	213,148,568	9,580,701	203,567,867	5.40%	3,165

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CITY OF ST. CLOUD, MINNESOTA

Table 13

COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
December 31, 2025

Governmental Unit	Debt Outstanding [1]	City's Share Percent	City's Share Amount
School Districts:			
School District 47	$ 59,815,000	3.80%	$ 2,272,970
School District 742	278,114,895	66.30%	184,390,175
Counties:			
Stearns County	1,345,000	24.57%	330,467
Benton County	23,685,000	11.56%	2,737,986
Sherburne County	34,260,000	2.44%	835,944
Subtotal, overlapping debt			190,567,542
City of St. Cloud direct debt			87,973,175
Total Direct and Overlapping Debt			$ 278,540,717

[1] The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the city's boundaries and dividing it by the county's total taxable assessed value.

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 of St. Cloud. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

Sources: Assessed value data used to estimate applicable percentages provided by the County Board of Equalization and Assessment. Debt outstanding data provided by individual governmental units.

CITY OF ST. CLOUD, MINNESOTA

LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years

	2025	2024	2023	2022
Debt limit	$191,233,713	$183,139,305	$179,028,063	$ 149,639,700
Total net debt applicable to limit	57,444,507	47,246,986	38,680,523	38,234,443
Legal debt margin	$133,789,206	$135,892,319	$140,347,540	$ 111,405,257
Total net debt applicable to the limit as a percentage of debt limit	30.04%	25.80%	21.61%	25.55%

Legal Debt Margin Calculation for Fiscal Year 2025

Estimated Market Value	$6,374,457,100
Debt limit (3% of total assessed value)	191,233,713
Debt applicable to limit:	
General obligation certificates of indebtedness	13,645,000
General obligation bonds	48,680,000
Less: Amount set aside for repayment of general obligation debt	(4,880,493)
Total net debt applicable to limit	57,444,507
Legal debt margin	$ 133,789,206

Note: Under state finance law, the City of St. Cloud's general obligation debt should not exceed three percent of total assessed tax capacity. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Source: City of St. Cloud Financial Records

Table 14

2021	2020	2019	2018	2017	2016
$ 145,389,000	$ 139,528,500	$ 133,933,356	$ 127,323,792	$ 123,015,510	$ 118,381,818
37,797,950	30,088,946	33,013,009	31,320,094	29,555,644	30,584,709
$ 107,591,050	$ 109,439,554	$ 100,920,347	$ 96,003,698	$ 93,459,866	$ 87,797,109
26.00%	21.56%	24.65%	24.60%	24.03%	25.84%

CITY OF ST. CLOUD, MINNESOTA

PLEDGED-REVENUE COVERAGE
Last Ten Fiscal Years

	Revenue Bonds					
Fiscal Year	Gross Revenue [1]	Less: Operating Expenses [2]	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage (percentage)
2025	$40,191,040	$20,991,958	$19,199,082	$ 11,089,704	$1,907,921	147.71 %
2024	37,050,085	20,051,273	16,998,812	10,464,350	1,967,763	136.73 %
2023	35,684,422	20,046,488	15,637,934	10,349,672	2,066,823	125.94 %
2022	33,226,589	19,752,858	13,473,731	9,442,725	2,127,307	116.45 %
2021	30,654,841	17,282,670	13,372,171	29,076,140 [3]	2,568,358	42.26 %
2020	29,242,086	16,849,298	12,392,788	7,106,000	2,576,879	127.99 %
2019	30,857,876	19,628,688	11,229,188	7,609,427	2,728,422	108.62 %
2018	30,109,112	16,894,890	13,214,222	8,686,477	2,816,988	114.87 %
2017	30,149,350	17,006,365	13,142,985	10,616,643	2,511,845	100.11 %
2016	28,974,966	16,071,943	12,903,023	6,095,543	2,805,301	144.96 %

	Sales Tax Revenue Bonds			
Fiscal Year	Local Sales Tax	Debt Service Principal	Debt Service Interest	Coverage (percentage)
2025	$ 456,442	$ 360,000	$ 92,544	100.86 %
2024	459,216	350,000	104,994	100.93 %
2023	2,152,041	1,990,000	156,644	100.25 %
2022	2,150,416	1,895,000	248,794	100.31 %
2021	2,158,208	1,810,000	342,560	100.26 %
2020	2,152,923	1,730,000	419,693	100.15 %
2019	1,939,169	1,370,000	486,993	104.43 %
2018	1,709,300	1,320,000	541,244	91.84 %
2017	1,619,000	1,180,000	586,425	91.65 %
2016	1,645,730	3,150,000	615,785	43.70 %

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

[1] Includes operating revenue from Water, Wastewater, Hydroelectric, Street Light Utility, Parking, River's Edge Convention Center and hotel/motel tax collected in the River's Edge Convention Center fund.

[2] Excludes depreciation and non-operating expenses.

[3] Includes refunded principal of $21,105,000

Source: City of St. Cloud Financial Records

Table 15

Improvement Bonds

Special Assessment Collections	Debt Service		Coverage (percentage)
	Principal	Interest	
$ 2,387,836	$ 4,330,000	$ 405,875	50.42 %
1,411,567	4,285,000	546,525	29.22 %
1,705,136	4,215,000	694,500	34.73 %
1,943,421	3,945,000	842,814	40.59 %
2,258,989	4,795,000	965,400	39.22 %
2,853,574	4,900,000	1,109,931	47.48 %
3,220,163	5,655,000	1,176,685	47.14 %
3,319,752	6,565,000	1,251,673	42.47 %
4,551,797	10,575,000	1,451,283	37.85 %
5,188,442	3,995,000	1,571,229	93.21 %

CITY OF ST. CLOUD, MINNESOTA

Table 16

DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Fiscal Year	Population[1]	Total Personal Income	Per Capita Personal Income[2]	Median Age	Education Level in Years of Formal Schooling	School Enrollment[3]	Year End Unemployment Rate[4]
2025 *	72,614	$ 4,619,993,136	$ 63,624	NA	NA	11,604	3.9%
2024	69,926	4,273,317,712	61,112	NA	NA	12,306	3.4%
2023	68,910	4,059,488,100	58,910	NA	NA	11,541	3.2%
2022	68,818	3,745,557,286	54,427	NA	NA	11,557	2.4%
2021	68,746	3,495,734,100	50,850	NA	NA	11,134	5.3%
2020	68,881	3,267,439,116	47,436	NA	NA	11,520	7.2%
2019	68,524	3,187,256,812	46,513	NA	NA	12,005	3.5%
2018	68,202	2,993,658,588	43,894	NA	NA	11,941	3.2%
2017	67,889	2,846,653,659	41,931	NA	NA	12,081	2.6%
2016	67,344	2,789,994,576	41,429	NA	NA	12,551	3.8%

Data sources
[1] Bureau of the Census/State Demographer's Office/or City Planning Department
[2] US Department of Commerce - Bureau of Economic Analysis (available in November for prior year)
[3] School District Number 742 (includes public and parochial)
[4] Minnesota Department of Employment and Economic Development
*Most recent data from the MN State Demographers
N/A = Information not available

Note: Population is for the last quarter of the calendar year. Personal income information is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census on December 31st.

CITY OF ST. CLOUD, MINNESOTA

Table 17

PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

	2025			2016		
Taxpayer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
*St. Cloud Hospital/CentraCare Clinic/ St. Benedict's Center/Benet Place	5,570	1	15.38%	5,490	1	15.71%
State of Minnesota	1,925	2	5.32%	2,262	2	6.47%
St. Cloud VA Health Care System	1,642	3	4.53%	1,686	3	4.82%
*St. Cloud Area School District 742	1,303	4	3.60%	1,345	4	3.85%
New Flyer of America, Inc.	1,003	5	2.77%	703	9	2.01%
*Coborn's Inc.	687	6	1.90%	749	8	2.14%
Anderson Trucking Service, Inc.	680	7	1.88%			
**Stearns County	608	8	1.68%	656	10	1.88%
Essilor of America	502	9	1.39%			
City of St. Cloud	483	10	1.33%			
Electrolux Home Products				1,000	5	2.86%
Capital One				875	6	2.50%
Fulfillment Distribution Center				779	7	2.23%
Totals	14,403		39.77%	15,545		44.47%

*Business has significant part-time staff in addition to the full-time employee count indicated.
**Does not include Stearns County full-time employees now working at county satellite offices outside of the City of St. Cloud.

Source: MN Department of Employment and Economic Development and City EDA Office

CITY OF ST. CLOUD, MINNESOTA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
Last Ten Fiscal Years

	2025	2024	2023
Function			
GOVERNMENTAL			
General government	61.20	60.20	61.20
Economic development	2.30	2.30	2.30
Public safety			
Police	151.50	151.50	150.50
Fire	83.00	73.00	72.00
Health/inspection	14.00	14.00	14.00
Building safety	11.50	12.50	12.50
Public works			
Engineering and street maintenance	42.84	42.84	41.00
Airport	0.00	0.00	0.00
Culture and recreation			
Park and recreation	20.75	19.75	19.75
Aging services	8.50	8.50	8.50
BUSINESS TYPE			
Water utility	37.00	37.00	37.08
Wastewater utility	21.32	21.32	21.74
Stormwater utility	4.59	4.59	4.43
Street light utility	1.00	1.00	1.00
Parking system	3.00	3.00	3.25
Refuse service	21.25	21.25	22.50
Municipal athletic complex	4.50	4.50	4.50
River's edge convention center	11.00	10.00	11.00
Total	499.25	487.25	487.25

Source: City of St. Cloud Human Resources and Finance Offices.

Table 18

2022	2021	2020	2019	2018	2017	2016
58.20	57.20	57.20	54.20	52.20	54.20	52.45
2.30	2.30	2.30	2.30	2.30	2.30	2.30
143.50	138.00	137.00	137.00	135.00	132.00	133.00
71.00	71.00	71.00	71.00	71.00	69.00	71.00
13.00	13.00	13.00	13.00	13.00	13.00	11.00
12.50	12.00	12.00	12.00	12.00	12.00	12.00
41.00	39.25	39.75	38.75	38.75	42.35	38.00
0.00	7.00	6.00	7.00	7.00	7.00	7.00
18.75	18.75	18.75	20.75	20.75	19.25	19.75
8.50	8.50	7.25	8.25	8.25	8.25	9.05
37.08	35.83	36.50	35.83	34.83	32.74	34.83
21.74	21.49	21.32	21.49	21.49	19.50	17.83
4.43	3.68	3.68	4.18	4.18	4.41	4.90
1.00	1.00	1.00	1.00	1.00	1.25	1.50
3.25	3.75	5.25	6.25	6.25	5.75	5.00
22.50	21.50	20.00	20.00	20.00	20.50	21.00
4.00	4.00	4.00	4.00	4.00	4.00	4.00
10.50	9.00	9.00	11.00	10.00	10.00	10.00
473.25	467.25	465.00	468.00	462.00	457.50	454.61

CITY OF ST. CLOUD, MINNESOTA

OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

	2025	2024	2023
FUNCTION			
PUBLIC SAFETY			
Police (1)			
Group A Offenses (ie. assault, burglary, vandalism, drug/narcotic violations, drug equipment violations, fraud, larceny theft, fraud, motor vehicle theft, sex offenses, weapon law violations)	4,249	4,558	5,175
Group B Offenses (ie. disorderly conduct, driving under the influence, liquor law violations, trespass of real property)	1,118	1,535	1,595
Fire			
Total incidents	10,716	9,387	8,693
Building Safety			
Residential building permits	112	78	141
Multiple dwellings building permits	1	3	6
Commercial, educational, signs building perm	300	319	348
Residential repairs and garages permits	1,137	1,352	2,609
PUBLIC WORKS			
Excavation permits	211	370	183
CULTURE AND RECREATION			
Pool attendance	5,000	6,400	5,700
BUSINESS TYPE			
Water			
Accounts	18,704	18,590	18,493
Average daily consumption (millions of gallons)	8.20	7.97	8.59
Wastewater			
Accounts	18,568	18,457	18,362
Average daily sewage treatment (millions of gallons)	9.89	10.42	10.01
Stormwater and Street Light			
Accounts	20,828	20,808	20,762

Table 19

2022	2021	2020	2019	2018	2017	2016
6,103	5,998	3,377	2,760	2,859	3,044	3,086
1,509	1,283	3,367	3,590	3,814	4,040	3,969
8,248	8,073	6,960	6,883	6,673	6,186	5,905
97	100	141	92	123	112	102
3	1	4	2	2	0	2
325	337	328	439	412	401	528
3,044	1,191	1,140	1,123	864	985	988
192	180	171	192	197	238	248
*0	*0	*0	13,347	13,995	12,660	15,507
18,334	18,272	18,174	18,042	17,936	17,843	17,739
7.98	8.32	7.32	7.67	8.13	8.13	7.49
18,253	18,138	18,044	17,918	17,875	17,822	17,716
10.28	9.63	10.05	10.30	10.10	10.10	9.88
20,754	20,721	20,662	20,643	20,059	20,611	20,661

(Continued)

CITY OF ST. CLOUD, MINNESOTA

OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

	2025	2024	2023
FUNCTION (CONTINUED)			
BUSINESS TYPE (CONTINUED)			
Hydroelectric utility			
Kilowatt hours produced	46,043,000	50,581,000	37,175,000
Parking system			
On-street metered parking capacity	588	588	585
Off-street parking capacity	942	942	942
Off-street parking ramp capacity	2,028	2,028	2,028
Refuse service			
Number of accounts	16,983	16,632	16,541
Refuse collected (tons)	11,108	10,923	10,576
Yard waste collected (tons)	1,338	1,263	1,112
Recyclables collected (tons)	3,031	3,134	3,279
Municipal athletic complex			
Baseball games played	297	274	291
Golf rounds played	15,984	15,500	15,125
Ice hours billed	3,227	3,461	3,450
River's edge convention center			
Events held	133	167	160

Notes: Indicators are not available for the general government function.
*Numbers are adjusted to reflect impact of COVID.
(1) Starting in 2021 the reporting is using NIBRS. Group B offenses are only recorded by the FBI as part of their annual crime book if there was an arrest for the offense.

Sources: Various government departments

Table 19
(Continued)

2022	2021	2020	2019	2018	2017	2016
50,592,000	38,693,135	51,900,000	55,234,145	51,166,151	56,667,785	56,691,295
594	589	586	580	579	577	566
942	942	942	942	960	960	983
2,028	2,028	2,028	2,030	2,021	2,012	2,034
16,369	16,369	16,327	16,212	16,107	16,122	16,058
10,680	10,983	10,801	9,747	9,284	9,107	8,763
1,145	1,152	1,455	1,398	1,382	1,231	1,410
3,389	3,520	3,713	3,501	3,679	3,724	3,811
289	310	*81	291	260	282	307
13,006	12,400	*13,891	12,603	9,400	10,700	10,342
3,646	3,452	*2,815	3,558	3,626	3,691	3,452
*74	*99	*85	351	314	389	332

(Concluded)

CITY OF ST. CLOUD, MINNESOTA

CAPITAL ASSET STATISTICS BY FUNCTION
Last Ten Fiscal Years

	2025	2024	2023
FUNCTION			
PUBLIC SAFETY			
Police			
Stations	1	1	1
Vehicles	107	114	105
Fire			
Stations	5	5	5
Pieces of equipment	15	15	15
PUBLIC WORKS			
Streets paved (miles)	357.59	357.04	356.86
Streets unpaved (miles)	2.57	2.57	2.57
Alleys (miles)	42.36	42.36	42.36
Sidewalks (miles)	235.57	237.25	234.64
CULTURE AND RECREATION			
Parks			
Neighborhood and mini parks developed (acres)	240.49	240.49	240.49
Community and regional parks developed (acres)	326.42	326.42	326.42
Wetlands, natural areas and undeveloped (acres)	1,130.12	1,130.12	1,130.10
Swimming/wading pools	4	4	7
BUSINESS TYPE			
Water			
Water mains (miles)	306.79	306.53	305.91
Storage units	6	6	6
Wastewater			
Sanitary sewers (miles)	301.29	300.44	298.51
Stormwater			
Storm sewers (miles)	197.51	197.29	195.89
Refuse service			
Refuse trucks	8	8	8
Recycling trucks	6	7	6
Municipal athletic complex			
Ice arena (indoor)	2	2	2
Golf courses	1	1	1
Ball fields	2	2	2
River's edge convention center			
Meeting rooms	19	19	19
Rentable exhibit/ballroom space (square feet)	73,620	73,620	73,620

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

Sources: Various city departments

Table 20

2022	2021	2020	2019	2018	2017	2016
1	1	1	1	1	1	1
106	92	100	91	88	85	85
5	5	5	5	5	5	5
15	15	15	15	15	15	15
350.01	348.57	347.90	347.56	347.16	346.23	345.19
2.90	1.62	1.62	1.62	1.62	1.62	1.62
42.36	42.36	42.36	42.36	42.36	42.36	42.36
232.73	232.63	229.37	228.27	226.29	212.68	211.79
240.00	240.00	240.00	240.00	240.00	241.00	243.00
326.00	331.00	326.00	326.00	326.00	326.00	316.00
1,116.00	1,116.00	1,116.00	1,116.00	1,116.00	1,036.00	1,047.00
7	7	7	7	7	7	7
305.11	304.63	303.82	303.70	303.52	302.55	301.34
6	6	6	7	6	6	5
297.74	296.74	295.62	294.69	293.31	292.15	291.16
194.74	194.58	191.99	190.96	188.86	186.52	186.08
8	8	8	9	8	8	8
6	5	6	5	4	4	4
2	2	2	2	2	2	2
1	1	1	1	1	1	1
2	2	2	2	2	2	2
19	19	19	19	19	19	19
73,620	73,620	73,620	73,620	73,620	73,620	73,620

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APPENDIX B

FORM OF LEGAL OPINION

(See following pages)

City of St. Cloud, Minnesota

[Purchaser]
[City, State]

Re: $[PAR] General Obligation Bonds, Series 2026A
City of St. Cloud, Minnesota

Ladies and Gentlemen:

As Bond Counsel in connection with the authorization, issuance and sale by the City of St. Cloud, Minnesota (the "City"), of the obligations described above, dated, as originally issued, as of November [__], 2026 (the "Bonds"), we have examined certified copies of certain proceedings taken, and certain affidavits and certificates furnished, by the City in the authorization, sale and issuance of the Bonds, including the form of the Bonds. 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 are payable from ad valorem taxes heretofore duly levied on all taxable property in the City, but if necessary for payment thereof, additional ad valorem taxes are required by law to be levied on all such property, which taxes are not subject to any limitation as to 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, trusts, and estates.

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 and 4 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, 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, that 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 and equipment 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 this [__]th day of November, 2026.

Very truly yours,

APPENDIX C

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.

APPENDIX D

FORM OF CONTINUING DISCLOSURE COVENANTS (EXCERPTS FROM AWARD RESOLUTION)

(See following pages)

Form of Continuing Disclosure Covenants

Excerpt from Award Resolution

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 (12) months after the end of each fiscal year of the City, commencing with the fiscal year ending December 31, 2026, 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 generally accepted accounting principles 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 the 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 submitted to the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access System ("EMMA") or to the SEC. 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, that 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 through EMMA, in an electronic format as prescribed by the MSRB, 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.

APPENDIX E

TERMS OF PROPOSAL

$46,540,000* GENERAL OBLIGATION BONDS, SERIES 2026A
CITY OF ST. CLOUD, MINNESOTA

Proposals for the purchase of $46,540,000* General Obligation Bonds, Series 2026A (the "Bonds") of the City of St. Cloud, Minnesota (the "City") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3001 Broadway Street, Suite 320, Minneapolis, Minnesota 55413, municipal advisors to the City, until 10:30 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 10:30 A.M., Central Time, on October 19, 2026, 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 6:00 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 a special election held November 5, 2024 and Minnesota Statutes, Section 475.58, subd. 3b, and Chapter 475, as amended, by the City, to finance the construction and equipping of Fire Station No. 6 and for 2026 street reconstruction projects described in the City's Five-Year Street Reconstruction and Overlay Plan, dated August 4, 2025. 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 November 4, 2026, 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:

Year	Amount*	Year	Amount*	Year	Amount*
2028	$1,555,000	2035	$2,640,000	2042	$2,200,000
2029	2,115,000	2036	2,745,000	2043	2,310,000
2030	2,185,000	2037	2,870,000	2044	2,430,000
2031	2,260,000	2038	1,830,000	2045	2,550,000
2032	2,355,000	2039	1,915,000	2046	2,685,000
2033	2,440,000	2040	2,005,000	2047	2,820,000
2034	2,530,000	2041	2,100,000		

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, 2027, 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 2.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2028 maturity, then the lowest rate that may be proposed for any later maturity is 2.50%.)** 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, Minneapolis, 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

The Bonds maturing on and after February 1, 2038 are be subject to redemption and prepayment at the option of the City, in whole or in part, in such order as the City shall determine and within a maturity by lot as selected by the Registrar in multiples of $5,000, on February 1, 2037, and on any date thereafter, at a price equal to the principal amount thereof and accrued interest to the date of redemption.

The City is required to cause notice of the call for redemption thereof to be published as required by law and, at least thirty (30) days prior to the designated redemption date, 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, but 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.

DELIVERY

On or about November 4, 2026, 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 $46,167,680 plus accrued interest on the principal sum of $46,540,000 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 10:30 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 facsimile submission.

A good faith deposit ("Deposit") in the amount of $930,800 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 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.

NOT QUALIFIED TAX-EXEMPT OBLIGATIONS

The Bonds are not "qualified tax-exempt obligations" pursuant to 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, in the resolution awarding the Bonds, the City will agree to provide certain information and notices of the occurrences of certain events to the Municipal Securities Rulemaking Board (MSRB) through its Electronic Municipal Market Access (EMMA) System. 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 Debt Issuance 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 3001 Broadway Street, Suite 320, Minneapolis, Minnesota 55413, Telephone (651) 697-8500.

By Order of the City Council

City of St. Cloud, Minnesota

PROPOSAL FORM

The City Council **October 19, 2026**
City of St. Cloud, Minnesota (the "City")

RE: $46,540,000* General Obligation Bonds, Series 2026A (the "Bonds")
DATED: November 4, 2026

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 $46,167,680) plus accrued interest to date of delivery for fully registered Bonds bearing interest rates and maturing in the stated years as follows:

_____	% due	2028	_____	% due	2035	_____	% due	2042
_____	% due	2029	_____	% due	2036	_____	% due	2043
_____	% due	2030	_____	% due	2037	_____	% due	2044
_____	% due	2031	_____	% due	2038	_____	% due	2045
_____	% due	2032	_____	% due	2039	_____	% due	2046
_____	% due	2033	_____	% due	2040	_____	% due	2047
_____	% due	2034	_____	% due	2041			

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 2.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2028 maturity, then the lowest rate that may be proposed for any later maturity is 2.50%.) 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 $930,800 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. 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 November 4, 2026.

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 November 4, 2026 of the above proposal is $_____and the true interest cost (TIC) is _____%.

The foregoing offer is hereby accepted by and on behalf of the City Council of the City of St. Cloud, Minnesota, on October 19, 2026.

By: _____ By: _____

Title: _____ Title: _____