

2019

Comprehensive Annual Financial Report



City of Coon Rapids, Minnesota

For the Year Ended December 31, 2019



Community strength... for generations

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
OF THE
CITY OF COON RAPIDS
MINNESOTA**

For the fiscal year ended December 31, 2019

ISSUED BY THE FINANCE DEPARTMENT

Francine Hanson, Finance Director
Kevin Knopik, Accounting Manager

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

On the cover: In 2019, the City of Coon Rapids completed the renovation of Crooked Lake Park, featuring newly constructed picnic shelters, playground, tennis courts, beach area and fishing piers. This beautiful park is a popular destination for quiet picnics, family gatherings and picturesque views of the lake.

CITY OF COON RAPIDS, MINNESOTA

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June 2, 2020

Honorable Mayor, Members of the City Council, City Manager and Citizens of the City of Coon Rapids:

In accordance with State Statutes and the City Charter, the annual financial report of the City of Coon Rapids as of December 31, 2019 and for the fiscal year then ended is hereby submitted. Responsibility for both the accuracy of the presented data and the completeness and fairness of the data, including all disclosures, rests with the City. Management believes that the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding: 1) the safeguarding of assets against loss from unauthorized use or disposition; and 2) the reliability of financial records for preparing financial statements and accountability for assets. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits likely to be derived, and the evaluation of cost and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Malloy, Montague, Karnowski, Radosevich & Co., P.A., Certified Public Accountants, have issued an unmodified ("clean") opinion on the City of Coon Rapids financial statements for the year ended December 31, 2019. The independent auditor's report is located at the front of the financial section of this report.

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

Profile of Coon Rapids

The city of Coon Rapids is a northern suburb of the Minneapolis/Saint Paul Metropolitan area, situated in the southwestern part of Anoka County, with a population of 63,968 (2019 estimate). The city's area is approximately 23 square miles. Coon Rapids is the tenth largest suburb in the Twin Cities and the twelfth largest city in Minnesota according to the 2010 census.

Coon Rapids was incorporated as a village in 1952, became a Home Rule City in 1959 and operates under a Council/Manager form of government. The City Council consists of seven members, including the Mayor, five members elected by ward and one member elected at large. The Mayor and Councilmembers serve four-year terms.

City functions are divided into nine departments including administration, legal, city clerk, finance, community development, police, fire, public works and municipal golf. In 2019, there were 235 full-time and 59 full-time equivalent part-time employees on the City payroll. Citizen involvement includes participation on nine commissions and boards including planning, adjustment and appeal, safety, parks and recreation, arts, charter, historical, civil service and sustainability.

The City provides protective services through its police department, comprised of 75 full-time employees, five community service officers and six reserve officers. The fire department has 33 full-time members and 18 part-time paid-on-call members.

The City provides municipal water, sewer and storm sewer to all of the areas of the city. These operations, as well as a municipal owned golf course, Bunker Hills Golf Club, are accounted for within these financial statements in separate self-balancing funds.

To determine the reporting entity for this report, units outside of the primary government were reviewed to determine if they should be included in the report. These units consisted of the Coon Rapids Housing and Redevelopment Authority, the Coon Rapids Economic Development Authority, Coon Rapids Fire Relief Association, and the Coon Rapids Mortgage Assistance Foundation. Only the Housing and Redevelopment Authority and Economic Development Authority met the established criteria, and accordingly are included in this report.

Chapter 1-700 of the City Charter of the City of Coon Rapids sets forth the requirements for preparation of the annual budget. Minnesota Statutes 275 as amended mandates budget approval and certification requirements that are different than the City Charter. The City Charter requires the budget be submitted to the Council no later than the first regular meeting in September. Where Minnesota Statutes are in conflict with charter requirements, the Minnesota Statutes prevail. The property tax levy resolution must receive preliminary approval prior to September 30 of each year. Preliminary tax levies must be certified to the County Auditor by September 30 which can be lowered before final adoption in December, but not increased.

It is the duty of the City Manager to enforce the provisions of the budget. Orders are only approved for expenditures which have been appropriated in the budget resolution and for which there are sufficient unexpended balances in the appropriate fund after deducting the total past expenditures and the sum of all outstanding orders and encumbrances against such fund. In certain cases, by a vote of four members, the Council may authorize the transfer of sums from unencumbered balances to other purposes.

Local economy

Coon Rapids is located 12 miles north of Minneapolis and St. Paul, with major freeway access to both cities, as well as commuter rail and express bus service to Minneapolis. To enhance transportation and public safety at a busy railroad crossing, Coon Rapids entered into a joint powers agreement with Anoka County for the construction of the Hanson Boulevard Railroad Overpass, a \$25.2 million project. Construction started in March of 2019, which meant a full closure of the roadway for ten months. In December 2019, the roadway reopened again to the delight of the driving public. Continued finishing work will occur on the overpass in 2020.

The tax base of the City is relatively diverse, with the top ten taxpayers comprising just nine percent of the total net tax capacity. Major employers in the City include Allina Health's Mercy Hospital with around 2,000 employees and the Anoka-Hennepin School District with around 1,300 employees. Allina Health opened a 58,000 square foot Customer Experience Call Center in the city in 2019, bringing 300 existing employees to the new Coon Rapids location, in an effort to centralize all customer service operations into one location.

The city's largest private employer, RMS Company, has over 900 employees. RMS, a large contract manufacturer for the medical device and aerospace industries, is working on its fifth major expansion in the city and plans to add about 80 new jobs. Expansion continued in 2019 for other businesses within the city: Steinwall, Inc., a plastics injection molding company, purchased a warehouse facility in Coon Rapids to relocate its warehouse operations from Brooklyn Park; Green Bay Packaging constructed 100,000 square feet of additional space at its current facility on 87th Lane; and JSN Properties built a new 85,000 square foot multi-tenant office/warehouse building on vacant land along Highway 10.

Major industries in the area include an aviation contractor, biomedical research center, electronic contractors, a major commercial printer, and metals fabrication in addition to significant retail and assisted living facilities. The Riverdale Regional Shopping area is a large shopping venue in the metro area, with 2,600,000 square feet of retail space. The City's single family housing market is also strong with homes on the market an average of 18 days (in March 2020). The median sale price for single family homes increased by 3.5% between March 2019 and March 2020. The City also issued 17 new single family home permits in 2019; 21 permits were issued in 2018.

Long-term financial planning

The City Council has established a policy of retaining a minimum of 45% of the next year's General Fund expenditure budget for working capital to allow for cash flow until tax settlements are received and to allow for unforeseen contingencies. Additionally, long-term capital planning has occurred for utility system improvements, park improvements and vehicle and facility improvements. Utility and golf rates are set with long term projections as guides to assure net profits are positive. The City maintained its bond rating of Aa1 from Moody's Investors Service. The Aa1 rating reflects a favorable proximity to the Twin Cities Metro area, stable financial operations with healthy reserves, ample alternative liquidity, healthy enterprise operations and affordable debt levels as positives in the rating review.

Relevant financial policies

Cash available during the year was invested in accordance with Minnesota Statutes Chapter 475 and the Investment Policy approved by the City Council. Most investment balances at year-end are reported at fair value and investment income includes the change in the fair value of investments. The December 31, 2019 fair value of investments held was .06% or \$37,248 under the maturity (par) value and the change in fair value for 2019 was an increase of \$1,341,334. The City's policy is typically to hold all investments until maturity. Therefore, unless the City liquidates any investments prior to maturity, it is expected that the difference between fair value and par value is temporary.

An annual review is made of all debt issues to determine if refinancing or calling of any issue would be financially beneficial. In 2019, there was one refunding bond issued to refinance the 2010B Lease Revenue Bond which will save the City a significant amount of interest. Bonds were also sold in the amount of \$5,795,000 funding streets, water, and park improvements.

The City of Coon Rapids provides pension benefits for employees through a statewide plan called the Public Employees Retirement Association. In 2019, the employer rate for the coordinated plan was 7.5% and the police and fire plan was 16.95%. The State of Minnesota can change these rates in the future based on the funding level of the plan.

Other post-employment benefits are being funded through transfers from the General Fund and investment income earned in the Insurance Reserve Fund. These amounts are held in the Retirement Insurance Internal Service Fund.

Additional information on the City of Coon Rapids' pension arrangements and post-employment benefits can be found in section IV of the notes to the financial statements.

Major initiatives

The City passed a referendum in the fall of 2013 allowing the City to issue \$17.4 million in bonds to fund repairs, reconstruction, upgrades and enhancements to several parks and trails within the city. In 2019, construction was completed on Riverwind Park, including the remodeling of the Riverwind Community Building, and many improvements and enhancements were made to trails in various parks. Bonds totaling \$12,510,000 have been issued thus far for park improvements.

The City launched the "Front Door Curb Appeal" program in 2019, which was met with tremendous excitement by the community. The program provides grants to homeowners for exterior improvement projects that enhance curb appeal. In its first year, 73 grants were awarded totaling just over \$180,000 which leveraged more than \$1 million in home improvements in the city. Additional housing units were also added to the market in the form of the first Transit-Oriented Development at Riverdale Station. "Nova" opened its doors in October, featuring 71 apartment units designed for mixed-income tenants and "Lyra" – a 180 unit market rate building also occupies the site located next to the Riverdale Transit Station. The City worked with Anoka County for years to add development to the unique site which is close to shopping, restaurants and transit options including bus options and commuter rail.

Coon Rapids Boulevard redevelopment began to take shape in the Port Riverwalk area in 2019 as the existing streets were torn up and realigned to make pathways for new neighborhoods, and underground infrastructure of sewer and water was installed. The City is working with Centra Homes on a 136 unit detached townhouse development along Coon Rapids Boulevard near Egret Boulevard. This project will introduce new housing options to the city as well as revitalize an important gateway to Coon Rapids. Road work in other areas continues to be an important investment as well. Street reconstruction continued in 2019, with the rebuilding 9.3 miles of streets.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Coon Rapids, Minnesota for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2018. This is the forty-third consecutive year that the City of Coon Rapids has received this prestigious award.

In order to be awarded a Certificate of Achievement for Excellence, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, which conforms to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement for Excellence is valid for one year only. We believe our current report continues to conform to Certificate of Achievement for Excellence Program requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

In addition, the City of Coon Rapids has received the GFOA's Distinguished Budget Presentation Award for its annual budget for the last thirty-three years.

Acknowledgements

The preparation of this financial report could not have been accomplished without the dedicated efforts of the Finance Department, especially Dianne Nelson and Laurie Tornquist, Accounting Technicians, and other members of the Accounting Division. In addition, the assistance of representatives from the firm of Malloy, Montague, Karnowski, Radosevich & Co., P.A., has enabled us to conform to the most recent changes in reporting requirements for local government. Their expertise and willingness to assist us in revising reporting mechanisms and updating controls has been greatly appreciated.

We also thank the Mayor and City Council for their interest and support in planning and implementing the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Francine Hanson
Finance Director



Kevin Knopik
Accounting Manager

dmn

Reader's Notes:



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

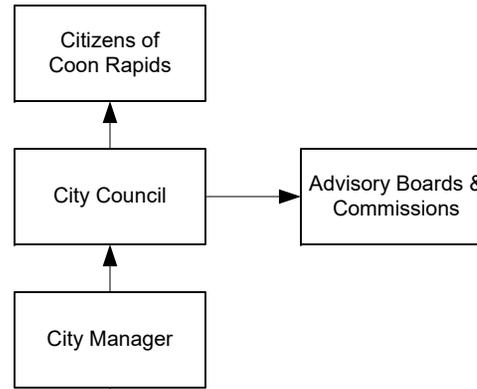
**City of Coon Rapids
Minnesota**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

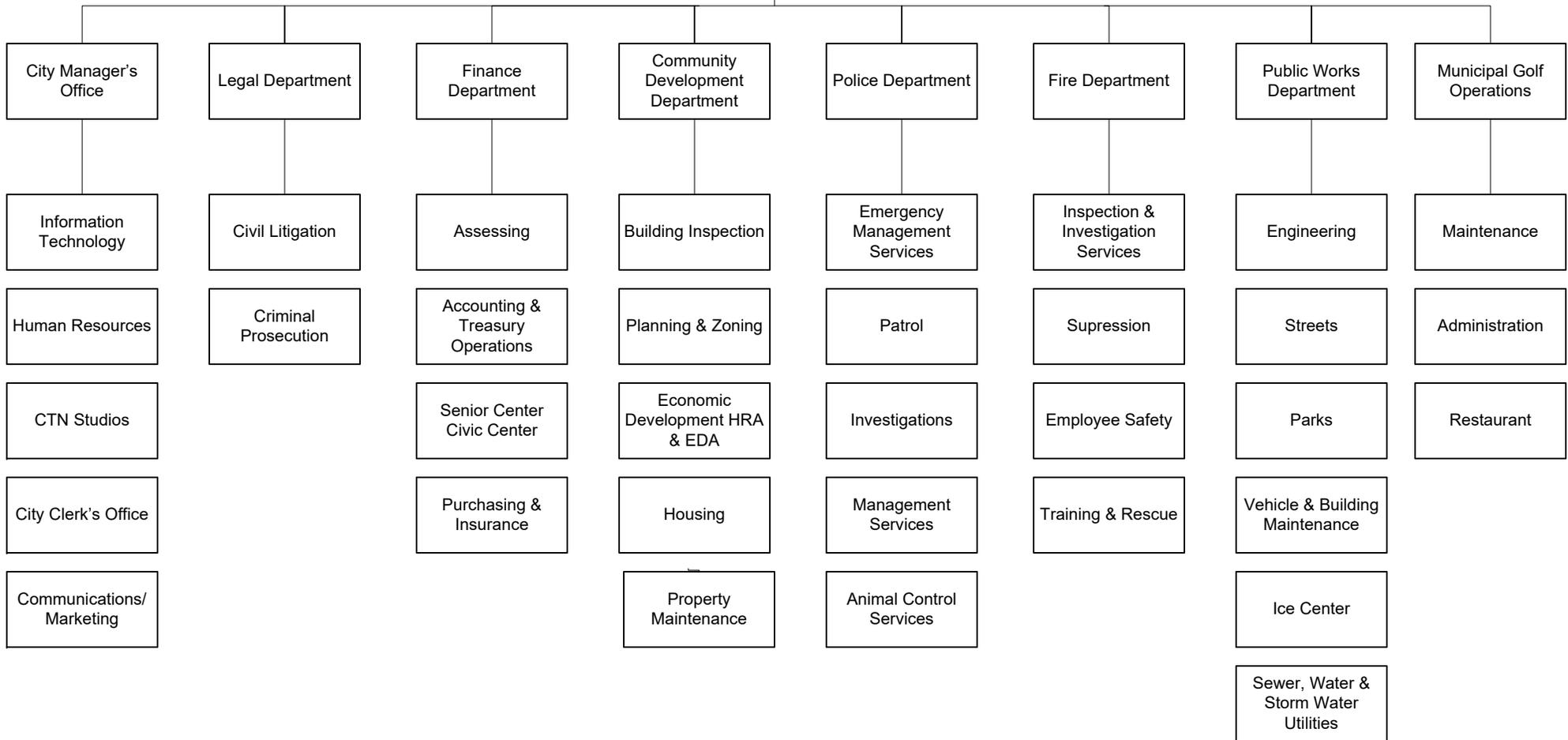
December 31, 2018

Christopher P. Morill

Executive Director/CEO



Organizational Chart



CITY OF COON RAPIDS, MINNESOTA

DIRECTORY OF OFFICIALS

	<u>Elected Officials</u>	<u>Year Term Expires</u>
Jerry Koch	Mayor	2022
Steve Wells	Councilmember-At-Large	2020
Brad Greskowiak	Councilmember, Ward 1	2020
Bill Kiecker	Councilmember, Ward 2	2020
Wade Demmer	Councilmember, Ward 3	2022
Jennifer Geisler	Councilmember, Ward 4	2020
Brad Johnson	Councilmember, Ward 5	2022

Management Team

Matt Stemwedel	City Manager
Tim Anderson	Golf Pro/Manager
Dave Brodie	City Attorney
Grant Fernelius	Community Development Director
Francine Hanson	Finance Director
Tim Himmer	Public Services Director
Joan Lenzmeier	City Clerk
John Piper	Fire Chief
Brad Wise	Police Chief

Reader's Notes:



PRINCIPALS

Thomas A. Karnowski, CPA
Paul A. Radosevich, CPA
William J. Lauer, CPA
James H. Eichten, CPA
Aaron J. Nielsen, CPA
Victoria L. Holinka, CPA/CMA
Jaclyn M. Huegel, CPA
Kalen T. Karnowski, CPA

INDEPENDENT AUDITOR'S REPORT

To the City Council and Management
City of Coon Rapids, Minnesota

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Coon Rapids, Minnesota (the City) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

(continued)

OPINIONS

In our opinion, the financial statements referred to on the previous page present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparisons for the General Fund and Housing Programs Special Revenue Fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

OTHER MATTERS

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual statements and schedules, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not required parts of the basic financial statements.

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

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

(continued)

Prior Year Comparative Information

We have previously audited the City's 2018 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information in our report dated June 4, 2019. In our opinion, the partial comparative information presented herein as of and for the year ended December 31, 2018 is consistent, in all material respects, with the audited financial statements from which it has been derived.

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 2, 2020 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

Minneapolis, Minnesota
June 2, 2020

Reader's Notes:

CITY OF COON RAPIDS, MINNESOTA MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Coon Rapids, we offer readers of the City of Coon Rapids' financial statements this narrative overview and analysis of the financial activities of the City of Coon Rapids for the fiscal year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the Introduction Section of this report.

Financial Highlights

- The City of Coon Rapids' assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$292.7 million. Of this amount, \$41.3 million (unrestricted net position) may be used to meet the government's ongoing costs to citizens and creditors.
- The government's total net position increased by \$4.9 million. The increase is primarily due to an increase in governmental activities of \$4.3 million.
- At the close of the current fiscal year, the City of Coon Rapids' governmental funds reported combined ending fund balances of \$67.7 million, a decrease of \$5.7 million in comparison with the prior year. The decrease is primarily due to an increase in capital outlay purchases of \$4.0 million, a \$3.7 million decrease in land held for resale, \$1.9 million of expenditures related to Port Riverwalk, and total revenues increasing \$5.3 million. The decrease is also due to increased debt services expenditures due to the refunding of the lease revenue bonds. Approximately 71.5 percent of this total amount, or \$48.4 million, is available for use within the City's constraints and policies.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$16.0 million, or 52.4 percent of 2019 General Fund expenditures.
- The City of Coon Rapids' outstanding bonded debt decreased by \$430,000 during the current fiscal year. This decrease was the result of the issuance of \$16.1 million for the Bonds of 2019A and 2019B offset by principal payments of \$16.5 million.

Overview of the Financial Statements

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

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

The ***Statement of Net Position*** presents information on all of the City of Coon Rapids' assets, deferred outflows of resources, liabilities, and deferred inflows 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 Coon Rapids is improving or deteriorating. 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

**CITY OF COON RAPIDS, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g. uncollected taxes and accrued interest payable).

Both of the government-wide financial statements distinguish functions of the City of Coon Rapids as follows: **governmental activities** are principally supported by taxes and intergovernmental revenues and **business-type activities** are functions that are intended to recover all or a significant portion of costs through user fees and charges. Although program revenues are aligned with program expenditures in governmental activities, the revenue is not intended to cover costs without taxes. The governmental activities of the City of Coon Rapids include general government, public safety, community services, community development and public works. The business-type activities of the City of Coon Rapids include water, sewer and storm water drainage utilities and a golf course.

The government-wide financial statements include not only the City of Coon Rapids itself (known as the primary government), but also a legally separate Housing and Redevelopment Authority (HRA) and a legally separate Economic Development Authority (EDA) for which the City of Coon Rapids is financially accountable. The HRA and EDA, although legally separate, function for all practical purposes as departments of the City of Coon Rapids and therefore have been included as an integral part of the primary government.

The government-wide financial statements can be found in the Financial Section of this report under the Basic Financial Statements.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Coon Rapids, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Coon Rapids 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 as 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 decision. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

**CITY OF COON RAPIDS, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The City of Coon Rapids maintains 23 individual governmental funds. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Housing Programs Fund, Improvement Bonds Fund, Special Assessment Fund, Park Improvement Fund and HRA Fund, all of which are considered to be major funds. Data from the other 17 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements as well as individual statements elsewhere in this report.

The City of Coon Rapids adopts an annual budget for its General Fund and Special Revenue Funds. Budgetary comparison statements or schedules have been provided for these funds to demonstrate compliance with their budgets.

The basic governmental fund financial statements can be found in the Basic Financial Statements Section of this report.

- **Proprietary funds.** The City of Coon Rapids maintains two 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 Coon Rapids uses enterprise funds to account for its water, sewer and storm water drainage utilities and for its golf course. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City of Coon Rapids' various functions. The City of Coon Rapids uses internal service funds to account for an insurance reserve, compensated absences and retirement insurance. Because these services benefit governmental and business-type functions, they have been allocated between governmental and business-type activities in the government-wide financial statements.

Proprietary funds provide the same type of information as included in the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, sewer and storm water drainage utilities and for the golf course, all of which are considered to be major funds of the City of Coon Rapids. There are three internal service funds which are combined and presented in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found in the Basic Financial Statements Section of this report.

- **Fiduciary funds.** Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's programs. The City of Coon Rapids maintains an agency fund, a type of fiduciary fund, which is not reflected in the government-wide financial statements because the resources in that fund are not available to support the City of Coon Rapids' own programs.

The basic fiduciary fund statement can be found in the Basic Financial Statements Section of this report.

**CITY OF COON RAPIDS, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found in the Basic Financial Statements Section of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents the combining statements referred to earlier in connection with the nonmajor governmental funds which can be found in the Combining and Individual Statements and Schedules portion of the Financial Section of this report. This portion of the Financial Section also includes comparative information and supplemental debt schedules.

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 Coon Rapids, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$292.7 million at the close of the most recent fiscal year.

The largest portion of the City of Coon Rapids' net position (77.3 percent or \$226.1 million) reflect its net investment in capital assets (e.g., land, buildings, machinery and equipment) less any related outstanding debt used to acquire those assets. The City of Coon Rapids uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Coon Rapids' investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**CITY OF COON RAPIDS, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

An additional portion of the City of Coon Rapids' net position (8.6 percent or \$25.2 million) represent resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (14.1 percent or \$41.3 million) may be used to meet the government's ongoing obligations to citizens and creditors.

	City of Coon Rapids' Net Position					
	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Assets						
Current and other assets	\$97,432,945	\$101,628,480	\$12,488,625	\$12,478,357	\$109,921,570	\$114,106,837
Capital assets net of accumulated depreciation	176,359,987	167,232,948	116,104,346	114,875,105	292,464,333	282,108,053
Total assets	\$273,792,932	\$268,861,428	\$128,592,971	\$127,353,462	\$402,385,903	\$396,214,890
Deferred outflows of resources						
Deferred Gain on Refunding bonds	\$127,664				\$127,664	
Plan deferments - OPEB	711,580	\$650,116			711,580	650,116
Pension plan deferments - PERA	9,799,807	14,137,750	\$220,720	\$355,963	10,020,527	\$14,493,713
Total deferred outflows of resources	\$10,639,051	\$14,787,866	\$220,720	\$355,963	\$10,859,771	\$15,143,829
Long-term liabilities outstanding	\$73,377,242	\$72,840,141	\$23,194,260	\$22,375,115	\$96,571,502	\$95,215,256
Other liabilities	4,066,838	3,460,237	955,447	1,147,126	5,022,285	4,607,363
Total liabilities	\$77,444,080	\$76,300,378	\$24,149,707	\$23,522,241	\$101,593,787	\$99,822,619
Deferred inflows of resources						
Pension plan deferments - PERA	\$15,551,340	\$20,343,310	\$297,935	\$398,912	\$15,849,275	\$20,742,222
Grants for subsequent years - MSA	2,666,997	3,014,337			2,666,997	3,014,337
Plan deferments - OPEB	438,388				438,388	
Total deferred inflows of resources	\$18,656,725	\$23,357,647	\$297,935	\$398,912	\$18,954,660	\$23,756,559
Net position:						
Net investment in capital assets	\$131,278,882	\$122,168,561	\$94,847,410	\$94,435,367	\$226,126,292	\$216,603,928
Restricted	25,230,648	25,377,952			25,230,648	25,377,952
Unrestricted	31,821,648	36,444,756	9,518,639	9,352,905	41,340,287	45,797,661
Total net position	\$188,331,178	\$183,991,269	\$104,366,049	\$103,788,272	\$292,697,227	\$287,779,541

At the end of the current fiscal year, the City of Coon Rapids is able to report positive balances in all categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

The government's total net position increased by \$4.9 million. The increase is primarily due to an increase in governmental activities of \$4.3 million.

**CITY OF COON RAPIDS, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

City of Coon Rapids' Changes in Net Position

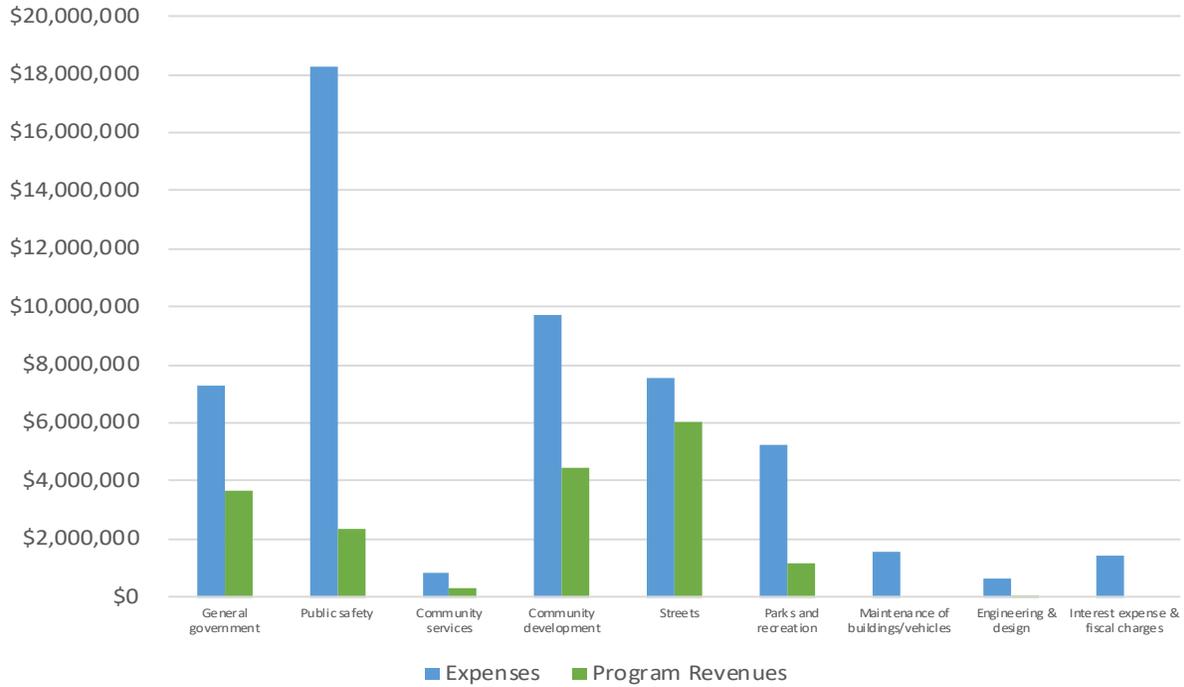
	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$7,026,887	\$6,802,812	\$21,397,396	\$21,879,404	\$28,424,283	\$28,682,216
Operating grants & contributions	5,110,853	2,337,858	14,557	98,462	5,125,410	2,436,320
Capital grants & contributions	5,859,497	6,078,918			5,859,497	6,078,918
Total Program revenues	17,997,237	15,219,588	21,411,953	21,977,866	39,409,190	37,197,454
General Revenues:						
Property taxes	28,728,985	27,368,749			28,728,985	27,368,749
Tax increments	337,854	328,504			337,854	328,504
Utilities tax	3,304,126	3,534,507			3,304,126	3,534,507
Grants & contributions not restricted to specific programs	1,239,385	1,234,346			1,239,385	1,234,346
Unrestricted investment earnings	2,753,934	1,033,161	329,495	97,334	3,083,429	1,130,495
Gain on sale of capital assets	62,535	90,605			62,535	90,605
Miscellaneous	2,483,789	1,370,035			2,483,789	1,370,035
Total General Revenues	38,910,608	34,959,907	329,495	97,334	39,240,103	35,057,241
Total Revenues	56,907,845	50,179,495	21,741,448	22,075,200	78,649,293	72,254,695
Expenses:						
General government	7,274,494	6,428,816			7,274,494	6,428,816
Public safety	18,282,391	16,959,039			18,282,391	16,959,039
Community services	871,834	812,387			871,834	812,387
Community development	9,686,438	3,130,419			9,686,438	3,130,419
Public Works:						
Streets	7,577,318	7,994,246			7,577,318	7,994,246
Parks and recreation	5,227,435	4,974,461			5,227,435	4,974,461
Maintenance of buildings/vehicles	1,536,395	1,473,482			1,536,395	1,473,482
Engineering and design	672,789	752,207			672,789	752,207
Interest on long-term debt	1,438,842	1,010,378			1,438,842	1,010,378
Water			5,575,591	5,493,090	5,575,591	5,493,090
Sewer			6,360,696	6,293,936	6,360,696	6,293,936
Storm water drainage			1,426,552	1,488,954	1,426,552	1,488,954
Golf			7,800,832	7,733,451	7,800,832	7,733,451
Total Expenses	52,567,936	43,535,435	21,163,671	21,009,431	73,731,607	64,544,866
Change in net position	4,339,909	6,644,060	577,777	1,065,769	4,917,686	7,709,829
Net position at Beginning of Year	183,991,269	177,347,209	103,788,272	102,722,503	287,779,541	280,069,712
Net position at End of Year	\$188,331,178	\$183,991,269	\$104,366,049	\$103,788,272	\$292,697,227	\$287,779,541

**CITY OF COON RAPIDS, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Governmental activities. Governmental activities increased the City of Coon Rapids' net position by \$4.3 million. Key elements of this increase are as follows:

- Program expenses increased by 20.7 percent or \$9,032,501, program revenues increased by 18.3 percent or \$2,777,649 and general revenues not specific to a program increased 11.3 percent or \$3,950,701.
- The increase in program expenses was primarily in community development and public safety. Community development expenditures increased due to costs associated with the Port Riverwalk project totaling \$1.9 million, the reduction in value of land held for resale totaling \$3.7 million, and \$675,000 of grant passthrough expenditures for monies received from the Metropolitan Council. Public safety expenditures increased due to the purchase on new portable radios for police and fire, and increases in personal services.
- The increase in program revenues was primarily due to an increase of \$2,838,984 in community development operating grants and contributions due to \$1.9 million received as part of Port Riverwalk project and \$675,000 of grants received from the Metropolitan Council.
- The increase in general revenues not specific to a program was primarily due to increases in investment earnings of \$1,720,773 due to favorable market conditions, property taxes of \$1,360,236 due to increases in the tax levy, tax increments \$9,350, grants and contributions not restricted to specific programs \$5,039 and miscellaneous \$1,113,754 offset by a decrease in utilities tax of \$230,381.

**CITY OF COON RAPIDS, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

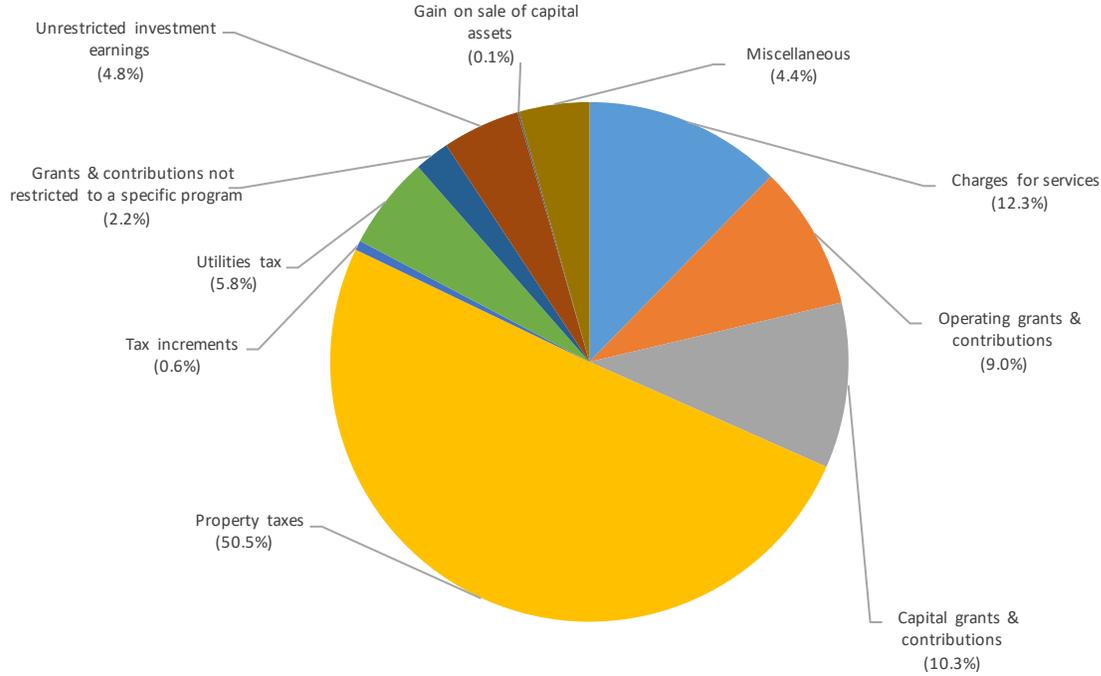


**Expense and Program Revenues -
Governmental Activities**

	Expenses	Program Revenues	Net Expenses
General government	\$7,274,494	\$3,658,270	(\$3,616,224)
Public safety	18,282,391	2,326,572	(15,955,819)
Community services	871,834	327,141	(544,693)
Community development	9,686,438	4,461,908	(5,224,530)
Public Works:			
Streets	7,577,318	6,038,977	(1,538,341)
Parks and recreation	5,227,435	1,182,659	(4,044,776)
Maintenance of buildings/vehicles	1,536,395		(1,536,395)
Engineering & design	672,789	1,710	(671,079)
Interest expense & fiscal charges	1,438,842		(1,438,842)
Total	\$52,567,936	\$17,997,237	(\$34,570,699)

**CITY OF COON RAPIDS, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Revenues by Source - Governmental Activities



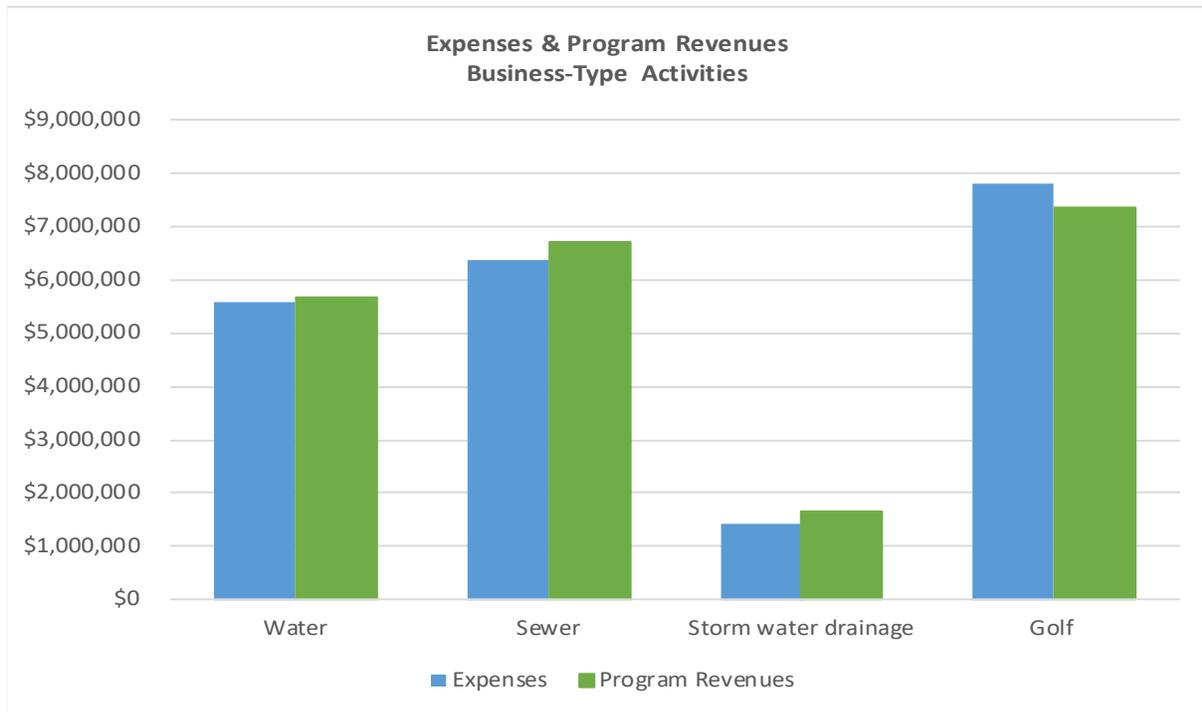
Revenues by Source - Governmental Activities

Revenues by Source - Governmental Activities		
Program revenues:		
Charges for services	\$7,026,887	12.3%
Operating grants & contributions	5,110,853	9.0%
Capital grants & contributions	5,859,497	10.3%
General revenues:		
Property taxes	28,728,985	50.5%
Tax increments	337,854	0.6%
Utilities tax	3,304,126	5.8%
Grants & contributions not restricted to a specific program	1,239,385	2.2%
Unrestricted investment earnings	2,753,934	4.8%
Gain on sale of capital assets	62,535	0.1%
Miscellaneous	2,483,789	4.4%
Total	\$56,907,845	100.0%

**CITY OF COON RAPIDS, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Business-type activities. Business-type activities increased the City of Coon Rapids' net position by \$577,777. Key elements of this increase are as follows:

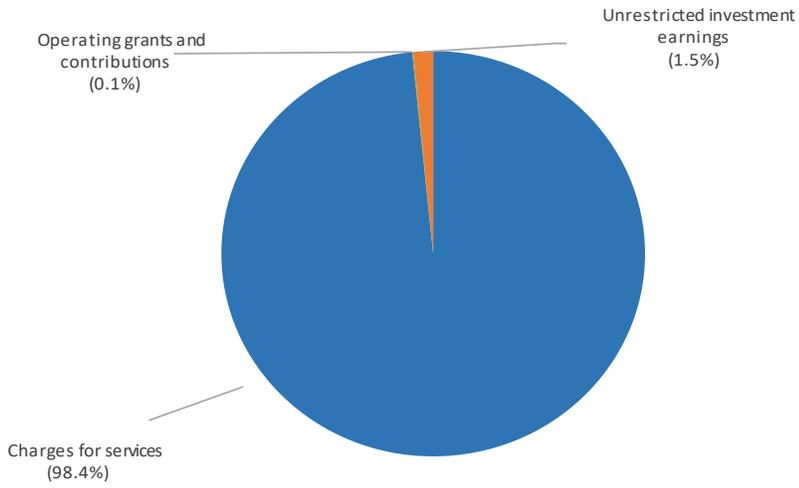
- Program expenses increased .7 percent or \$154,240 due to increases in expenses in the Water fund of \$82,501, Sewer fund of \$66,760 and Golf fund of \$67,381. These increases were offset by a decrease in the Storm Water Drainage fund of \$62,402.
- Program revenues decreased 2.6 percent or \$565,913 primarily due to decreases in the Water fund of \$488,835, Sewer fund of \$78,849 and Golf fund of \$72,246 and an increase of \$74,017 in the Storm Water Drainage fund due to rate increases.



Expense and Program Revenues - Business-Type Activities	Expenses	Program Revenues	Net (Expenses) Revenues
Water	\$5,575,591	\$5,678,252	\$102,661
Sewer	6,360,696	6,702,153	341,457
Storm water drainage	1,426,552	1,659,158	232,606
Golf	7,800,832	7,372,390	(428,442)
Total	\$21,163,671	\$21,411,953	\$248,282

**CITY OF COON RAPIDS, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Revenues by Source - Business-Type Activities



Revenues by Source - Business-Type Activities		
Program revenues:		
Charges for services	\$21,397,396	98.4%
Operating grants and contributions	14,557	0.1%
General revenues:		
Unrestricted investment earnings	<u>329,495</u>	<u>1.5%</u>
Total	<u><u>\$21,741,448</u></u>	<u><u>100.0%</u></u>

**CITY OF COON RAPIDS, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Government Funds Financial Analysis

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

Governmental funds. The focus of the City of Coon Rapids' 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 Coon Rapids' financing requirements. In particular, the portion of fund balance not classified as nonspendable or restricted may serve as a useful measure of a government's net resources available for spending at the government's discretion at the end of the fiscal year.

At the end of the current fiscal year, the City of Coon Rapids' governmental funds reported combined ending fund balances of \$67.7 million, a decrease of \$5.7 million from the prior year. Approximately 71.5 percent or \$48.4 million of this total amount is either committed (\$35,240,278), assigned (\$16,248) or unassigned (\$13,173,175) and is available for spending at the government's discretion. The remainder of the fund balance is nonspendable (\$406,751) since it is not in a spendable form or restricted (\$18,869,750) to indicate that it has already been obligated under externally imposed constraints.

The General Fund is the chief operating fund of the City of Coon Rapids. At the end of the current fiscal year, the unassigned fund balance available for working capital of the General Fund was \$16,030,549, while the total fund balance was \$16,484,458. The City adopted a policy requiring an unassigned fund balance of 45 percent of the next year's budgeted expenditures and transfers out. This percentage on December 31, 2019 was 47.5 percent.

The fund balance of the City of Coon Rapids' General Fund increased by \$783,538 or 5.0 percent. Key factors of this increase are as follows:

- Transfers out decreased 18.7 percent or \$398,935 primarily due to the transfer to the Facility Construction Fund decreasing from \$1,575,000 to \$1,200,000. Funds for the transfer to the Facilities Construction Fund, which are to be used for one-time project expenditures, are available due to unanticipated revenues and cost savings while maintaining an adequate fund balance in the General Fund.
- Revenues increased 2.8 percent or \$895,924 from the prior year with the most significant increases in property taxes of \$769,346, intergovernmental of \$58,324, charges for services of \$153,206 and investment income of \$252,285, offset by decreases in licenses and permits of \$173,821, fines and forfeitures of \$12,600 and miscellaneous of \$150,816.
- Expenditures increased 3.1 percent or \$932,669 from the prior year with increases in public safety of \$723,707, community services of \$28,602, community development of \$71,225, and maintenance services programs of \$182,726.

The fund balance in the Housing Programs Fund decreased 2.3 percent or \$154,371 primarily due to housing program loans and related expenditures of \$1,075,222 exceeding investment income of \$305,229 and mortgage payment revenue of \$615,622.

The fund balance in the Improvement Bonds Fund increased 24.9 percent or \$739,941 primarily due revenues of \$4,708,746 exceeding current year debt service requirements of \$2,583,242 and net transfers of \$1,385,563.

**CITY OF COON RAPIDS, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The fund balance in the Special Assessment Fund decreased 38.2 percent or \$3,760,268 primarily due to capital outlay expenditures and transfers out of \$12,100,984 exceeding special assessment revenue, investment earnings, intergovernmental revenue, miscellaneous, bond proceeds, and transfers in totaling \$8,340,716.

The fund balance in the Park Improvement Fund decreased \$1,602,002 due to capital outlay expenditures of \$2,664,142 exceeding revenues and transfers in of \$1,062,140.

The fund balance in the HRA Fund decreased 13.5 percent or \$3,293,738 primarily due to a reduction in land for resale of \$3.7 million.

All other governmental funds consisting of the 17 nonmajor funds had a 14.3 percent increase or \$1,633,750 in fund balance primarily due to transfers in from the General Fund to the Facility Construction Fund of \$1,200,000 and total revenue of \$7,510,401 exceeding total expenditures of \$7,437,880.

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

Unrestricted net position of the water, sewer and storm water utilities as well as the golf activity at the end of the year amounted to \$9.5 million. There was an increase in total net position for the four funds of \$567,578. Other factors concerning the finances of these funds have already been addressed in the discussion of the City of Coon Rapids' business-type activities.

General Fund Budgetary Highlights

The difference between the original expenditure budget and the final amended expenditure budget was a net increase of \$48,752. There were no budget amendments for revenue. The amendments for expenditures are summarized as follows:

- \$65,000 increase for items budgeted in 2018 but not purchased, carrying forward those funds to 2019 (\$53,900 was for capital outlay).
- \$16,248 decrease for amounts unspent in the 2019 budget carried forward to 2020 (\$7,500 was for capital outlay).

In addition to the above changes to the revenue and expenditure budgets, there was a \$1,200,000 increase in budgeted transfers out to the Facilities Construction Fund and an increase in budgeted transfers out to the Compensated Absences Fund of \$25,694. The total transfers in budget was reduced by \$47,857.

**CITY OF COON RAPIDS, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

General Fund revenues were over the final budget by \$1,083,516 or 3.4 percent primarily due to amounts over budget for licenses and permits of \$509,750, intergovernmental revenue \$90,313, charges for services \$378,389, investment income \$231,072 and other \$87,170 offset by amount under budget in property taxes \$179,730, and fines and forfeitures \$33,448. General Fund expenditures were under the final budget by \$1,022,325 or 3.2% due to amounts under budget in personal services \$473,994 and the net of all other items \$548,331.

Capital Asset and Debt Administration

Capital assets. The City of Coon Rapids' net investment in capital assets for its governmental and business type activities as of December 31, 2019 amounts to \$292.5 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, other improvements, furniture, machinery and equipment, park facilities, streets and bridges.

Major capital asset events during 2019 include the following:

- Various city wide concrete curb, gutter, and bituminous replacements totaling \$11,318,759 were incurred in 2019.
- Various city wide park and trail improvements totaling \$2,041,826 were incurred in 2019.
- Capital equipment purchases totaling \$2,548,553 were completed and capitalized during 2019. Included in the capital equipment purchases is \$311,206 for eight police cars, a \$111,196 mower, a \$92,693 fire rescue truck, \$248,296 for new electromedia at the water treatment plants, and \$540,144 for two new playgrounds.
- Golf course bunker renovation and improvements totaled \$415,270 were completed and capitalized in 2019.
- Watermain and well rehabilitation improvements totaled \$1,222,681 were completed and capitalized in 2019.

City of Coon Rapids' Capital Assets
(Net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$58,461,356	\$58,461,356	\$1,976,177	\$1,976,177	\$60,437,533	\$60,437,533
Buildings and structures	22,378,005	22,792,777	27,676,809	28,298,669	50,054,814	51,091,446
Furniture, machinery & equipment	7,738,889	7,828,572	3,314,069	3,043,664	11,052,958	10,872,236
Other improvements	17,140,956	17,629,317	3,998,650	3,978,806	21,139,606	21,608,123
Infrastructure	54,459,251	54,993,801	75,459,827	74,498,805	129,919,078	129,492,606
Construction in progress	16,181,530	5,527,125	3,678,814	3,078,984	19,860,344	8,606,109
Total	\$176,359,987	\$167,232,948	\$116,104,346	\$114,875,105	\$292,464,333	\$282,108,053

Additional information on the City of Coon Rapids' capital assets can be found in section III.E. of the notes to the financial statements.

**CITY OF COON RAPIDS, MINNESOTA
MANAGEMENT’S DISCUSSION AND ANALYSIS**

Long-term debt. At the end of the current fiscal year, the City of Coon Rapids had total bonded debt outstanding of \$63.0 million. Of this amount, \$21.0 million comprises debt backed by the full faith and credit of the government and \$21.8 million is special assessment debt for which the government is liable in the event of default by the property owners subject to the assessment. The remainder of the City of Coon Rapids’ debt (\$20.2 million) represents bonds secured by specified revenue sources from the Water, Storm Water Drainage and Golf Funds (i.e. revenue bonds) with the full faith and credit of the City pledged as an additional guarantee.

City of Coon Rapids’ Outstanding Bonded Debt

The City of Coon Rapids’ outstanding bonded debt decreased by \$430,000 during the current fiscal year. This decrease was the result of the issuance of \$16.1 million for the Bonds of 2019A and 2019B offset by principal payments of \$16.5 million.

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
G.O. Bonds	\$20,965,000	\$11,425,000			\$20,965,000	\$11,425,000
Lease Revenue bonds		11,675,000				11,675,000
G.O. Special Assessment Bonds	21,840,000	20,685,000			21,840,000	20,685,000
G.O. Water Revenue Bonds			\$15,605,000	\$14,815,000	15,605,000	14,815,000
G.O. Storm Water Drainage Bonds			520,000	600,000	520,000	600,000
G.O. Golf Revenue Bonds			4,065,000	4,225,000	4,065,000	4,225,000
Total	\$42,805,000	\$43,785,000	\$20,190,000	\$19,640,000	\$62,995,000	\$63,425,000

The City of Coon Rapids received an “Aa1” rating from Moody’s for general obligation debt in December 2019.

State statutes limit the amount of general obligation debt a governmental entity may issue up to 3 percent of its total taxable market value. The current debt limitation for the City of Coon Rapids is \$159,453,357 which is significantly in excess of the City of Coon Rapids’ outstanding general obligation debt.

Additional information on the City of Coon Rapids’ long-term debt can be found in section III.I. of the notes to the financial statements.

Economic Factors and Next Year’s Budgets and Rates

- The unemployment rate for the City of Coon Rapids in 2019 was 3.1 percent, up from 2.7 percent a year ago. This compares to the state average unemployment rate of 3.2 percent and the national average rate of 3.7 percent.
- Inflationary trends in the region compare favorably to national indices.
- Permits for construction valued at \$224,866,962 were issued in 2019 consisting of \$4,665,632 for new housing units, \$74,899,219 for commercial, institutional and industrial projects, and \$145,302,111 for other construction such as additions and upgrades.
- The median household income for Anoka County was \$82,492 as compared to the national household income of \$61,937.

**CITY OF COON RAPIDS, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

All of these factors were considered in preparing the City of Coon Rapids' budget for 2020 and will be for the 2021 fiscal year as well.

During the current fiscal year, the unassigned fund balance in the General Fund increased to \$16.0 million. The City of Coon Rapids will use this for working capital in the 2020 budget. It is intended that this use of available fund balance will avoid cash borrowings until real estate taxes are received in mid-year.

Based on utility rate studies completed in early 2019, storm water drainage rates increased approximately ten percent with other utilities remaining the same. Golf course rates for 2020 were left unchanged from 2019, with the exception of increases for season tickets and decreases in fees for certain times during the middle of the day.

Shortly after the 2019 fiscal year-end, the worldwide spread of the novel coronavirus (COVID-19) has caused significant volatility in the economy and financial markets. There is significant uncertainty about the breadth and duration of potential business disruptions related to COVID-19, and its economic impact in the U.S. and around the world. At this time, the City is unable to determine what effect this may have on its future financial condition and operations.

Requests for Information

This financial report is designed to provide a general overview of the City of Coon Rapids' finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, City of Coon Rapids, 11155 Robinson Drive, Coon Rapids, Minnesota 55433.

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION
DECEMBER 31, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments (including cash equivalents)	\$ 76,351,238	\$ 9,252,364	\$ 85,603,602
Investments		476,986	476,986
Taxes receivable	536,298		536,298
Accounts receivable	3,048,426	3,030,218	6,078,644
Accrued interest receivable	254,926	42,698	297,624
Special assessments receivable	9,127,665	757,418	9,885,083
Notes receivable	550,931		550,931
Mortgage receivable	2,121,942		2,121,942
Due from other governments	615,042	49,553	664,595
Internal balances	1,262,203	(1,262,203)	
Inventories	189,872	104,496	294,368
Property for resale	3,197,130		3,197,130
Prepaid items	177,272	37,095	214,367
Capital assets, net of accumulated depreciation			
Land	58,461,356	1,976,177	60,437,533
Buildings and structures	22,378,005	27,676,809	50,054,814
Furniture, machinery and equipment	7,738,889	3,314,069	11,052,958
Other improvements	17,140,956	3,998,650	21,139,606
Infrastructure	54,459,251	75,459,827	129,919,078
Construction in progress	16,181,530	3,678,814	19,860,344
Total Assets	273,792,932	128,592,971	402,385,903
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Gain on Refunding bonds	127,664		127,664
Plan deferments - OPEB	711,580		711,580
Pension plan deferments - PERA	9,799,807	220,720	10,020,527
Total Deferred Outflows of Resources	10,639,051	220,720	10,859,771
Total Assets and Deferred Outflows of Resources	\$ 284,431,983	\$ 128,813,691	\$ 413,245,674
LIABILITIES			
Accounts payable	\$ 772,425	\$ 243,721	\$ 1,016,146
Salaries payable	1,202,984	97,121	1,300,105
Contracts payable	1,129,254	121,638	1,250,892
Accrued interest payable	422,013	246,580	668,593
Due to other governments	109,151	47,475	156,626
Revenue collected in advance	383,726		383,726
Deposits payable	47,285	198,912	246,197
Noncurrent Liabilities:			
Due within one year	3,595,165	2,264,759	5,859,924
Due in more than one year	69,782,077	20,929,501	90,711,578
Total Liabilities	77,444,080	24,149,707	101,593,787
DEFERRED INFLOWS OF RESOURCES			
Pension plan deferments - PERA	15,551,340	297,935	15,849,275
Grants for subsequent years - MSA	2,666,997		2,666,997
Plan deferments - OPEB	438,388		438,388
Total Deferred Inflows of Resources	18,656,725	297,935	18,954,660
NET POSITION			
Net investment in capital assets	131,278,882	94,847,410	226,126,292
Restricted for:			
Contract grants	44,471		44,471
Drug forfeitures			
Debt service	10,974,878		10,974,878
Tax increment financing	14,071,926		14,071,926
Unrestricted	31,961,021	9,518,639	41,479,660
Total Net Position	188,331,178	104,366,049	292,697,227
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 284,431,983	\$ 128,813,691	\$ 413,245,674

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

CITY OF COON RAPIDS, MINNESOTA

STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental activities:							
General government	\$ 7,274,494	\$ 3,002,898	\$ 655,372		\$ (3,616,224)		\$ (3,616,224)
Public safety	18,282,391	1,090,127	1,220,056	\$ 16,389	(15,955,819)		(15,955,819)
Community services	871,834	315,820	11,321		(544,693)		(544,693)
Community development	9,686,438	1,591,944	2,869,964		(5,224,530)		(5,224,530)
Public works:							
Streets	7,577,318	163,701	349,302	5,525,974	(1,538,341)		(1,538,341)
Parks and recreation	5,227,435	860,687	4,838	317,134	(4,044,776)		(4,044,776)
Maintenance of buildings/vehicles	1,536,395				(1,536,395)		(1,536,395)
Engineering and design	672,789	1,710			(671,079)		(671,079)
Interest expense and fiscal charges on long-term debt	1,438,842				(1,438,842)		(1,438,842)
Total governmental activities	<u>52,567,936</u>	<u>7,026,887</u>	<u>5,110,853</u>	<u>5,859,497</u>	<u>(34,570,699)</u>		<u>(34,570,699)</u>
Business-type activities:							
Water	5,575,591	5,677,480	772			\$ 102,661	102,661
Sewer	6,360,696	6,701,660	493			341,457	341,457
Storm water drainage	1,426,552	1,646,429	12,729			232,606	232,606
Golf	7,800,832	7,371,827	563			(428,442)	(428,442)
Total business-type activities	<u>21,163,671</u>	<u>21,397,396</u>	<u>14,557</u>			<u>248,282</u>	<u>248,282</u>
Total primary government	<u>\$ 73,731,607</u>	<u>\$ 28,424,283</u>	<u>\$ 5,125,410</u>	<u>\$ 5,859,497</u>	<u>(34,570,699)</u>	<u>248,282</u>	<u>(34,322,417)</u>
General Revenues:							
Property taxes collected for general purposes					21,013,387		21,013,387
Property taxes collected for special revenue					148,403		148,403
Property taxes collected for debt services					4,178,707		4,178,707
Property taxes collected for capital improvements					3,388,488		3,388,488
Tax increments					337,854		337,854
Utilities Tax					3,304,126		3,304,126
Grants and contributions not restricted to specific programs					1,239,385		1,239,385
Unrestricted investment earnings					2,753,934	329,495	3,083,429
Gain on sale of capital assets					62,535		62,535
Miscellaneous					2,483,789		2,483,789
Total general revenues					<u>38,910,608</u>	<u>329,495</u>	<u>39,240,103</u>
Change in net position					<u>4,339,909</u>	<u>577,777</u>	<u>4,917,686</u>
Net position at Beginning of Year					<u>183,991,269</u>	<u>103,788,272</u>	<u>287,779,541</u>
Net position at End of Year					<u>\$ 188,331,178</u>	<u>\$ 104,366,049</u>	<u>\$ 292,697,227</u>

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

Reader's Notes:

GOVERNMENTAL FUNDS

General Fund - The General fund encompasses the general governmental functions of the City and all other functions not accounted for in other separate funds.

Housing Programs Fund - Established to account for housing improvement loan programs which are available to qualifying citizens and a scattered site housing program for the removal of residential structures in blighted areas.

Improvement Bonds Fund - Established to account for the payment of bonds and interest for special assessment projects bonded for with G.O. Improvement Bonds.

Special Assessment Fund - Established to account for the construction of public improvements, such as streets, sewer mains and storm sewers which are to be paid for wholly or in part from special assessments levied against benefitted property owners.

Park Improvement Fund - Established to administer bond proceeds, federal and state grants, park dedication fees and other revenues which are dedicated to acquisition and to improvement of City parks.

Housing and Redevelopment Authority Fund - Established to account for tax increment financing and economic development activities in the City.

Other Governmental Funds - Total of the nonmajor funds. Individual statements and schedules are included in the Combining and Individual Statements and Schedules section.

CITY OF COON RAPIDS, MINNESOTA

BALANCE SHEET - GOVERNMENTAL FUNDS

DECEMBER 31, 2019

(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2018)

	Major Funds			
	General Fund	Housing Programs Fund	Improvement Bonds Fund	Special Assessment Fund
ASSETS				
Cash and investments (including cash equivalents)	\$ 17,115,231	\$ 6,449,605	\$ 3,630,846	\$ 7,622,291
Taxes receivable	428,337		20,455	
Accounts receivable	430,532			2,214
Accrued interest receivable	47,158	23,525	12,854	28,965
Special assessments receivable			6,908,092	2,219,573
Notes receivable				
Mortgage receivable		2,121,942		
Due from other governments	281,721		37,760	54,295
Due from other funds				
Advance to other funds	51,982			1,652,203
Inventories	189,872			
Property for resale		137,784		
Prepaid items	151,336			
Total Assets	\$ 18,696,169	\$ 8,732,856	\$ 10,610,007	\$ 11,579,541
LIABILITIES				
Accounts payable	\$ 382,760	\$ 64,261		\$ 32,389
Salaries payable	1,125,325			
Contracts payable				583,209
Deposits payable				
Due to other governments	97,957	875		1,699
Revenue collected in advance	383,398			
Due to other funds				
Advance from other funds				
Total Liabilities	1,989,440	65,136		617,297
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	222,271		\$ 2,638	
Unavailable revenue - special assessments			6,893,388	2,216,877
Unavailable revenue - other		2,121,942		
Grants for subsequent years - MSA				2,666,997
Total Deferred Inflows of Resources	222,271	2,121,942	6,896,026	4,883,874
FUND BALANCES				
Nonspendable	393,190			
Restricted	44,471		3,713,981	
Committed		6,545,778	452	8,935,292
Assigned	16,248			
Unassigned	16,030,549		(452)	(2,856,922)
Total Fund Balances	16,484,458	6,545,778	3,713,981	6,078,370
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 18,696,169	\$ 8,732,856	\$ 10,610,007	\$ 11,579,541

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

EXHIBIT B-1

			Totals	
Park Improvement Fund	HRA Fund	Other Governmental Funds	2019	2018
\$ 759,608	\$ 16,126,511	\$ 13,307,388	\$ 65,011,480	\$ 69,290,187
8,191	14,421	64,894	536,298	402,450
195	2,360,637	254,848	3,048,426	762,785
2,475	60,253	39,937	215,167	211,759
			9,127,665	9,367,792
36,225	454,938	59,768	550,931	855,754
			2,121,942	1,627,619
61,215	48,830	111,330	595,151	633,482
		1,703	1,703	
			1,704,185	1,955,844
			189,872	296,976
	3,059,346		3,197,130	6,859,446
	9,361	4,200	164,897	145,773
<u>\$ 867,909</u>	<u>\$ 22,134,297</u>	<u>\$ 13,844,068</u>	<u>\$ 86,464,847</u>	<u>\$ 92,409,867</u>
\$ 14,635	\$ 52,444	\$ 191,308	\$ 737,797	\$ 977,958
685	10,973	66,001	1,202,984	1,112,207
78,705	453,277	14,063	1,129,254	318,599
	47,285		47,285	37,285
4,965	1,007	2,648	109,151	131,131
		328	383,726	384,931
		1,703	1,703	
		441,982	441,982	1,003,497
<u>98,990</u>	<u>564,986</u>	<u>718,033</u>	<u>4,053,882</u>	<u>3,965,608</u>
4,180	7,425	18,114	254,628	234,932
			9,110,265	9,352,265
36,225	454,938	59,768	2,672,873	2,483,373
			2,666,997	3,014,337
<u>40,405</u>	<u>462,363</u>	<u>77,882</u>	<u>14,704,763</u>	<u>15,084,907</u>
	9,361	4,200	406,751	567,648
	14,071,926	1,039,372	18,869,750	19,249,829
728,514	7,025,661	12,004,581	35,240,278	39,891,970
			16,248	65,000
			13,173,175	13,584,905
<u>728,514</u>	<u>21,106,948</u>	<u>13,048,153</u>	<u>67,706,202</u>	<u>73,359,352</u>
<u>\$ 867,909</u>	<u>\$ 22,134,297</u>	<u>\$ 13,844,068</u>	<u>\$ 86,464,847</u>	<u>\$ 92,409,867</u>

Reader's Notes:

CITY OF COON RAPIDS, MINNESOTA

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2019**

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

Total governmental fund balances (Exhibit B-1)	\$	13,173,175	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			
Governmental capital assets	\$	270,790,198	
Less: accumulated depreciation		<u>(94,430,211)</u>	
			176,359,987
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.			
Delinquent property taxes	\$	254,628	
Deferred, delinquent, and postponed special assessments		9,110,265	
Notes and mortgages receivable		<u>2,672,873</u>	
			12,037,766
Internal service funds are used by management to charge the costs of insurance to individual funds, for other post employment benefits, and for compensated absences for the governmental funds. The assets and liabilities of the internal service funds which are related to the governmental activities are included in governmental activities in the statement of net position.			
			185,642
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.			
Bonds payable (net of unamortized discount/premium of \$2,403,769)	\$	(45,208,769)	
Net pension liability		(16,703,768)	
Accrued interest payable		<u>(422,013)</u>	
			(62,334,550)
The recognition of certain revenues and expenses differ between the full accrual governmental activities financial statements and the modified accrual governmental fund financial statements.			
Deferred outflow of resources, PERA pension plans	\$	9,799,807	
Deferred outflow of resources, Gain on Refunded bond		127,664	
Deferred inflow of resources, PERA pension plans		<u>(15,551,340)</u>	
			<u>(5,623,869)</u>
Net position of governmental activities (Exhibit A-1)	\$		<u><u>133,798,151</u></u>

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

CITY OF COON RAPIDS, MINNESOTA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

YEAR ENDED DECEMBER 31, 2019

(WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2018)

	Major Funds			
	General Fund	Housing Programs Fund	Improvement Bonds Fund	Special Assessment Fund
Revenues:				
General property taxes	\$ 20,998,639		\$ 1,817,045	
Tax increments				
Special assessments			2,233,654	\$ 536,628
Licenses and permits	2,190,777			
Fines and forfeitures	197,052			
Investment income	448,072	\$ 305,229	89,197	395,486
Intergovernmental	2,822,240		568,850	2,420,334
Payments on notes				
Charges for services	2,350,574			
Platting fees				
Other	4,103,366	615,622		54,405
Total Revenues	33,110,720	920,851	4,708,746	3,406,853
Expenditures:				
Current:				
General government	4,025,519	1,075,222		
Public safety	16,301,829			
Community services	668,529			
Community development	2,061,214			
Maintenance services	7,562,312			
Capital outlay and improvements				11,955,765
Debt service:				
Principal retirement			2,080,000	
Interest and fiscal charges			502,235	
Other			1,007	
Total Expenditures	30,619,403	1,075,222	2,583,242	11,955,765
Excess (Deficiency) of Revenues over Expenditures	2,491,317	(154,371)	2,125,504	(8,548,912)
Other Financing Sources (Uses):				
Bond issuance				3,235,000
Refunding bond issuance				
Payment to Refunding Escrow Agent				
Premiums on bonds issued				548,200
Sale of capital assets				
Transfers in	22,915		191,016	1,150,663
Transfers out	(1,730,694)		(1,576,579)	(145,219)
Total Other Financing Sources (Uses)	(1,707,779)		(1,385,563)	4,788,644
Net Change in Fund Balances	783,538	(154,371)	739,941	(3,760,268)
Fund Balance at Beginning of Year	15,700,920	6,700,149	2,974,040	9,838,638
Fund Balance at End of Year	\$ 16,484,458	\$ 6,545,778	\$ 3,713,981	\$ 6,078,370

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

EXHIBIT B-3

Park Improvement Fund	HRA Fund	Other Governmental Funds	Total Governmental Funds	
			2019	2018
\$ 408,647	\$ 718,999 337,854	\$ 4,765,959	\$ 28,709,289 337,854 2,770,282 2,190,777 197,052	\$ 27,395,009 328,504 3,019,209 2,364,598 209,652
60,533	678,771	391,098	2,368,386	911,886
	675,007	232,221	6,718,652	6,142,465
18,113	476,836		494,949	387,182
		5,800	2,356,374	2,200,408
299,830			299,830	346,819
10,172	2,044,964	2,115,323	8,943,852	6,762,863
<u>797,295</u>	<u>4,932,431</u>	<u>7,510,401</u>	<u>55,387,297</u>	<u>50,068,595</u>
		1,545,394	6,646,135	6,221,213
		57,801	16,359,630	15,752,335
		192,400	860,929	812,263
	7,537,068		9,598,282	1,989,989
		477,406	8,039,718	7,780,776
2,664,142	687,046	2,346,788	17,653,741	13,590,025
		1,665,000	3,745,000	2,670,000
		1,153,091	1,655,326	1,129,049
			1,007	3,655
<u>2,664,142</u>	<u>8,224,114</u>	<u>7,437,880</u>	<u>64,559,768</u>	<u>49,949,305</u>
<u>(1,866,847)</u>	<u>(3,291,683)</u>	<u>72,521</u>	<u>(9,172,471)</u>	<u>119,290</u>
			3,235,000	8,885,000
		10,260,000	10,260,000	
		(10,705,023)	(10,705,023)	
		608,582	1,156,782	475,523
		62,535	62,535	90,605
264,845		1,818,683	3,448,122	3,738,072
	(2,055)	(483,548)	(3,938,095)	(4,251,840)
<u>264,845</u>	<u>(2,055)</u>	<u>1,561,229</u>	<u>3,519,321</u>	<u>8,937,360</u>
<u>(1,602,002)</u>	<u>(3,293,738)</u>	<u>1,633,750</u>	<u>(5,653,150)</u>	<u>9,056,650</u>
<u>2,330,516</u>	<u>24,400,686</u>	<u>11,414,403</u>	<u>73,359,352</u>	<u>64,302,702</u>
<u>\$ 728,514</u>	<u>\$ 21,106,948</u>	<u>\$ 13,048,153</u>	<u>\$ 67,706,202</u>	<u>\$ 73,359,352</u>

CITY OF COON RAPIDS, MINNESOTA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019**

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

Net change in fund balances - total governmental funds (Exhibit B-3) \$ (5,653,150)

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense.

Capital outlay	\$	17,653,741	
Capital outlay not capitalized		<u>(1,933,867)</u>	
		15,719,874	
Current year depreciation		<u>(6,592,835)</u>	9,127,039

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of 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 deferred and 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.

Debt issued	\$	(13,495,000)	
Premium on debt issued		(1,156,782)	
Principal repayments		14,475,000	
Net pension liability		(209,122)	
Current year amortization of discounts/premiums		<u>32,400</u>	(353,504)

The recognition of certain revenues and expenses differ between the full accrual governmental activities financial statements and the modified accrual governmental fund financial statements.

Deferred outflow of resources, PERA pension plans	\$	(4,337,943)	
Deferred inflow of resources, PERA pension plans		4,791,970	
Deferred outflow of resources, gain on refunded bond		<u>127,664</u>	581,691

Revenues and expenditures in the statement of activities that do not provide current financial resources are not reported as revenues and expenditures in the governmental funds. The effect on the change in net position is the change in the year-end balances of deferred outflows and deferred inflows of resources.

Deferred inflows of resources, property taxes	\$	19,696	
Deferred inflows of resources, special assessments		(242,000)	
Deferred inflows of resources, other		<u>189,500</u>	(32,804)

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. This includes the change in accrued interest payable.

23,905

The net expense of certain activities in the internal service funds is related to governmental activities and is reported in the government-wide statement of activities.

646,732

Changes in net position of governmental activities (Exhibit A-2)

\$ 4,339,909

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

CITY OF COON RAPIDS, MINNESOTA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	2019				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	2018 Actual
	Original	Final			
REVENUES:					
General Property Taxes	\$ 21,178,369	\$ 21,178,369	\$ 20,998,639	\$ (179,730)	\$ 20,229,293
Licenses and Permits:					
Business regulatory licenses	604,700	604,700	600,064	(4,636)	603,108
Non-business licenses and permits	1,076,327	1,076,327	1,590,713	514,386	1,761,490
Total	1,681,027	1,681,027	2,190,777	509,750	2,364,598
Fines and Forfeitures	230,500	230,500	197,052	(33,448)	209,652
Investment Income	217,000	217,000	448,072	231,072	195,787
Intergovernmental:					
Local government aid	1,190,819	1,190,819	1,196,450	5,631	1,190,819
Property tax aid			291	291	286
Highway maintenance	134,000	134,000	134,125	125	130,218
Police department aid	580,500	580,500	635,104	54,604	609,354
Other	826,608	826,608	856,270	29,662	833,239
Total	2,731,927	2,731,927	2,822,240	90,313	2,763,916
Charges for Services:					
General government	19,200	19,200	24,570	5,370	23,696
Public safety	366,085	366,085	572,591	206,506	508,355
Recreation	115,200	115,200	142,619	27,419	133,102
Administration and special assessment	60,000	60,000	60,900	900	62,475
Other administration	772,200	772,200	889,063	116,863	828,795
Ice arena	639,500	639,500	660,831	21,331	640,945
Total	1,972,185	1,972,185	2,350,574	378,389	2,197,368
Other:					
Utilities tax	3,272,396	3,272,396	3,304,126	31,730	3,534,507
Miscellaneous	743,800	743,800	799,240	55,440	719,675
Total	4,016,196	4,016,196	4,103,366	87,170	4,254,182
Total Revenues	\$ 32,027,204	\$ 32,027,204	\$ 33,110,720	\$ 1,083,516	\$ 32,214,796

(Continued)

CITY OF COON RAPIDS, MINNESOTA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	2019					2018 Actual
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)		
	Original	Final				
EXPENDITURES:						
Current:						
General Government						
Legislative Control:						
Personal services	\$ 117,662	\$ 127,167	\$ 127,162	\$ 5	\$ 125,615	
Other charges	103,178	103,178	95,267	7,911	87,435	
Supplies	1,100	875	196	679	129	
Total	221,940	231,220	222,625	8,595	213,179	
Board and Commissions:						
Personal services	37,760	33,525	32,423	1,102	36,050	
Other charges	4,280	4,280	2,512	1,768	7,381	
Supplies	1,075	1,075	506	569	4,606	
Total	43,115	38,880	35,441	3,439	48,037	
Legal Services General:						
Personal services	331,995	304,235	286,045	18,190	270,446	
Other charges	13,950	13,950	11,230	2,720	12,070	
Supplies	9,150	9,150	9,041	109	8,772	
Total	355,095	327,335	306,316	21,019	291,288	
Elections and Voter Registration:						
Personal services	50,741	3,971	3,636	335	95,717	
Other charges	15,213	15,213	13,962	1,251	17,392	
Supplies		365	360	5	1,171	
Total	65,954	19,549	17,958	1,591	114,280	
Maintenance of Official Records:						
Personal services	28,768	54,453	53,025	1,428	50,828	
Other charges	23,791	18,791	14,825	3,966	13,505	
Supplies	650	650	272	378	497	
Total	53,209	73,894	68,122	5,772	64,830	
Information:						
Personal services	225,709	220,779	216,528	4,251	202,960	
Other charges	52,043	52,043	46,980	5,063	48,883	
Supplies	700	700	597	103	545	
Total	278,452	273,522	264,105	9,417	252,388	
Management:						
Personal services	322,880	361,520	359,382	2,138	338,633	
Other charges	37,311	37,311	33,456	3,855	37,515	
Supplies	1,500	6,855	6,848	7	379	
Total	361,691	405,686	399,686	6,000	376,527	
Licensing:						
Personal services	47,504	35,589	35,583	6	33,849	
Other charges	4,408	4,408	3,632	776	4,081	
Supplies	1,500	1,120	349	771	1,090	
Total	\$ 53,412	\$ 41,117	\$ 39,564	\$ 1,553	\$ 39,020	

(Continued)

CITY OF COON RAPIDS, MINNESOTA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	2019				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	2018 Actual
	Original	Final			
Current (Continued)					
General Government (Continued)					
Human Resources:					
Personal services	\$ 237,776	\$ 240,976	\$ 231,581	\$ 9,395	\$ 230,952
Other charges	133,350	129,045	75,614	53,431	98,683
Supplies	3,700	4,685	4,630	55	876
Total	<u>374,826</u>	<u>374,706</u>	<u>311,825</u>	<u>62,881</u>	<u>330,511</u>
Fiscal Planning, Control, and Accounting:					
Personal services	766,253	750,478	586,919	163,559	704,456
Other charges	139,818	139,618	135,975	3,643	130,293
Supplies	1,500	2,420	2,413	7	2,912
Total	<u>907,571</u>	<u>892,516</u>	<u>725,307</u>	<u>167,209</u>	<u>837,661</u>
Information Technology:					
Personal services	517,747	516,837	512,534	4,303	497,800
Other charges	181,999	181,999	132,692	49,307	137,136
Supplies	9,150	9,150	8,013	1,137	7,063
Capital outlay	167,050	213,450	183,457	29,993	77,932
Total	<u>875,946</u>	<u>921,436</u>	<u>836,696</u>	<u>84,740</u>	<u>719,931</u>
General Revenue Collections:					
Personal services	60,067	59,022	54,867	4,155	61,351
Other charges	35,584	35,784	31,491	4,293	30,728
Supplies	700	205	132	73	1,879
Total	<u>96,351</u>	<u>95,011</u>	<u>86,490</u>	<u>8,521</u>	<u>93,958</u>
Property Appraisal:					
Personal services	425,485	425,485	410,350	15,135	379,794
Other charges	46,224	46,224	26,624	19,600	86,374
Supplies	3,995	3,355	2,342	1,013	2,649
Total	<u>475,704</u>	<u>475,064</u>	<u>439,316</u>	<u>35,748</u>	<u>468,817</u>
Purchasing:					
Personal services	78,290	78,290	77,211	1,079	61,373
Other charges	31,260	31,260	26,791	4,469	28,228
Supplies	10,500	10,670	10,666	4	11,166
Total	<u>120,050</u>	<u>120,220</u>	<u>114,668</u>	<u>5,552</u>	<u>100,767</u>
Payroll:					
Personal services	91,197	92,862	92,858	4	86,203
Other charges	64,650	64,650	63,931	719	61,134
Supplies	570	615	611	4	579
Total	<u>156,417</u>	<u>158,127</u>	<u>157,400</u>	<u>727</u>	<u>147,916</u>
Total General Government	<u>\$ 4,439,733</u>	<u>\$ 4,448,283</u>	<u>\$ 4,025,519</u>	<u>\$ 422,764</u>	<u>\$ 4,099,110</u>

(Continued)

CITY OF COON RAPIDS, MINNESOTA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	2019				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	2018 Actual
	Original	Final			
Current (Continued)					
Public Safety					
Court Case/Preparation and Appearance:					
Personal services	\$ 739,720	\$ 708,220	\$ 708,210	\$ 10	\$ 688,503
Other charges	23,529	23,529	17,550	5,979	16,266
Supplies	11,300	11,300	10,340	960	8,939
Total	774,549	743,049	736,100	6,949	713,708
Investigation/Non-Traffic:					
Personal services	1,526,831	1,213,356	1,213,351	5	1,056,636
Other charges	32,897	31,457	26,440	5,017	33,255
Supplies	8,700	9,140	9,136	4	10,104
Total	1,568,428	1,253,953	1,248,927	5,026	1,099,995
Preventative Patrol:					
Personal services	6,661,998	7,346,748	7,345,511	1,237	7,020,938
Other charges	373,250	375,585	375,580	5	362,572
Supplies	245,165	244,000	210,251	33,749	236,914
Capital outlay	47,200	47,200	42,596	4,604	34,972
Total	7,327,613	8,013,533	7,973,938	39,595	7,655,396
Accident Reduction Program:					
Personal services	165,032	53,567	53,564	3	59,083
Other charges	20	845	840	5	64
Total	165,052	54,412	54,404	8	59,147
Animal Control:					
Personal services	94,899	22,889	22,885	4	23,106
Other charges	9,530	17,315	14,814	2,501	7,089
Supplies	500	500	426	74	446
Total	104,929	40,704	38,125	2,579	30,641
School Liaison Program/Community Education					
Personal services	926,229	971,924	971,921	3	891,571
Other charges	13,372	13,372	13,301	71	11,544
Supplies	3,700	4,080	4,074	6	4,960
Total	943,301	989,376	989,296	80	908,075
Drug Enforcement & Education:					
Personal services	396,682	323,307	323,304	3	289,979
Other charges	11,954	12,799	12,797	2	13,210
Supplies	5,500	5,845	5,843	2	5,333
Total	414,136	341,951	341,944	7	308,522
Emergency Operation Planning:					
Personal services	106,875	13,275	13,273	2	17,757
Other charges	20,959	21,114	14,297	6,817	20,533
Supplies	100	100	100	100	100
Total	\$ 127,934	\$ 34,489	\$ 27,570	\$ 6,919	\$ 38,290

(Continued)

CITY OF COON RAPIDS, MINNESOTA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	2019				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	2018 Actual
	Original	Final			
Current (Continued)					
Public Safety (Continued)					
Fire Prevention:					
Personal services	\$ 359,642	\$ 345,147	\$ 345,143	\$ 4	\$ 336,499
Other charges	125,799	125,799	116,502	9,297	113,853
Supplies	20,200	20,200	17,991	2,209	19,714
Total	505,641	491,146	479,636	11,510	470,066
Fire Training:					
Personal services	385,101	451,871	451,870	1	384,510
Other charges	18,098	38,643	38,639	4	30,627
Supplies	1,200	1,820	1,814	6	199
Total	404,399	492,334	492,323	11	415,336
Fire Suppression:					
Personal services	2,917,530	2,759,670	2,759,665	5	2,803,543
Other charges	141,882	110,832	93,680	17,152	114,751
Supplies	138,200	136,300	97,274	39,026	109,587
Capital outlay	10,000	8,320	8,085	235	16,773
Total	3,207,612	3,015,122	2,958,704	56,418	3,044,654
Rescue and First Aid:					
Personal services	734,154	843,404	843,399	5	737,640
Other charges	20,637	20,637	20,242	395	19,000
Supplies	28,500	28,500	27,476	1,024	28,704
Capital outlay	6,350	8,030	7,184	846	
Total	789,641	900,571	898,301	2,270	785,344
Fire Investigation:					
Personal services	36,000	37,705	37,704	1	21,336
Other charges	3,897	3,897	3,274	623	2,661
Supplies	1,800	3,080	3,078	2	2,188
Total	41,697	44,682	44,056	626	26,185
Employee Safety:					
Personal services	28,953	16,323	16,320	3	18,851
Other charges	4,059	4,059	2,032	2,027	1,779
Supplies	800	800	153	647	439
Capital outlay					1,694
Total	33,812	21,182	18,505	2,677	22,763
Total Public Safety	16,408,744	16,436,504	16,301,829	134,675	15,578,122
Community Services					
Riverwind Recreational Center:					
Personal services		5,205	5,200	5	
Other charges	10,615	12,820	12,818	2	27,402
Supplies	2,770	3,335	3,332	3	50
Total	13,385	21,360	21,350	10	27,452
Community School/Summer Recreation:					
Other charges	\$ 122,557	\$ 120,352	\$ 120,056	\$ 296	\$ 100,039

(Continued)

CITY OF COON RAPIDS, MINNESOTA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	2019				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	2018 Actual
	Original	Final			
Current (Continued)					
Community Services (Continued)					
Facilities Rental:					
Personal services	\$ 95,948	\$ 103,648	\$ 103,543	\$ 105	\$ 86,826
Other charges	34,441	34,441	29,541	4,900	31,935
Supplies	2,300	1,735	869	866	4,260
Capital outlay	14,200	14,200	13,739	461	6,449
Total	146,889	154,024	147,692	6,332	129,470
Contract Grants:					
Personal services	22,509	30,524	30,515	9	31,447
Other charges	105,516	109,821	109,544	277	114,577
Total	128,025	140,345	140,059	286	146,024
Senior Citizen Services:					
Personal services	212,112	211,367	211,361	6	204,104
Other charges	28,312	28,312	22,986	5,326	27,965
Supplies	6,598	6,598	5,025	1,573	4,873
Total	247,022	246,277	239,372	6,905	236,942
Total Community Services	657,878	682,358	668,529	13,829	639,927
Community Development					
Planning:					
Personal services	262,683	257,758	257,755	3	335,969
Other charges	48,200	46,375	46,368	7	46,584
Supplies	1,500	1,500	422	1,078	433
Total	312,383	305,633	304,545	1,088	382,986
Property Maintenance:					
Personal services	312,633	312,788	312,783	5	494,093
Other charges	28,341	38,896	38,889	7	55,961
Supplies	3,527	3,527	2,808	719	3,969
Total	344,501	355,211	354,480	731	554,023
Housing Programs:					
Personal services	341,933	350,228	350,224	4	
Other charges	32,103	14,543	14,352	191	
Supplies	2,768	2,768	1,286	1,482	
Total	376,804	367,539	365,862	1,677	
Building Inspection:					
Personal services	994,026	990,501	929,799	60,702	934,352
Other charges	88,300	97,130	97,125	5	106,177
Supplies	12,200	12,200	9,403	2,797	12,451
Total	1,094,526	1,099,831	1,036,327	63,504	1,052,980
Total Community Development	\$ 2,128,214	\$ 2,128,214	\$ 2,061,214	\$ 67,000	\$ 1,989,989

(Continued)

CITY OF COON RAPIDS, MINNESOTA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	2019				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	2018 Actual
	Original	Final			
Current (Continued)					
Maintenance Services					
Snow Removal:					
Personal services	\$ 252,697	\$ 239,897	\$ 203,028	\$ 36,869	\$ 142,642
Other charges	12,500	12,990	12,986	4	2,970
Supplies	162,080	274,380	274,374	6	190,295
Total	427,277	527,267	490,388	36,879	335,907
Street Maintenance:					
Personal services	732,297	761,132	752,379	8,753	716,958
Other charges	132,445	41,720	41,714	6	153,795
Supplies	108,440	118,765	118,757	8	133,258
Total	973,182	921,617	912,850	8,767	1,004,011
Streetlight/Traffic Signal Maintenance:					
Personal services	14,040	14,040	8,452	5,588	7,836
Other charges	612,520	547,580	545,987	1,593	602,935
Capital outlay					22,835
Total	626,560	561,620	554,439	7,181	633,606
Central Garage/Vehicle Maintenance:					
Personal services	586,974	586,974	567,780	19,194	542,224
Other charges	51,200	51,200	39,706	11,494	49,727
Supplies	49,620	57,395	57,392	3	42,551
Capital outlay	15,576	15,576	9,237	6,339	16,390
Total	703,370	711,145	674,115	37,030	650,892
Public Building Maintenance:					
Personal services	263,723	157,018	157,015	3	151,345
Other charges	406,500	449,450	449,445	5	410,619
Supplies	33,550	39,650	39,643	7	26,571
Capital outlay					10,286
Total	703,773	646,118	646,103	15	598,821
Geographic Information Systems:					
Personal services	198,096	199,006	199,001	5	190,983
Other charges	64,422	65,674	62,987	2,687	56,118
Supplies	2,650	2,650	1,484	1,166	3,675
Capital outlay	29,207	29,207	25,965	3,242	
Total	294,375	296,537	289,437	7,100	250,776
Engineering Maintenance Services:					
Personal services	310,098	398,258	344,496	53,762	433,222
Other charges	30,750	30,750	27,962	2,788	32,413
Supplies	6,450	6,545	6,083	462	7,321
Total	347,298	435,553	378,541	57,012	472,956
Parks and Grounds Maintenance:					
Personal services	1,398,993	1,475,613	1,457,888	17,725	1,389,658
Other charges	508,156	497,346	478,578	18,768	459,353
Supplies	257,475	241,335	229,279	12,056	220,787
Capital outlay	25,474	33,734	30,420	3,314	21,913
Total	\$ 2,190,098	\$ 2,248,028	\$ 2,196,165	\$ 51,863	\$ 2,091,711

(Continued)

CITY OF COON RAPIDS, MINNESOTA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	2019					2018 Actual
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)		
	Original	Final				
Current (Continued)						
Maintenance Services (Continued)						
Sidewalk Maintenance:						
Personal services	\$ 33,348	\$ 34,813	\$ 34,809	\$ 4	\$ 30,945	
Other charges	12,918	12,918	1,255	11,663	5,087	
Supplies	19,350	21,930	21,341	589	22,965	
Total	<u>65,616</u>	<u>69,661</u>	<u>57,405</u>	<u>12,256</u>	<u>58,997</u>	
Adult Softball Program:						
Personal services	64,480	50,925	50,919	6	20,447	
Other charges	63,634	63,634	53,428	10,206	53,933	
Supplies	18,620	18,620	14,682	3,938	7,950	
Total	<u>146,734</u>	<u>133,179</u>	<u>119,029</u>	<u>14,150</u>	<u>82,330</u>	
Indoor Skating:						
Personal services	432,424	437,124	437,118	6	444,106	
Other charges	338,938	338,923	320,583	18,340	334,594	
Supplies	19,415	19,415	17,323	2,092	21,816	
Merchandise for resale	62,000	25,740	16,835	8,905	56,654	
Capital outlay	34,000	62,000	53,213	8,787	7,115	
Total	<u>886,777</u>	<u>883,202</u>	<u>845,072</u>	<u>38,130</u>	<u>864,285</u>	
Outdoor Skating:						
Personal services	162,326	69,476	26,313	43,163	25,194	
Other charges	5,669	5,684	2,390	3,294	5,615	
Supplies	4,600	4,600	1,987	2,613	5,694	
Total	<u>172,595</u>	<u>79,760</u>	<u>30,690</u>	<u>49,070</u>	<u>36,503</u>	
Tree Maintenance:						
Personal services	108,722	120,652	118,946	1,706	113,643	
Other charges	267,680	267,680	210,478	57,202	172,578	
Supplies	44,350	44,350	38,654	5,696	12,570	
Total	<u>420,752</u>	<u>432,682</u>	<u>368,078</u>	<u>64,604</u>	<u>298,791</u>	
Total Maintenance Services	<u>7,958,407</u>	<u>7,946,369</u>	<u>7,562,312</u>	<u>384,057</u>	<u>7,379,586</u>	
Total Expenditures	<u>31,592,976</u>	<u>31,641,728</u>	<u>30,619,403</u>	<u>1,022,325</u>	<u>29,686,734</u>	
Excess of Revenues over Expenditures	<u>434,228</u>	<u>385,476</u>	<u>2,491,317</u>	<u>2,105,841</u>	<u>2,528,062</u>	
Other Financing Sources (Uses):						
Transfers in	70,772	22,915	22,915		69,533	
Transfers out	(505,000)	(1,730,694)	(1,730,694)		(2,129,629)	
Total Other Financing Sources (Uses)	<u>(434,228)</u>	<u>(1,707,779)</u>	<u>(1,707,779)</u>		<u>(2,060,096)</u>	
Net Change in Fund Balance	<u>\$</u>	<u>\$ (1,322,303)</u>	<u>783,538</u>	<u>\$ 2,105,841</u>	<u>467,966</u>	
Fund Balance at Beginning of Year			<u>15,700,920</u>		<u>15,232,954</u>	
Fund Balance at End of Year			<u>\$ 16,484,458</u>		<u>\$ 15,700,920</u>	

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

CITY OF COON RAPIDS, MINNESOTA

HOUSING PROGRAMS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	2019				2018 Actual
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	
	Original	Final			
Revenues:					
Investment income	\$ 140,380	\$ 140,380	\$ 305,229	\$ 164,849	\$ 148,002
Other	300,000	300,000	615,622	315,622	301,685
Total Revenues	<u>440,380</u>	<u>440,380</u>	<u>920,851</u>	<u>480,471</u>	<u>449,687</u>
Expenditures:					
Current:					
General Government					
Other charges and services	<u>355,300</u>	<u>355,300</u>	<u>1,075,222</u>	<u>(719,922)</u>	<u>329,293</u>
Net Change in Fund Balances	<u>\$ 85,080</u>	<u>\$ 85,080</u>	<u>(154,371)</u>	<u>\$ (239,451)</u>	<u>120,394</u>
Fund Balance at Beginning of Year			<u>6,700,149</u>		<u>6,579,755</u>
Fund Balance at End of Year			<u>\$ 6,545,778</u>		<u>\$ 6,700,149</u>

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

Reader's Notes:

PROPRIETARY FUNDS

Water Fund - Established to account for the operation of the water service to the community.

Sewer Fund - Established to account for the operation of the sanitary sewer service to the community.

Storm Water Drainage Fund - Established to account for the operation of the storm water service to the community.

Golf Fund - Established to account for the operation of the City-owned golf course.

CITY OF COON RAPIDS, MINNESOTA

PROPRIETARY FUNDS
STATEMENT OF NET POSITION

DECEMBER 31, 2019

(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2018)

	Business-Type Activities - Enterprise Funds				Totals		Governmental Activities Internal Service Funds	
	Water	Sewer	Storm Water	Golf	2019	2018	2019	2018
			Drainage					
Assets								
Current Assets:								
Cash and cash equivalents	\$ 1,536,467	\$ 3,489,918	\$ 4,186,909	\$ 420	\$ 9,213,714	\$ 8,378,786	\$ 11,378,408	\$ 10,203,223
Investments	79,545	180,678	216,763		476,986	1,056,189		
Accounts receivable	1,172,149	1,378,259	303,840	175,970	3,030,218	2,960,724		
Accrued interest receivable	8,546	19,713	14,439		42,698	31,463	39,759	34,963
Special assessments receivable:								
Current	15,520				15,520	22,489		
Delinquent	67,324				67,324	62,099		
Deferred	674,574				674,574	717,090		
Advances to other funds current		1,013,183			1,013,183	686,055		
Inventories	36,675			67,821	104,496	121,061		
Due from other governments	9,642	37,871	2,040		49,553	20,184	19,891	
Prepaid items	8,378	8,164	7,831	12,722	37,095	32,168	12,375	12,375
Total Current Assets	3,608,820	6,127,786	4,731,822	256,933	14,725,361	14,088,308	11,450,433	10,250,561
Noncurrent Assets:								
Capital Assets								
Land	371,408		1,115,630	489,139	1,976,177	1,976,177		
Buildings and structures	36,535,726	4,557,896		11,230,146	52,323,768	51,554,630		
Furniture, machinery and equipment	3,240,096	1,425,906	985,808	3,569,205	9,221,015	8,521,458		
Other improvements	8,475,745	139,467		4,453,864	13,069,076	12,500,695		
Infrastructure	51,130,974	46,419,823	24,090,617		121,641,414	118,732,735		
Construction in progress	2,841,349	297,710	539,755		3,678,814	3,078,984		
Total Capital Assets	102,595,298	52,840,802	26,731,810	19,742,354	201,910,264	196,364,679		
Less: accumulated depreciation	(41,813,967)	(19,508,252)	(16,127,219)	(8,356,480)	(85,805,918)	(81,489,574)		
Total Capital Assets (net of accumulated depreciation)	60,781,331	33,332,550	10,604,591	11,385,874	116,104,346	114,875,105		
Total Assets	64,390,151	39,460,336	15,336,413	11,642,807	130,829,707	128,963,413	11,450,433	10,250,561
Deferred Outflows of Resources:								
Pension plan deferments - PERA		172,559	13,760	34,401	220,720	355,963		
Plan deferments - OPEB							711,580	650,116
Total Deferred Outflows of Resources		172,559	13,760	34,401	220,720	355,963	711,580	650,116
Total Assets and Deferred Outflows of Resources	\$ 64,390,151	\$ 39,632,895	\$ 15,350,173	\$ 11,677,208	\$ 131,050,427	\$ 129,319,376	\$ 12,162,013	\$ 10,900,677

(continued)

CITY OF COON RAPIDS, MINNESOTA

**PROPRIETARY FUNDS
STATEMENT OF NET POSITION**

DECEMBER 31, 2019

(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2018)

	Business-Type Activities - Enterprise Funds				Totals		Governmental Activities Internal Service Funds	
	Water	Sewer	Storm Water	Golf	2019	2018	2019	2018
			Drainage					
Liabilities								
Current Liabilities:								
Accounts payable	\$ 128,078	\$ 22,465	\$ 44,638	\$ 48,540	\$ 243,721	\$ 250,749	\$ 34,628	\$ 52,208
Salaries payable	42,608	21,254	1,126	32,133	97,121	91,535		
Contracts payable	121,638				121,638	336,423		
Due to other governments	33,993	4,366		9,116	47,475	88,269		
Advance from other funds current				1,149,610	1,149,610	773,116		
Accrued interest payable	189,291		4,474	52,815	246,580	191,657		
Deposits payable				198,912	198,912	188,493		
Compensated absences							190,165	198,881
Current capital leases payable				24,759	24,759	66,932		
Current maturities of long-term debt	1,980,000		80,000	180,000	2,240,000	2,010,000		
Total Current Liabilities	2,495,608	48,085	130,238	1,695,885	4,369,816	3,997,174	224,793	251,089
Noncurrent Liabilities:								
Compensated absences	98,854	32,582	16,451	90,382	238,269	231,446	2,430,581	2,291,873
Net pension liability	271,402	800,690	179,132	447,831	1,699,055	1,703,931		
Other post employment benefits							8,843,959	8,790,354
Leases payable						24,759		
Advance from other funds long-term				1,125,776	1,125,776	865,286		
Bonds payable, (net of current maturities and unamortized (discount)/premium)	14,560,458		447,767	3,983,952	18,992,177	18,338,047		
Total Noncurrent Liabilities	14,930,714	833,272	643,350	5,647,941	22,055,277	21,163,469	11,274,540	11,082,227
Total Liabilities	17,426,322	881,357	773,588	7,343,826	26,425,093	25,160,643	11,499,333	11,333,316
Deferred Inflows of Resources:								
Pension plan deferments - PERA	139,653	41,117	33,476	83,689	297,935	398,912		
Plan deferments - OPEB							438,388	
Total Deferred Inflows of Resources	139,653	41,117	33,476	83,689	297,935	398,912	438,388	
Net Position								
Net investment in capital assets	44,240,873	33,332,550	10,076,824	7,197,163	94,847,410	94,435,367		
Unrestricted	2,583,303	5,377,871	4,466,285	(2,947,470)	9,479,989	9,324,454	224,292	(432,639)
Total Net Position	46,824,176	38,710,421	14,543,109	4,249,693	104,327,399	103,759,821	224,292	(432,639)
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 64,390,151	\$ 39,632,895	\$ 15,350,173	\$ 11,677,208			\$ 12,162,013	\$ 10,900,677
Adjustments to reflect the consolidation of Internal Service Fund activities related to Enterprise Funds					38,650	28,451		
Net position of business-type activities					\$ 104,366,049	\$ 103,788,272		

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

Reader's Notes:

CITY OF COON RAPIDS, MINNESOTA

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2018)

	Business-Type Activities - Enterprise Funds				Totals		Governmental Activities Internal Service Funds	
	Water	Sewer	Storm Water	Golf	2019	2018	2019	2018
			Drainage					
Operating Revenues:								
Sales, fees, and charges	\$ 5,614,719	\$ 6,696,851	\$ 1,645,245	\$ 7,335,660	\$ 21,292,475	\$ 21,841,828	\$ 52,200	\$ 40,955
Miscellaneous	4,756	4,809	1,184	36,088	46,837	3,461	971,801	764,647
Total Operating Revenues	5,619,475	6,701,660	1,646,429	7,371,748	21,339,312	21,845,289	1,024,001	805,602
Operating Expenses:								
Personal services	921,801	534,061	276,489	908,089	2,640,440	2,542,339	277,434	236,665
Contracted labor				2,604,361	2,604,361	2,486,227		
Other charges and services	1,826,199	716,222	411,126	1,385,831	4,339,378	4,517,872	973,250	1,111,733
Supplies	243,764	33,396	44,382	657,487	979,029	1,026,397		
Disposal charges		4,103,781			4,103,781	4,099,819		
Pro Shop cost of goods sold				120,636	120,636	130,273		
Restaurant cost of goods sold				1,249,920	1,249,920	1,224,635		
Depreciation	2,170,338	971,282	686,628	743,506	4,571,754	4,465,484		
Total Operating Expenses	5,162,102	6,358,742	1,418,625	7,669,830	20,609,299	20,493,046	1,250,684	1,348,398
Operating Income (Loss)	457,373	342,918	227,804	(298,082)	730,013	1,352,243	(226,683)	(542,796)
Nonoperating Revenues (Expenses):								
Investment income (charges)	15,662	182,314	169,245	(37,726)	329,495	97,334	393,641	130,115
Intergovernmental revenue	772	493	12,729	563	14,557	29,367		105,901
Sale of water meters	54,710				54,710	32,838		
Gain on disposal of capital assets		11,395			11,395	23,248		
Interest and fiscal charges	(364,851)		(9,317)	(137,683)	(511,851)	(484,398)		
Purchase and repair of water meters	(60,741)				(60,741)	(68,044)		
Total Nonoperating Revenues (Expenses)	(354,448)	194,202	172,657	(174,846)	(162,435)	(369,655)	393,641	236,016
Income (Loss) before transfers	102,925	537,120	400,461	(472,928)	567,578	982,588	166,958	(306,780)
Transfers in							594,384	611,247
Transfers out							(104,411)	(97,479)
Change in net position	102,925	537,120	400,461	(472,928)	567,578	982,588	656,931	206,988
Net Position at Beginning of Year	46,721,251	38,173,301	14,142,648	4,722,621			(432,639)	(639,627)
Net Position at End of Year	\$ 46,824,176	\$ 38,710,421	\$ 14,543,109	\$ 4,249,693			\$ 224,292	\$ (432,639)
Adjustments to reflect the consolidation of Internal Service Fund activities related to Enterprise Funds					10,199	83,181		
Change in net position of business-type activities					\$ 577,777	\$ 1,065,769		

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

CITY OF COON RAPIDS, MINNESOTA

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2019

(WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2018)

	Business-Type Activities - Enterprise Funds				Totals		Governmental Activities Internal Service Funds	
	Water	Sewer	Storm Water Drainage	Golf	2019	2018	2019	2018
Increase (Decrease) in Cash and Cash Equivalents								
Cash flows from operating activities:								
Cash received from customers	\$ 5,733,796	\$ 6,654,194	\$ 1,612,939	\$ 7,283,780	\$ 21,284,709	\$ 22,016,740	\$ 1,004,110	\$ 807,065
Cash paid to employees for services	(899,495)	(527,974)	(274,717)	(896,455)	(2,598,641)	(2,527,962)	(147,442)	(199,736)
Cash paid to suppliers for goods and services	(2,114,233)	(4,897,673)	(415,143)	(5,983,459)	(13,410,508)	(13,041,525)	(560,301)	(674,456)
Net cash provided (used) by operating activities	2,720,068	1,228,547	923,079	403,866	5,275,560	6,447,253	296,367	(67,127)
Cash flows from noncapital financing activities:								
Sale of water meters	54,710				54,710	32,838		
Purchase and repair of water meters	(60,741)				(60,741)	(68,044)		
Interfund loan - Principal payment				(105,945)	(105,945)	(97,303)		
Interfund loan - Interest payment				(29,850)	(29,850)	(21,647)		
Advance to other funds		(327,128)			(327,128)			
Advance from other funds				742,929	742,929	397,000		
Intergovernmental	772	493	12,729	563	14,557	29,367		105,901
Transfer in							594,384	611,247
Transfer out							(104,411)	(97,479)
Net cash provided (used) by noncapital financing activities	(5,259)	(326,635)	12,729	607,697	288,532	272,211	489,973	619,669
Cash flows from capital and related financing activities:								
Acquisition and construction of capital assets	(3,569,181)	(1,227,012)	(669,449)	(631,105)	(6,096,747)	(4,518,569)		
Proceeds from sale of capital assets		80,000			80,000	23,248		
Bond proceeds (net of issuance costs)	2,528,413				2,528,413	2,041,306		
Premium on bond proceeds	436,743				436,743	139,649		
Principal paid on revenue bonds	(1,770,000)		(80,000)	(160,000)	(2,010,000)	(2,250,000)		
Interest paid on revenue bonds	(370,767)		(11,537)	(114,252)	(496,556)	(510,165)		
Principal paid on capital lease				(66,932)	(66,932)	(76,959)		
Interest paid on capital lease				(1,548)	(1,548)	(3,972)		
Net cash used by capital and related financing activities	(2,744,792)	(1,147,012)	(760,986)	(973,837)	(5,626,627)	(5,155,462)		

(continued)

CITY OF COON RAPIDS, MINNESOTA

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2019

(WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2018)

	Business-Type Activities - Enterprise Funds				Totals		Governmental Activities Internal Service Funds	
	Water	Sewer	Storm Water Drainage	Golf	2019	2018	2019	2018
Cash flows from investing activities:								
Sale of investments	103,926	237,410	237,867		579,203	2,665,348		2,234,805
Interest on investments	7,116	181,065	167,805	(37,726)	318,260	93,857	388,845	125,991
Net cash provided (used) by investing activities	111,042	418,475	405,672	(37,726)	897,463	2,759,205	388,845	2,360,796
Net increase in cash and cash equivalents	81,059	173,375	580,494		834,928	4,323,207	1,175,185	2,913,338
Cash and cash equivalents at beginning of year	1,455,408	3,316,543	3,606,415	420	8,378,786	4,055,579	10,203,223	7,289,885
Cash and cash equivalents at end of year	\$ 1,536,467	\$ 3,489,918	\$ 4,186,909	\$ 420	\$ 9,213,714	\$ 8,378,786	\$ 11,378,408	\$ 10,203,223
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities								
Operating income (loss)	\$ 457,373	\$ 342,918	\$ 227,804	\$ (298,082)	\$ 730,013	\$ 1,352,243	\$ (226,683)	\$ (542,796)
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:								
Depreciation	2,170,338	971,282	686,628	743,506	4,571,754	4,465,484		
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:								
(Increase) decrease in accounts receivable	72,445	(19,597)	(33,490)	(88,852)	(69,494)	192,925		1,463
(Increase) decrease in due from other governments	(2,384)	(27,869)		884	(29,369)	1,272	(19,891)	
(Increase) decrease in inventories	(22,035)			38,600	16,565	(6,008)		
(Increase) decrease in prepaid items	(165)	621	(251)	(5,132)	(4,927)	342,451		
(Increase) in special assessments receivable	44,260				44,260	(22,746)		
(Increase) decrease in deferred outflows of resources		76,074	16,905	42,264	135,243	163,589	(61,464)	(323,980)
Increase (decrease) in accounts payable	14,523	(40,054)	40,630	(9,765)	5,334	95,697	(17,580)	1,509
Increase (decrease) in salaries payable	7,525	2,008	(6,099)	2,152	5,586	8,554		
Increase in deposits payable				10,419	10,419	16,070		
Increase (decrease) in compensated absences	3,760	(1,432)	4,198	297	6,823	19,526	129,992	36,929
Increase in other post employment benefits							53,605	759,748
Increase (decrease) in due to other governments	(36,593)	(4,841)	(14)	654	(40,794)	(4,512)		
(Decrease) in net pension liability	(1,829)	(914)	(610)	(1,523)	(4,876)	(233,122)		
Increase (Decrease) in deferred inflows of resources	12,850	(69,649)	(12,622)	(31,556)	(100,977)	55,830	438,388	
Total adjustments	2,262,695	885,629	695,275	701,948	4,545,547	5,095,010	523,050	475,669
Net cash provided (used) by operating activities	\$ 2,720,068	\$ 1,228,547	\$ 923,079	\$ 403,866	\$ 5,275,560	\$ 6,447,253	\$ 296,367	\$ (67,127)
Non-Cash investing, capital, and financing activities:								
Change in fair value of investments	\$ 7,160	\$ 83,087	\$ 76,780	\$ (17,525)	\$ 149,502	\$ (37,052)	\$ 177,961	\$ (42,821)
Purchase of capital assets on account	\$ 110,178	\$ (331,922)	\$	\$ (5,403)	\$ (227,147)	\$ 125,702		
Amortization of bond premium/discount	\$ 95,117	\$	\$ 1,553	\$ 5,943	\$ 102,613	\$ 85,160		

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

Reader's Notes:

FIDUCIARY FUND

Deposit Fund - Established to account for the monies to be held until conditions set forth by the City are satisfied.

CITY OF COON RAPIDS, MINNESOTA

AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 YEAR ENDED DECEMBER 31, 2019

	<u>Balance December 31, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2019</u>
<u>Deposit Fund</u>				
Assets:				
Cash and investments	\$ 1,394,666	\$ 359,162	\$ 499,166	\$ 1,254,662
Accrued interest	5,149		468	4,681
	<u>1,399,815</u>	<u>359,162</u>	<u>499,634</u>	<u>1,259,343</u>
Total Assets	<u>\$ 1,399,815</u>	<u>\$ 359,162</u>	<u>\$ 499,634</u>	<u>\$ 1,259,343</u>
Liabilities:				
Deposits Payable	<u>\$ 1,399,815</u>	<u>\$ 359,162</u>	<u>\$ 499,634</u>	<u>\$ 1,259,343</u>

**NOTES TO
FINANCIAL STATEMENTS**

Reader's Notes:

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

I. Summary of Significant Accounting Policies

The City of Coon Rapids operates under the "Home Rule Charter" form of government according to applicable State of Minnesota Statutes. The Charter prescribes a Council-Manager form of organization. The City provides the following services: general government, public safety, community services, community development, public works, public utilities, and a golf course.

The accounting policies of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The following is a summary of the City's more significant accounting policies.

A. The Financial Reporting Entity

The City's financial reporting entity consists of the City of Coon Rapids (the primary government), the Coon Rapids Housing and Redevelopment Authority (HRA) and the Coon Rapids Economic Development Authority (EDA) (both component units).

BLENDED COMPONENT UNIT

The HRA and EDA are included in the City's reporting entity because of the significance of their operational and financial relationships with the City. They are presented as "blended component units" and therefore the individual fund balances and transactions of the HRA Fund (which accounts for the HRA and EDA) are blended into the financial statements.

The HRA and EDA were created by the City to carry out the economic development and tax increment financing activities in the City of Coon Rapids. The governing boards of both are the City Council, the Council reviews and approves HRA tax levies, and the City provides major community financing for HRA and EDA activities. Debt issuances for HRA and EDA activities are City general obligations. Although the HRA and EDA are separate legal entities, they are under the immediate control of the City and its Council. Separate financial statements for the HRA and EDA are not issued.

JOINTLY GOVERNED ORGANIZATION

The City is a member of the Local Government Information Systems Association (LOGIS). This is a consortium of approximately 50 government entities which provides computerized data processing and support services to its members. LOGIS is legally separate from the City, as the City does not appoint a voting majority of the Board and the consortium is fiscally independent of the City. The City paid \$553,197 to this organization for services and supplies provided during 2019 which are accounted for in the General, Water, Sewer, and Storm Water Drainage Funds.

B. Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or activity are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or activity. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

I. Summary of Significant Accounting Policies (continued)

B. Government-Wide and Fund Financial Statements (continued)

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

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

The government-wide and proprietary fund 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.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers all revenues, except reimbursement grants, to be available if they are collected within 60 days of the end of the current fiscal period. Reimbursement grants are considered available if they are collected within one year of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments and other long-term liabilities, are recorded when the payment is due.

Those revenues susceptible to accrual are property taxes, franchise taxes, licenses, interest and charges for services. Funds held by the state and county at year end on behalf of the government also are recognized as revenue. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Agency funds are custodial in nature and do not involve measurement of results of operations. Agency funds are reported using the accrual basis of accounting.

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.

The *Housing Programs Special Revenue Fund* accounts for housing improvement loan programs which are available to qualifying citizens and a scattered site housing program for the removal of residential structures in blighted areas. Revenue sources consist of mortgage and interest revenue from housing loans.

The *Improvement Bonds Debt Service Fund* accounts for the payment of bonds and interest for special assessment projects bonded for with G.O. Improvement Bonds.

The *Special Assessment Capital Projects Fund* accounts for the construction of public improvements, such as streets, water mains, sewer mains and storm sewers which are to be paid for wholly or in part from special assessments levied against benefited property owners.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

I. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

The *Park Improvement Capital Projects Fund* accounts for the construction of parks through land acquisition and development of facilities.

The *Housing and Redevelopment Authority Capital Projects Fund* accounts for tax increment financing and economic development activities in the City.

The government reports the following major proprietary funds:

The *Water Fund* accounts for the operation of the water service to the community.

The *Sewer Fund* accounts for the operation of the sanitary sewer service to the community.

The *Storm Water Drainage Fund* accounts for the operation of the storm sewer service to the community.

The *Golf Fund* accounts for the operation of the City-owned golf course.

Additionally, the government reports the following fund types:

The *Internal Service Funds* account for insurance provided to other activities of the government on a cost reimbursement basis, for compensated absences for the governmental funds, and for other post-employment benefits.

The *Agency Fund* accounts for developer, builder and other types of deposits held by the City until certain conditions are met.

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

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

I. Summary of Significant Accounting Policies (continued)

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

1. Cash and Investments

Cash balances from all funds are combined and invested to the extent available in investments authorized by State statutes and the City's investment policy. Earnings from such investments are allocated to the respective funds on the basis of applicable cash balance participation by each fund. The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short term investments with maturities of three months or less at the time of purchase. Investments are stated at fair value.

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.

Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

2. Property Taxes Receivable

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

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

Real property taxes may be paid by taxpayers in two equal installments on May 15 and October 15. Personal property taxes may be paid on February 28 and June 30. The County provides tax settlements to cities and other taxing districts three times a year, in June, November and January.

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

3. Special Assessments Receivable

Special assessments are levied against the benefited properties for the assessable costs of special assessment improvement projects in accordance with State statutes. The City usually adopts the assessment rolls when the individual projects are complete or substantially complete. The assessments are collectible over a term of years generally consistent with the term of years of the related bond issue. Collection of annual installments (including interest) is handled by the County in the same manner as property taxes. Property owners are allowed to prepay total future installments without interest or prepayment penalties.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

I. Summary of Significant Accounting Policies (continued)

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

3. Special Assessments Receivable (continued)

Special assessments which remain unpaid at December 31 are classified as current, delinquent, deferred and other special assessments receivable and are fully offset by deferred inflows of resource, except for current, in the governmental fund financial statements because they are not known to be available to finance current expenditures.

Special assessments receivable includes the following components:

Current - amounts collected by Anoka County and not yet remitted to the City.

Delinquent - amounts billed to property owners but not paid.

Deferred - assessment installments which will be billed to property owners in future years.

Other - assessments for which payment has been postponed based on Council action.

4. Inventory, Property for Resale and Prepaid Items

Inventories held for resale are valued at lower of cost or market using the first-in/first-out (FIFO) method. Inventories of supplies are reported at cost. Inventories are recorded as expenditures/expenses when sold or used (consumption method) rather than when purchased.

Property for resale is valued at the lower of cost or estimated acquisition value.

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

5. 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 columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 or more and an estimated useful life of two years or more. Such assets are recorded at historical cost or estimated historical cost if the original cost is not available. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

The city has elected not to report intangible assets acquired in years prior to 2010. The City did not acquire any intangible assets for the year ending December 31, 2019.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

I. Summary of Significant Accounting Policies (continued)

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

5. Capital Assets (continued)

Land and construction in progress are not depreciated. Property, plant and equipment are depreciated using the straight-line method applied over the following estimated useful lives of the assets.

	Useful Life <u>In Years</u>
Buildings and structures	10-50
Furniture, machinery and equipment	3-20
Other improvements	10-75
Infrastructure	25-75

The City reviews its property for impairment whenever events indicate the decline in service utility of the capital asset is significant in magnitude and the event or change in circumstances is outside the normal cycle of the capital asset.

6. Compensated Absences

The City compensates employees upon termination for unused vacation and one-half of the unused sick pay up to a maximum based on length of service. Accumulated unpaid vacation and sick pay is accrued and expensed as it is earned.

The Compensated Absences Internal Service fund accounts for compensated absences for governmental activities. Compensated absences for business-type activities are accounted for within the Enterprise Funds.

7. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as an expense in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

8. State-Wide Pension Plans

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

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

I. Summary of Significant Accounting Policies (continued)

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

8. State-Wide Pension Plans (continued)

The PERA has a special funding situation created by a direct aid contribution made by the state of Minnesota. The direct aid is a result of the merger of the Minneapolis Employees Retirement Fund into PERA on January 1, 2015.

9. Deferred Outflows/Inflows of Resources

In addition to assets, statements of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three items that qualify for reporting in this category. The City reports deferred outflows of resources related to pensions and other postemployment benefits (OPEB) reported in the government-wide and proprietary Statements of Net Position. These deferred outflows result from differences between expected and actual experience, changes of assumptions, changes in proportion, differences between projected and actual earnings on pension plan investments, and contributions to the plan subsequent to the measurement date and before the end of the reporting period. These amounts are deferred and amortized as required under pension and OPEB standards. The City reports deferred outflows of resources related to the deferred gain on refunding in the government-wide Statement of Net Position. A deferred gain 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.

In addition to liabilities, statements of net position or balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has three items which qualify for reporting in this category.

The first item, unavailable revenue, is reported only in the governmental funds Balance Sheet. The governmental funds report unavailable revenue from three sources: property taxes, special assessments, and other receivables not collected within 60 days of year-end. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

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

The third item, grants for subsequent years, is reported in the government-wide statement of net position and the governmental funds balance sheet. This item represents MSA grant funding received before the time requirements were met.

10. Fund Balance Classifications

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

Nonspendable – consists of amounts that are not in spendable form, such as prepaid items, inventory and advances to other funds.

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

I. Summary of Significant Accounting Policies (continued)

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

10. Fund Balance Classifications (continued)

Committed – consists of internally imposed constraints. These constraints are established by Resolution of the City Council, which is the City’s highest level of decision making authority.

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

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

When both restricted and unrestricted resources are available for use, it is the City’s policy to first use the restricted resources and then use unrestricted resources as they are needed. When unrestricted resources are available for use, it is the City’s policy to use resources in the following order: committed, assigned, unassigned.

11. Net Position

In the government-wide and proprietary fund financial statements, net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position is displayed in three components:

Net Investment in Capital Assets - Consists of capital assets, net of accumulated depreciation, reduced by any outstanding debt attributable to acquire capital assets.

Restricted Net Position - Consists of net position restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Unrestricted Net Position - All other elements of net position that do not meet the definition of “restricted” or “net investment in capital assets.”

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

12. Comparative Data/Reclassifications

Comparative total data for the prior year has been presented only for the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year’s presentation.

13. Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the amounts reported in the financial statements during the reporting period. Actual results could differ from those estimates.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

II. Stewardship, Compliance, and Accountability

A. Budgetary Information

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted on a modified accrual basis for the General Fund and Special Revenue Funds. All annual appropriations lapse at fiscal year end. Project-length financial plans are adopted for all Capital Projects Funds.

Budgetary control is maintained at the object of expenditure category level within each activity. Budgeted amounts are as originally adopted, or as amended by the City Council. The budget may be amended by a majority of the Council by resolution. Management may not amend the budget without Council approval. Budgeted appropriations lapse at year end.

B. Excess of Expenditures over Appropriations

<u>Fund</u>	<u>Personal Services</u>	<u>Other Charges</u>	<u>Capital Outlay</u>
Housing Programs Fund		\$719,922	
Nonmajor Law Enforcement Programs Fund		32,621	
Nonmajor Fire Department Programs Fund		15,680	
Nonmajor Public Communication Fund	\$34,009	4,346	\$2,168
Nonmajor Senior Activity Fund		60,400	
Nonmajor Curbside Recycling Fund	12,085	15,646	11,585

C. Deficit Fund Equity

The following funds had a deficit fund balance or net position at year end. The City plans to eliminate this deficit through future revenues and/or other resources.

<u>Fund</u>	<u>Amount</u>
Retirement Insurance Internal Service Fund	\$3,852,952

CITY OF COON RAPIDS, MINNESOTA

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

III. Detailed Notes on All Funds

A. Cash and Investments

Cash and investments at December 31, 2019, consist of the following:

	<u>Fair Value</u>
U.S. Agencies	\$63,436,045
Municipal bonds	2,008,010
Negotiable Certificates of Deposit	1,485,216
Repurchase Agreements	4,216,792
Investment pool/Mutual funds	<u>14,170,064</u>
Total investments	85,316,127
Cash on hand	2,835
Book balance of deposits	<u>2,016,288</u>
Total cash and investments	<u><u>\$87,335,250</u></u>

Custodial Credit Risk – Deposits: For deposits, custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to the City. State statutes require that insurance, surety bonds or collateral protect all City deposits. The market value of collateral pledged must equal 110% of the deposits not covered by insurance or bonds. As of December 31, 2019, the bank balance of the City's deposits was covered by federal depository insurance.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. As of December 31, 2019, the City had the following investments and maturities.

CITY OF COON RAPIDS, MINNESOTA

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

III. Detailed Notes on All Funds (continued)

A. Cash and Investments (continued)

Investment Type	Credit Risk			Investment Maturities (in Years)				
	Rating	Agency	Fair Value	No Maturity Date	Less than 1	1-5	6-10	More than 10
U.S. Agencies*	AA+	S&P	Level 2		\$4,994,974	\$25,522,073	\$27,920,898	\$993,630
U.S. Agencies*	Aaa	Moody's	Level 2			3,004,469		
U.S. Agencies*	N/R	N/A	Level 2			1,000,001		
Municipal bonds	AA	S&P	Level 2				2,008,010	
Negotiable Certificates of Deposit	N/R	N/A	Level 2		249,078	1,236,138		
Repurchase Agreements**	N/A	N/A	N/A	\$4,216,792				
Investment pool/Mutual funds	AAA	S&P	Level 1	14,170,064				
Total				\$18,386,856	\$5,244,052	\$30,762,681	\$29,928,908	\$993,630

N/A - Not Applicable

N/R No Rating

* Includes securities subject to call dates. For purposes of this disclosure, it is assumed that investments will be held until maturity.

** Repurchase agreement investments are valued on a cost-basis measure, and therefore are not subject to the fair value disclosure.

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. The City has adopted an investment policy which follows the Minnesota Statutes with respect to the instruments allowed. The Statutes authorize the City to invest in obligations of the U.S. Treasury and federal agencies and instrumentalities, commercial paper that is rated in the highest quality category by at least two nationally recognized rating agencies and matures in 270 days or less, banker's acceptances of United States banks, repurchase agreements, certificates of deposit, and money market funds whose portfolios consist of United States Treasury obligations and Federal Agency issues.

Concentration of Credit Risk: Concentration risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The City does not have a formal policy that limits the amount of investments in a single issuer. As of December 31, 2019, the City held more than 5% of its investments with the following issuers:

U.S. Agencies:

Federal Home Loan Mortgage Corporation	9%
Federal Home Loan Banks	21%
Federal Farm Credit Banks	42%

Custodial Credit Risk - Investments: For investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party. The City has adopted an investment policy which follows the Minnesota Statutes with respect to the safekeeping of investments. As of December 31, 2019, all investments were insured or registered, or securities were held by the City or its agent in the City's name in accordance with Minnesota Statutes.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

III. Detailed Notes on All Funds (continued)

B. Notes and Mortgages Receivable

Notes Receivable

In 2011, the City made an interest bearing loan at varying interest rates (months 1-60 at 2.4% interest, months 61-80 at 5% interest, months 81-100 at 7.0% interest, and months 101-120 at 9% interest) to Biovest International, Inc. through the Housing and Redevelopment Authority (HRA). This loan will be repaid in equal monthly installments with a final balloon payment of \$198,909 due on or before May 1, 2021. Notes receivable of \$225,590 are outstanding in the HRA Capital Projects Fund at December 31, 2019.

In 2014, the City made an interest bearing loan at the interest rate of 6.0 percent to HMM LLC (Chanticlear Pizza), for \$100,000 through the Housing and Redevelopment Authority (HRA). This loan will be repaid in equal monthly installments with the final payment due on or before November 1, 2021. Notes receivable of \$31,665 are outstanding in the HRA Capital Projects fund at December 31, 2019.

In 2014, the City made an interest bearing note at an interest rate of 3.0 percent to Coon Rapids Andover American Little League for \$135,000. This loan will be repaid in equal semi annual installments with the final payment due on or before November 1, 2028. Notes receivable of \$59,768 are outstanding in the nonmajor Facilities Construction Fund at December 31, 2019.

In 2015, the City made an interest bearing loan at the interest rate of 5.25 percent to Coon Rapids Evergreen 23 LLC (Magnum Trucking) for \$500,000 through the Housing and Redevelopment Authority (HRA). This loan will be repaid in equal monthly installments with the final payment due on or before April 1, 2035. The note was paid off in 2019.

In 2018, the City made a non-interest bearing note to Coon Rapids Community Strength Foundation for \$60,375. This loan will be repaid in equal annual installments with the final payment due on or before March 1, 2027. Notes receivable of \$36,225 are outstanding in the Park Improvement Fund at December 31, 2019.

In 2019, the City made an interest bearing loan at an interest rate of 5.50 percent to Steinwall, Inc. for \$200,000 through the Housing and Redevelopment Authority (HRA). This loan will be repaid in equal monthly installments with the final payment due on or before July 1, 2029. Notes receivable of \$197,683 are outstanding in the HRA Capital Projects fund at December 31, 2019.

Mortgages Receivable

The City provides assistance to Coon Rapids residents to make necessary repairs or improvements to their homes through a housing loan program. Mortgages receivables of \$2,121,942 are outstanding in the Housing Programs Fund as of December 31, 2019. The amount not expected to be collected within one year is \$2,028,782.

CITY OF COON RAPIDS, MINNESOTA

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

III. Detailed Notes on All Funds (continued)

C. Due from Other Governments

Amounts due from other governments on December 31, 2019, were as follows:

	<u>Federal</u>	<u>State</u>	<u>Local</u>	<u>Total</u>
General Fund		\$49,001	\$232,720	\$281,721
Improvement Bonds Fund			37,760	37,760
Special Assessment Fund			54,295	54,295
Park Improvement Fund			61,215	61,215
HRA Fund			48,830	48,830
Other Governmental Funds:				
Special Revenue Funds:				
Law Enforcement Programs Fund	\$12,325		1,420	13,745
Curbside Recycling			97,585	97,585
Total Other Governmental Funds	12,325		99,005	111,330
Total Governmental Funds	12,325	49,001	533,825	595,151
Proprietary Funds:				
Water Fund			9,642	9,642
Sewer Fund			37,871	37,871
Storm Water Drainage Fund			2,040	2,040
Total Proprietary Funds			49,553	49,553
Internal Service Funds:				
Retirement Insurance Fund		19,891		19,891
Totals	<u>\$12,325</u>	<u>\$68,892</u>	<u>\$583,378</u>	<u>\$664,595</u>

D. Postponed and Delinquent Special Assessments

Certain special assessments are postponed by appropriate City Council action. The City Code provides that when such postponed levies are actually assessed, they shall be adjusted by applying a construction index to the original receivable amount. Applying the index to the postponed assessments of \$864,952 at December 31, 2019, would result in a receivable amount of \$4,006,258.

Delinquent special assessments as of December 31, 2019 totaled \$49,184 in the governmental funds and \$67,324 in the proprietary funds.

CITY OF COON RAPIDS, MINNESOTA

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

III. Detailed Notes on All Funds (continued)

E. Capital Assets

Capital Asset Activity for the Year Ended December 31, 2019, was as follows:

<u>Governmental Activities</u>	<u>Balance January 1, 2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance December 31, 2019</u>
Capital assets, not being depreciated:				
Land	\$58,461,356			\$58,461,356
Construction in progress	5,527,125	14,116,902	(\$3,462,497)	16,181,530
Total capital assets, not being depreciated	63,988,481	14,116,902	(3,462,497)	74,642,886
Capital assets, being depreciated:				
Buildings and structures	33,899,686	421,960		34,321,646
Furniture, machinery & equipment	21,722,942	1,524,981	(301,934)	22,945,989
Other improvements	29,151,496	499,957		29,651,453
Infrastructure	106,609,653	2,618,571		109,228,224
Total capital assets, being depreciated	191,383,777	5,065,469	(301,934)	196,147,312
Less accumulated depreciation for:				
Buildings and structures	(11,106,909)	(836,732)		(11,943,641)
Furniture, machinery & equipment	(13,894,370)	(1,614,664)	301,934	(15,207,100)
Other improvements	(11,522,179)	(988,318)		(12,510,497)
Infrastructure	(51,615,852)	(3,153,121)		(54,768,973)
Total accumulated depreciation	(88,139,310)	(6,592,835)	301,934	(94,430,211)
Total capital assets, being depreciated, net	103,244,467	(1,527,366)		101,717,101
Governmental activities capital assets, net	\$167,232,948	\$12,589,536	(\$3,462,497)	\$176,359,987

CITY OF COON RAPIDS, MINNESOTA

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

III. Detailed Notes on All Funds (continued)

E. Capital Assets (continued)

Business-Type Activities	Balance January 1, 2019	Increases	Decreases	Balance December 31, 2019
Capital assets, not being depreciated:				
Land	\$1,976,177			\$1,976,177
Construction in progress	3,078,984	\$4,685,699	(\$4,085,869)	3,678,814
Total capital assets, not being depreciated	5,055,161	4,685,699	(4,085,869)	5,654,991
Capital assets, being depreciated:				
Buildings and structures	51,554,630	769,138		52,323,768
Furniture, machinery & equipment	8,521,458	1,023,572	(324,015)	9,221,015
Other improvements	12,500,695	568,381		13,069,076
Infrastructure	118,732,735	2,908,679		121,641,414
Total capital assets, being depreciated	191,309,518	5,269,770	(324,015)	196,255,273
Less accumulated depreciation for:				
Buildings and structures	(23,255,961)	(1,390,998)		(24,646,959)
Furniture, machinery & equipment	(5,477,794)	(684,562)	255,410	(5,906,946)
Other improvements	(8,521,889)	(548,537)		(9,070,426)
Infrastructure	(44,233,930)	(1,947,657)		(46,181,587)
Total accumulated depreciation	(81,489,574)	(4,571,754)	255,410	(85,805,918)
Total capital assets, being depreciated, net	109,819,944	698,016	(68,605)	110,449,355
Business-type activities capital assets, net	<u>\$114,875,105</u>	<u>\$5,383,715</u>	<u>(\$4,154,474)</u>	<u>\$116,104,346</u>

CITY OF COON RAPIDS, MINNESOTA

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

III. Detailed Notes on All Funds (continued)

E. Capital Assets (continued)

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

Governmental activities:	Total
General government	\$608,205
Public safety	745,963
Community development	19,011
Public works	5,219,656
 Total depreciation expense-governmental activities	 \$6,592,835
 <u>Business-Type activities:</u>	
Water	\$2,170,338
Sewer	971,282
Storm water drainage	686,628
Golf	743,506
 Total depreciation expense-business-type activities	 \$4,571,754

F. Construction and Other Significant Commitments

At December 31, 2019 the City had construction projects contracts in progress. The commitments related to the remaining contract balances are summarized as follows:

Fund	Project Authorization	Expended through 12/31/19	Commitment
Project 19-01 2019 Street Recon	\$3,565,437	\$3,112,353	\$453,084
Project 19-02 2019 Street Recon	6,330,102	5,953,194	192,788
Project 17-12 2018 Park Improvements	1,845,090	1,771,894	73,196
Project 18-10 Lions Coon Creek Park	1,228,492	1,173,879	33,018
Project 19-11 2019 Misc. Parks and Trails	240,579	139,321	101,258
Project 19-12 Riverwalk Street Improvements	1,765,657	1,540,451	225,206
Project 19-12 Riverwalk Street Improvements	1,681,847	664,373	1,017,474

CITY OF COON RAPIDS, MINNESOTA

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

III. Detailed Notes on All Funds (continued)

G. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of December 31, 2019, is as follows:

1. Advances to/from other funds:

Advances are used to cover funds that would otherwise have a negative cash balance due to the timing of cash payments and/or construction costs incurred prior to the issuance of bonds, to reflect interfund loans, and to cover special assessments to be made at a future date. The following advances were made as of December 31, 2019:

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	\$51,982
Special Assessment	Nonmajor Governmental	390,000
Nonmajor Governmental	Nonmajor Governmental	1,703
Special Assessment	Golf	1,262,203

2. Interfund Transfers

Transfers are used to move funds to finance various programs or projects that the City must account for in other funds in accordance with budgetary authorizations, to move revenues from the fund with collection authorization to funds where related expenditures are occurring, and to provide funding from unrestricted balances for funds with unexpected expenditures.

	Transfer in:						Total
	General	Improvement Bonds	Special Assessment	Park Improvement	Nonmajor Governmental	Internal Service	
Transfer out:							
General					\$1,200,000	\$530,694	\$1,730,694
Improvement Bonds			\$1,149,441		427,138		1,576,579
Special Assessment		\$260			144,959		145,219
HRA						2,055	2,055
Nonmajor Governmental	\$22,915	190,756	1,222	\$264,845		3,810	483,548
Internal Service					46,586	57,825	104,411
Total	\$22,915	\$191,016	\$1,150,663	\$264,845	\$1,818,683	\$594,384	\$4,042,506

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

III. Detailed Notes on All Funds (continued)

H. Leases

1. Capital Leases

During 2015, the City entered into an agreement for the lease of 108 electric golf carts with TCF Equipment Finance. This lease is paid in monthly installments with an annual interest rate of 2.75% and the final payment due in 2020. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the inception date in the Golf Enterprise Fund.

The assets acquired through capital leases are as follows:

	<u>Golf Fund</u>
Machinery and equipment	\$482,510
Less: Accumulated depreciation	<u>(474,319)</u>
Total	<u>\$8,191</u>

The future minimum lease payments and the net present value of these payments as of December 31, 2019 were as follows:

<u>Year</u>	<u>Golf Fund</u>
2020	\$24,902
Less amount representing interest	<u>(143)</u>
Present value of minimum lease payments	<u>\$24,759</u>

CITY OF COON RAPIDS, MINNESOTA

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

III. Detailed Notes on All Funds (continued)

I. Long-Term Debt

1. Bonds

The Schedule of Bonded Indebtedness (Exhibit N) details all bond issues. The long-term debt obligations for bonds outstanding at year end are summarized as follows:

Bonds	Final Maturities	Rates	December 31, 2019
Governmental Activities:			
Debt Service Funds	2021, 2025, 2030, 2034, 2036	2.0-4.5%	\$20,965,000
Special Assessment Fund	2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030	2.0-3.5%	21,840,000
Business-Type Activities:			
Public Utility Funds	2021, 2024, 2025, 2026, 2027, 2028, 2029, 2030	2.0-4.0%	16,125,000
Recreational Facility Funds	2028, 2037	2.0-3.0%	4,065,000
Total			62,995,000
Add unamortized discounts/premiums			3,445,946
Total long-term bonded debt			<u>\$66,440,946</u>

Bonds payable from the Debt Service funds includes two new bond issues. The Debt Service Funds include the G.O. Park Improvement Bonds which are backed by the full faith and credit of the City and will be repaid with property taxes. The Park Improvement Bonds Fund currently has \$608,883 available to service these bonds. Also included in the Debt Service Funds are Tax Abatement Bonds which were issued by the Coon Rapids Economic Development Authority, a component unit of the City of Coon Rapids. The City anticipates to repay these bonds from property taxes. The Tax Abatement Bonds Fund currently has \$291,116 available to service these bonds.

Special assessment bonds are backed by the full faith and credit of the City and were issued for capital assets of the City. These are payable primarily from special assessments against benefited property. The Special Assessment Bond fund currently has \$3,713,981 available to service these bonds.

Bonded indebtedness of funds classified as business-type activities is a direct obligation of these funds, is serviced from net revenues of the funds, and is carried as a liability within the funds. The net revenues are pledged as collateral with respect to these bonds and the full faith and credit of the City is pledged as an additional guarantee.

The City passed a referendum in the fall of 2013 allowing the City to issue \$17.4 million in bonds to fund repairs, reconstruction, upgrades and enhancements to several parks and trails within the city. Bonds totaling \$12,510,000 have been issued thus far for park improvements.

CITY OF COON RAPIDS, MINNESOTA

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

III. Detailed Notes on All Funds (continued)

I. Long-Term Debt (continued)

1. Bonds (continued)

The annual requirements to amortize long term debt obligations outstanding at December 31, 2019, excluding capital leases, accrued compensated absences, net pension liability, and other postemployment benefits and including interest payments of \$11,243,394 over the life of the debt, are summarized below:

Governmental Activities	Debt Service Bonds		Special Assessment Bonds	
	Principal	Interest	Principal	Interest
2020	\$955,000	\$534,526	\$2,450,000	\$650,935
2021	1,455,000	612,088	2,680,000	579,250
2022	1,350,000	562,713	2,830,000	496,425
2023	1,395,000	513,738	2,825,000	410,653
2024	1,450,000	462,963	2,605,000	325,525
2025-2029	6,870,000	1,594,900	8,050,000	652,897
2030-2034	5,925,000	585,244	400,000	6,000
2035-2036	1,565,000	39,312		
TOTALS	\$20,965,000	\$4,905,484	\$21,840,000	\$3,121,685

Business-type Activities	Public Utility Funds		Recreational Facility Funds	
	Principal	Interest	Principal	Interest
2020	\$2,060,000	\$472,842	\$180,000	\$109,727
2021	2,285,000	408,056	195,000	104,728
2022	1,950,000	343,206	225,000	99,102
2023	2,010,000	284,322	235,000	92,928
2024	2,065,000	222,853	240,000	86,553
2025-2029	5,435,000	432,122	1,245,000	336,211
2030-2034	320,000	4,800	1,030,000	186,150
2035-2037			715,000	32,625
TOTALS	\$16,125,000	\$2,168,201	\$4,065,000	\$1,048,024

On December 12, 2019, the City issued \$10,260,000 of General Obligation Tax Abatement Refunding Bonds, Series 2019B. The proceeds of this issue and the interest earned thereon will be used to refund, in advance of their stated maturities, the 2020 through 2036 maturities of the City's Lease Revenue Bonds, Series 2010B. The proceeds of the 2019B issue have been placed in an escrow account pending the February 1, 2020 call date of the refunded issue. On February 1, 2020, the escrow account will be used to call the remaining principal of the 2010B issue. This advance refunding has met the requirements of an in-substance defeasance and, therefore, the escrow cash and related debt paid by the escrow have been removed from these financial statements. At December 31, 2019, the City has \$11,210,000 in defeased bonds outstanding from the 2010B Lease Revenue Bond issue. This advance refunding will reduce the City's total future debt service payments by \$2,099,845 and will result in present value savings of \$2,472,689.

CITY OF COON RAPIDS, MINNESOTA

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

III. Detailed Notes on All Funds (continued)

I. Long-Term Debt (continued)

1. Bonds (continued)

The revenue pledged for each bond issue is as follows:

Bond Issue	Use of Proceeds	Type	Revenue Pledged			Remaining Principal and Interest	Current Year	
			% of Total Debt Service	Debt Service as a % of Net Revenues	Term of Pledge		Principal Paid	Pledged Revenue Received
G.O. Park Improvement Bonds 2015A	(2)	Property taxes	100%	n/a	2015-30	\$4,652,594	\$426,163	\$621,100
G.O. Park Improvement Bonds 2016A	(2)	Property taxes	100%	n/a	2016-21	396,625	194,250	194,250
G.O. Park Improvement Bonds 2017A	(2)	Property taxes	100%	n/a	2018-25	1,622,475	272,925	272,925
G.O. Park Improvement Bonds 2018A	(2)	Property taxes	100%	n/a	2018-34	6,213,410	114,416	114,416
Lease Improvement Bonds 2010B (refunded in 2019)	(3)	Property taxes/lease payments	100%	n/a			12,377,947	999,077
G.O. Tax Abatement Refunding Bonds 2019B	(3)	Property taxes	100%	n/a	2019-36	12,985,379		206,732
G.O. Improvement Bonds 2013A	(1)	Property taxes & assessments	100%	n/a	2013-23	1,464,500	391,800	368,228
G.O. Improvement Bonds 2013B	(1)	Property taxes & assessments	100%	n/a	2013-24	1,730,325	354,787	363,862
G.O. Improvement Bonds 2014A	(1)	Property taxes & assessments	100%	n/a	2014-25	2,572,088	479,175	482,341
G.O. Improvement Bonds 2015A	(1)	Property taxes & assessments	100%	n/a	2015-26	2,474,575	350,425	295,628
G.O. Improvement Bonds 2016A	(1)	Intergovernmental (MSA)	100%	n/a	2016-27	4,543,500	568,850	568,850
G.O. Improvement Bonds 2017A	(1)	Property taxes & assessments	100%	n/a	2018-28	2,989,663	332,950	632,433
G.O. Improvement Bonds 2018A	(1)	Property taxes & assessments	100%	n/a	2018-29	4,994,900	104,247	622,995
G.O. Improvement Bonds 2019A	(1)	Property taxes & assessments	100%	n/a	2019-30	4,192,135		615,178
G.O. Water Revenue Refunding Bonds 2007A	(4)	Water revenues	100%	17%	2010-21	915,600	463,600	463,600
G.O. Water Revenue Bonds 2013B	(4)	Water revenues	100%	11%	2013-24	1,490,069	297,750	297,750
G.O. Water Revenue Bonds 2014A	(4)	Water revenues	100%	20%	2014-25	3,192,216	531,581	531,581
G.O. Water Revenue Bonds 2015A	(4)	Water revenues	100%	7%	2015-26	1,264,225	183,500	183,500
G.O. Water Revenue Bonds 2016A	(4)	Water revenues	100%	16%	2016-27	3,520,800	442,150	442,150
G.O. Water Revenue Bonds 2017A	(4)	Water revenues	100%	6%	2018-28	1,539,278	170,125	170,125
G.O. Water Revenue Bonds 2018A	(4)	Water revenues	100%	2%	2018-29	2,494,700	52,060	52,060
G.O. Water Revenue Bonds 2019A	(4)	Water revenues	100%	n/a	2019-30	3,322,936		
G.O. Storm Water Drainage Revenue Bonds 2014A	(5)	Storm Water drainage revenues	100%	10%	2014-25	553,419	91,538	91,538
G.O. Golf Course Revenue Bonds, Series 2013A	(6)	Golf revenues	100%	17%	2013-28	758,693	69,615	69,615
G.O. Golf Course Refunding Revenue Bonds, Series 2017A	(6)	Golf revenues	100%	51%	2018-37	4,354,331	204,638	204,638

- (1) Infrastructure improvements
- (2) Park improvements
- (3) Ice arena land and construction
- (4) Water system improvements
- (5) Storm water drainage improvements
- (6) Golf course improvements

CITY OF COON RAPIDS, MINNESOTA

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

III. Detailed Notes on All Funds (continued)

I. Long-Term Debt (continued)

2. Long-term debt activity for the year ended December 31, 2019, was as follows:

	Balance January 1, 2019	Additions	Reductions	Balance December 31, 2019	Due Within One Year
<u>Governmental Activities</u>					
Bonds Payable:					
General Obligation Bonds	\$11,425,000	\$10,260,000	(\$720,000)	\$20,965,000	\$955,000
Lease Revenue Bonds	11,675,000		(11,675,000)		
Special Assessment Bonds	20,685,000	3,235,000	(2,080,000)	21,840,000	2,450,000
Unamortized Amounts:					
Bond discount/premium	1,279,387	1,156,782	(32,400)	2,403,769	
Total Bonds Payable	45,064,387	14,651,782	(14,507,400)	45,208,769	3,405,000
Net Pension Liability ¹	16,494,646	2,943,320	(2,734,198)	16,703,768	
Compensated Absences ¹	2,490,754	277,434	(147,442)	2,620,746	190,165
Other Postemployment Benefits ¹	8,790,354	784,019	(730,414)	8,843,959	
Governmental Activities Long-Term Liabilities	<u>\$72,840,141</u>	<u>\$18,656,555</u>	<u>(\$18,119,454)</u>	<u>\$73,377,242</u>	<u>\$3,595,165</u>
<u>Business-Type Activities</u>					
Bonds Payable:					
Water Revenue Bonds	\$14,815,000	\$2,560,000	(\$1,770,000)	\$15,605,000	\$1,980,000
Storm Water Drainage Revenue Bonds	600,000		(80,000)	520,000	80,000
Golf Course Revenue Bonds	4,225,000		(160,000)	4,065,000	180,000
Unamortized Amounts:					
Bond discount/premium	708,047	436,743	(102,613)	1,042,177	
Total Bonds Payable	20,348,047	2,996,743	(2,112,613)	21,232,177	2,240,000
Capital Leases	91,691		(66,932)	24,759	24,759
Net Pension Liability	1,703,931	164,020	(168,896)	1,699,055	
Compensated Absences	231,446	7,750	(927)	238,269	
Business-Type Activities Long-Term Liabilities	<u>\$22,375,115</u>	<u>\$3,168,513</u>	<u>(\$2,349,368)</u>	<u>\$23,194,260</u>	<u>\$2,264,759</u>

¹Net pension liability, compensated absences and other postemployment benefits liability in the Governmental Activities have been liquidated by funding from the General Fund in 2019 and prior years.

CITY OF COON RAPIDS, MINNESOTA

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

III. Detailed Notes on All Funds (continued)

I. Long-Term Debt (continued)

3. Conduit Debt Obligations

Conduit debt obligations are certain limited-obligation revenue bonds or similar debt instruments issued for the express purpose of providing capital financing for a specific third party. The City has issued various Industrial Development and Housing Revenue Bonds to provide funding to private-sector entities for projects deemed to be in the public interest. Although these bonds bear the name of the City, the City has no obligation for such debt beyond the resources provided by related leases or loans. Accordingly, the bonds are not reported as liabilities in the financial statements of the City.

As of December 31, 2019, the following issues were outstanding:

<u>Name</u>	<u>Date of Issue</u>	<u>Original Amount of Issue</u>	<u>Balance Outstanding as of December 31, 2019</u>
Pine Point Apartments	4/97	\$2,125,000	\$1,355,000
Margaret Place	9/97	2,670,000	1,200,000
Wedum Redwood Terrace	6/99	4,370,000	2,395,000
Crest Oak Apartments	7/01	500,000	345,000
Crest Oak Apartments	7/01	3,000,000	2,110,000
Epiphany Assisted Living - Refunding	9/05	8,850,000	7,540,000
Mississippi View Apartments	9/06	3,400,000	2,750,000
Mississippi View Apartments	9/06	2,650,000	2,650,000
Tralee Terrace Apartments	6/10	3,930,000	3,500,000
Tralee Terrace Apartments	6/10	3,795,000	2,934,151
Epiphany Refunding Bonds	5/12	5,060,000	3,011,212
Coon Rapids Leased Housing Associates	10/15	20,423,000	20,107,306
Drake Apartments	5/18	4,150,000	4,150,000
Galway Place/Community Plaza Projects	7/19	7,969,000	7,932,380
Galway Place/Community Plaza Projects	7/19	3,031,000	3,031,000
Spring House Apartments	8/19	28,440,000	28,440,000
 Total		 <u>\$108,683,000</u>	 <u>\$93,451,049</u>

CITY OF COON RAPIDS, MINNESOTA

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

III. Detailed Notes on All Funds (continued)

J. Fund Balance Classifications

At December 31, 2019, a summary of the governmental fund balance classifications are as follows:

	General*	Housing Program Fund	Improvement Bonds	Special Assessment Fund	Park Improvement Fund	HRA Fund	Other Governmental Funds	Total
Nonspendable:								
Inventories	\$189,872							\$189,872
Prepaid items	151,336					\$9,361	\$4,200	164,897
Advances to other funds	51,982							51,982
Total nonspendable	393,190					9,361	4,200	406,751
Restricted for:								
Contract grants	44,471							44,471
Debt service			\$3,713,981				899,999	4,613,980
Drug forfeitures							139,373	139,373
Tax increment financing						14,071,926		14,071,926
Total restricted	44,471		3,713,981			14,071,926	1,039,372	18,869,750
Committed to:								
Housing programs		\$6,545,778						6,545,778
Development of projects			452	\$8,935,292			11,470,359	20,406,103
Park improvements					\$728,514			728,514
Redevelopment						7,025,661		7,025,661
Public safety programs							9,024	9,024
Commissions and events							81,158	81,158
Law enforcement programs							151,554	151,554
Public Communications programs							123,132	123,132
Curbside recycling							23,852	23,852
Tree Maintenance programs							145,502	145,502
Total committed		6,545,778	452	8,935,292	728,514	7,025,661	12,004,581	35,240,278
Assigned to:								
Budgeted carryforwards	16,248							16,248
Unassigned								
	16,030,549		(452)	(2,856,922)				13,173,175
Total	\$16,484,458	\$6,545,778	\$3,713,981	\$6,078,370	\$728,514	\$21,106,948	\$13,048,153	\$67,706,202

*The City adopted a General Fund fund balance policy of maintaining an unassigned fund balance at year-end of 45% of the upcoming year's budgeted expenditures and transfers out. This percentage at December 31, 2019 was 47.5%

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

IV. Other Information

A. Risk Management

The City established the Insurance Reserve Fund to account for losses related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disaster. This Fund provides for losses up to \$50,000 for each claim with an annual aggregate of \$200,000. The City purchases commercial insurance coverage above the deductible through the League of Minnesota Cities Insurance Trust, a public entity risk pool currently operating as a common risk management and insurance program. The City pays an annual premium to the League for its insurance coverage. The League of Minnesota Cities Insurance Trust is self-sustaining through commercial companies for excess claims. The City is covered through the pool for any claims incurred but unreported, but retains risk for the deductible portion of its insurance policies. The amount of these deductibles is considered immaterial to the financial statements.

There were no significant reductions in insurance coverage from the previous year or settlements in excess of insurance coverage for any of the past three fiscal years.

The City's workers compensation insurance policy is retrospectively rated. With this type of policy, final premiums are determined after losses are known. A premium has been recorded in those funds with personal service expenditures according to the worker's compensation class rates for 2019. Additionally, the difference between the actual claims incurred and the calculated premiums that had been allocated to various funds is credited or charged to the Insurance Reserve Fund. For 2019, there was a charge of \$29,424 to this fund for this purpose.

At December 31, 2019, there are no claim liabilities reported in the Insurance Reserve Fund based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the Insurance Reserve Fund's claims liability (exclusive of worker's compensation retrospective premiums) for the past two fiscal years are as below. The end of year balance is a current liability and excludes insurance premiums payable of \$29,424.

<u>Year</u>	<u>Balance Beginning of Year</u>	<u>Claims Expense & Estimates</u>	<u>Claims Payments</u>	<u>Balance End of Year</u>
2018	\$17,838	\$437,424	\$435,833	\$19,429
2019	19,429	234,193	248,418	5,204

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

IV. Other Information (continued)

B. Retirement Plans

1. Defined Benefit Pension Plans - Statewide

a. Plan Description

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

1. General Employees Retirement Plan (GERF)

All full-time and certain part-time employees of the City are covered by the General Employees Plan. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

2. Public Employees Police and Fire Plan (PEPFF)

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

The following table summarizes the impact of these plans on the City's government-wide financial statements:

	State-Wide PERA Pension Plan		
	GERF	PEPFF	Total
Deferred outflows	\$ 688,020	\$ 9,332,507	\$ 10,020,527
Net pension liability	8,956,616	9,446,207	18,402,823
Deferred inflows	1,673,788	14,175,487	15,849,275
Pension revenue	20,844	119,785	140,629
Pension expense	1,079,007	1,475,093	2,554,100

b. Benefits Provided

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

IV. Other Information (continued)

B. Retirement Plans (continued)

1. Defined Benefit Pension Plans – Statewide (continued)

b. Benefits Provided (continued)

1. General Employees Plan Benefits

General Employees Plan benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.2 percent of average salary for each of the first 10 years of service and 1.7 percent of average salary for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7 percent of average salary for all years of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

Annuities, disability benefits, and survivor benefits are increased effective every January 1. Beginning January 1, 2019, the postretirement increase will be equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. For recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. For members retiring on January 1, 2024, or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

2. Police and Fire Plan Benefits

Benefits for Police and Fire Plan members first hired after June 30, 2010, but before July 1, 2014, vest on a prorated basis from 50 percent after five years up to 100 percent after ten years of credited service. Benefits for Police and Fire Plan members first hired after June 30, 2014, vest on a prorated basis from 50 percent after ten years up to 100 percent after twenty years of credited service. The annuity accrual rate is 3 percent of average salary for each year of service. A full, unreduced pension is earned when members are age 55 and vested, or for members who were first hired prior to July 1, 1989, when age plus years of service equal at least 90.

Annuities, disability benefits, and survivor benefits are increased effective every January 1. Beginning January 1, 2019, the postretirement increase will be fixed at 1 percent. Recipients that have been receiving the annuity or benefit for at least 36 months as of the June 30 before the effective date of the increase will receive the full increase. For recipients receiving the annuity or benefit for at least 25 months but less than 36 months as of the June 30 before the effective date of the increase will receive a reduced prorated increase.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

IV. Other Information (continued)

B. Retirement Plans (continued)

1. Defined Benefit Pension Plans – Statewide (continued)

c. Contributions

Minnesota Statutes, Chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the State Legislature.

1. General Employees Fund Contributions

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2019 and the City was required to contribute 7.50 percent for Coordinated Plan members. The City's contributions to the General Employees Fund for the year ended December 31, 2019 were \$873,255. The City's contributions were equal to the required contributions as set by state statute.

2. Police and Fire Fund Contributions

Police and Fire member's contribution rates increased from 10.8 percent of pay to 11.3 percent and employer rates increased from 16.2 percent to 16.95 percent on January 1, 2019. The City's contributions to the Police and Fire Fund for the year ended December 31, 2019 were \$1,633,311. The City's contributions were equal to the required contributions as set by state statute.

d. Pension Costs

1. General Employees Fund Pension Costs

At December 31, 2019, the City reported a liability of \$8,956,616 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 to the fund in 2019. 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 \$278,321. The net pension liability was measured as of June 30, 2019, 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, 2018 through June 30, 2019, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2019, the City's proportionate share was .1620 percent, which was unchanged from its proportion measured as of June 30, 2018.

City's proportionate share of the net pension liability	\$ 8,956,616
State of Minnesota's proportionate share of the net pension liability associated with the City	278,321
Total	<u>\$ 9,234,937</u>

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

IV. Other Information (continued)

B. Retirement Plans (continued)

1. Defined Benefit Pension Plans – Statewide (continued)

d. Pension Costs (continued)

1. General Employees Fund Pension Costs (continued)

For the year ended December 31, 2019, the City recognized pension expense of \$1,058,163 for its proportionate share of the General Employees Plan's pension expense. In addition, the City recognized an additional \$20,844 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.

At December 31, 2019, 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:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$249,340	
Changes in actuarial assumptions		\$707,408
Net collective difference between projected and actual investment earnings		911,249
Changes in proportion		55,131
Contributions paid to the PERA subsequent to the measurement date	<u>438,680</u>	
Total	<u>\$688,020</u>	<u>\$1,673,788</u>

The \$438,680 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31</u>	<u>Pension Expense Amount</u>
2020	(\$508,749)
2021	(\$750,827)
2022	(\$179,305)
2023	\$14,433

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

IV. Other Information (continued).

B. Retirement Plans (continued)

1. Defined Benefit Pension Plans – Statewide (continued)

d. Pension Costs (continued)

2. Police and Fire Fund Pension Costs

At December 31, 2019, the City reported a liability of \$9,446,207 for its proportionate share of the Police and Fire Fund’s net pension liability. The net pension liability was measured as of June 30, 2019, 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, 2018 through June 30, 2019, relative to the total employer contributions received from all of PERA’s participating employers. At June 30, 2019, the City’s proportionate share was .8873 percent, which was an increase of .0231 percent from its proportion measured as of June 30, 2018. The City also recognized \$119,785 for the year ended December 31, 2019, as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota’s on-behalf contributions to the Police and Fire Fund. Legislation passed in 2013 required the State of Minnesota to begin contributing \$9 million to the Police and Fire Fund each year until the plan is 90 percent funded or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90 percent funded, whichever occurs later. In addition, the state will pay \$4.5 million on October 1, 2018 and October 1, 2019 in direct state aid. Thereafter, by October 1 of each year, the state will pay \$9 million until full funding is reached or July 1, 2048, whichever is earlier.

For the year ended December 31, 2019 the City recognized pension expense of \$1,355,308 for its proportionate share of the Police and Fire Plan’s pension expense.

At December 31, 2019, 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:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$391,898	\$1,438,286
Changes in actuarial assumptions	7,827,367	10,238,612
Net collective differences between projected and actual investment earnings		1,870,101
Changes in proportion	286,192	628,488
Contributions paid to the PERA subsequent to the measurement date	<u>827,050</u>	
Total	<u>\$9,332,507</u>	<u>\$14,175,487</u>

The \$827,050 reported as deferred outflows of resources related to pensions resulting from the City’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31</u>	<u>Pension Expense Amount</u>
2020	(\$638,254)
2021	(\$1,344,039)
2022	(\$3,773,064)
2023	\$52,285
2024	\$33,042

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

IV. Other Information (continued)

B. Retirement Plans (continued)

1. Defined Benefit Pension Plans – Statewide (continued)

e. Actuarial Assumptions

The total pension liability in the June 30, 2019 actuarial valuation was determined using an individual entry-age normal actuarial cost method and the following actuarial assumptions:

Inflation	2.50% per year
Active member payroll growth	3.25% per year
Investment rate of return	7.50%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors, and disabilitants for all plans were based on RP 2014 tables for males or females, as appropriate, with slight adjustments to fit PERA's experience. Cost of living benefit increases after retirement for retirees are assumed to be 1.25 percent per year for the General Employees Plan, 1.0 percent per year for the Police and Fire Plan.

Actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience studies. The most recent four-year experience study in the General Employees Plan was completed in 2019. The most recent four-year experience study for Police and Fire Plan was completed in 2016. Economic assumptions were updated in 2018 based on a review of inflation and investment return assumptions.

The following changes in actuarial assumptions and plan provisions occurred in 2019:

1. General Employees Fund

- Changes in Actuarial Assumptions:
 - The mortality 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.

2. Police and Fire Fund

- Changes in Actuarial Assumptions:
 - The morality projection scale was changed from MP-2017 to MP-2018.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

IV. Other Information (continued)

B. Retirement Plans (continued)

1. Defined Benefit Pension Plans – Statewide (continued)

e. Actuarial Assumptions (continued)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	35%	5.10%
International equity	18%	5.90%
Fixed Income	20%	0.75%
Private markets	25%	5.90%
Cash	2%	0.00%

f. Discount Rate

The discount rate used to measure the total pension liability in 2019 was 7.50 percent. 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 Fund, the Police and Fire Fund, and the Correctional Fund 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.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

IV. Other Information (continued)

B. Retirement Plans (continued)

1. Defined Benefit Pension Plans – Statewide (continued)

g. Pension Liability Sensitivity

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

	1% Decrease in Discount Rate <u>(6.5%)</u>	Discount Rate <u>(7.5%)</u>	1% Increase in Discount Rate <u>(8.5%)</u>
The City's proportionate share of the General Employees Fund net pension liability	<u>\$14,724,196</u>	<u>\$8,956,616</u>	<u>\$4,194,334</u>
	1% Decrease in Discount Rate <u>(6.5%)</u>	Discount Rate <u>(7.5%)</u>	1% Increase in Discount Rate <u>(8.5%)</u>
The City's proportionate share of the Police and Fire Fund net pension liability	<u>\$20,647,648</u>	<u>\$9,446,207</u>	<u>\$182,793</u>

h. Pension Plan Fiduciary Net Position

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

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

Seven Council members of the City 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.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. Minnesota Statutes, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes five percent of salary which is matched by the elected official's employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees contributions must be a fixed percentage of salary. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives two percent of employer contributions and twenty-five hundredths of one percent (0.25 percent) of the assets in each member's account annually.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

IV. Other Information (continued)

B. Retirement Plans (continued)

2. Defined Contribution Plan (continued)

Total contributions made by the City during fiscal year 2019 were:

For the Year Ended December 31	Contribution Amount		Percentage of Covered Payroll		Required Rate for Employees and Employers
	Employee	Employer	Employee	Employer	
2019	\$2,800	\$2,800	5%	5%	5%

C. Other Post-Employment Benefits

1. Plan Description

The City provides post-employment insurance benefits to certain eligible employees through its OPEB Plan, a single-employer defined benefit plan administered by the City. All post-employment benefits are based on contractual agreements with employee groups. Eligibility for these benefits is based on years of service and/or minimum age requirements. These contractual agreements do not include any specific contribution or funding requirements. The plan does not issue a publicly available financial report. No plan assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

2. Benefits Provided

All retirees of the City upon retirement have the option under state law to continue their medical insurance coverage through the City. For members of certain employee groups, the City pays for all or part of the eligible retiree's premiums for medical and/or dental insurance from the time of retirement until the employee reaches the age of eligibility for Medicare. Benefits paid by the City differ by bargaining unit and date of hire, with some contracts specifying a certain dollar amount per month, and some covering premium costs as defined within each collective bargaining agreement. Retirees not eligible for these City-paid premium benefits must pay the full city premium rate for their coverage.

The City is legally required to include any retirees for whom it provides health insurance coverage in the same insurance pool as its active employees until the retiree reaches Medicare eligibility, whether the premiums are paid by the City or the retiree. Consequently, participating retirees are considered to receive a secondary benefit known as an "implicit rate subsidy." This benefit relates to the assumption that the retiree is receiving a more favorable premium rate than they would otherwise be able to obtain if purchasing insurance on their own, due to being included in the same pool with the City's younger and statistically healthier active employees.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

IV. Other Information (continued)

C. Other Post-Employment Benefits (continued)

3. Contributions

The required contribution is based on projected pay-as-you-go financing requirements, with additional amounts to prefund benefits as determined periodically by the City. The City's current year required pay-as-you-go contributions to finance the benefits described in the previous section totaled \$353,490.

4. Membership

Membership in the plan consisted of the following as of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	31
Active plan members	<u>231</u>
 Total members	 <u><u>262</u></u>

5. Total OPEB Liability of the City

The City's total OPEB liability of \$8,843,959 as of year-end was measured as of December 31, 2018, and was determined by an actuarial valuation as of January 1, 2018.

6. Actuarial Methods and Assumptions

The total OPEB liability was determined by an actuarial valuation as of January 1, 2018, using the entry age normal method and the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	4.09%
20-year municipal bond yield	4.09%
Inflation rate	2.75%
Salary increases	3.50%
Medical trend rate	10.00% grading to 5.00% over 10 years

The actuarial assumptions used in the latest valuation were based on those used to value pension liabilities for Minnesota city employees. The state pension plans base their assumptions on periodic experience studies. Economic assumptions are based on input from a variety of published sources of historical and projected future financial data. Each assumption was reviewed for reasonableness with the source information as well as for consistency with the other economic assumptions.

Since the plan is not funded by an irrevocable trust, the discount rate is equal to the 20-year municipal bond yield rate of 4.09 percent, which was set by considering published rate information for 20-year high quality, tax-exempt, general obligation municipal bonds as of the measurement date. The City discount rate used in the prior measurement date was 3.44 percent.

CITY OF COON RAPIDS, MINNESOTA

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

IV. Other Information (continued)

C. Other Post-Employment Benefits (continued)

6. Actuarial Assumptions (continued)

Mortality rates were based on the RP-2014 White Collar Mortality Table, adjusted for white collar and mortality improvements using projection scale MP-2015 from a base year of 2014 (using projection scale MP-2016 from a base year of 2006 for police and fire personnel).

Future retirees electing coverage is assumed to be 65 percent. Married future retirees electing spouse coverage is assumed to be 40 percent (60 percent for police and fire personnel).

7. Changes in the Total OPEB Liability

	Total OPEB Liability
Beginning balance - January 1, 2019	\$8,790,354
Changes for the year	
Service cost	476,431
Interest	312,838
Changes in assumptions	(491,172)
Differences between expected and actual experience	100,825
Benefit payments - employer financed	(345,317)
Total net changes	53,605
Ending balance - December 31, 2019	\$8,843,959

CITY OF COON RAPIDS, MINNESOTA

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

IV. Other Information (continued)

C. Other Post-Employment Benefits (continued)

8. Total OPEB Liability Sensitivity to Discount and Medical Trend Rate Changes

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

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
OPEB discount rate	3.09%	4.09%	5.09%
Total OPEB liability	\$9,609,318	\$8,843,959	\$8,134,444

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 medical trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease in Medical Trend Rate	Medical Trend Rate	1% Increase in Medical Trend Rate
OPEB medical trend rate	9% decreasing to 4.00% over 10 years	10% decreasing to 5.00% over 10 years	11% decreasing to 6.00% over 10 years
Total OPEB liability	\$7,813,782	\$8,843,959	\$10,049,582

9. OPEB Expense and Related Deferred Outflows of Resources and Deferred Inflows of Resources

For the current year ended, the City recognized OPEB expense of \$784,019. As of year-end, 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
Differences between expected and actual economic experience	\$161,106	
Changes in actuarial assumptions	196,984	438,388
Contributions paid to the subsequent to the measurement date	353,490	
Total	\$711,580	\$438,388

Deferred outflows of resources reported \$353,490 related to OPEB resulting from City contributions subsequent to the measurement date that will be recognized as a reduction of the total OPEB liability in the year ending December 31, 2020. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in expense as follows:

Year Ending December 31,	OPEB Expense Amount
2020	(\$5,250)
2021	(\$5,250)
2022	(\$5,250)
2023	(\$5,250)
2024	(\$5,250)
Thereafter	(\$54,048)

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

IV. Other Information (continued)

D. Tax Increment Pay-As-You-Go Financing Revenue Notes

The City has entered into private development agreements regarding certain tax increment properties. Contemplated in the development agreements were reimbursements to the developers for public improvements involved with the developments. The vehicle used for these reimbursements is called a tax increment revenue note.

These notes provide for the payment of principal, equal to the developer's costs, plus interest at a set rate. Payments on the loan will be made at the lesser of the note payment or the actual net tax increment received (or a reduced percentage received in certain cases) during specific years as stated in the agreement. Payments are first applied to accrued principal and then to the interest balance. The note is canceled at the end of the agreement term, whether or not the note has been repaid. Any additional tax increments received in years following the term are retained by the City or returned to the County to be distributed among the taxing jurisdictions.

The outstanding principal balance as of December 31, 2019, for these agreements was \$1,550,000. This amount is not included in long-term debt because of the nature of the note in that repayment is required only if sufficient tax increments are received. The City's position is that these obligations to assign future and uncertain revenue sources and, as such, is not actual debt in substance.

Name	Purpose	Amount of taxes abated during the fiscal year	Outstanding principal balance at year end	Date of required decertification
1-24 Cottage Homesteads of Coon Creek	Housing	\$17,600		December 31, 2019
1-31 River North	Housing	\$128,498	\$1,550,000	December 31, 2042

E. Contingent Liabilities

Claims and Litigation - There are several lawsuits pending in which the City is involved. In the opinion of management, the potential claims against the City not covered by insurance should not materially affect the financial statements of the City.

F. Subsequent Events – COVID-19

Shortly after the 2019 fiscal year-end, the worldwide spread of the novel coronavirus (COVID-19) has caused significant volatility in the economy and financial markets. There is significant uncertainty about the breadth and duration of potential business disruptions related to COVID-19, and its economic impact in the U.S. and around the world. At this time, the City is unable to determine what effect this may have on its future financial condition and operations.

CITY OF COON RAPIDS

REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2019

Other Postemployment Benefits Plan
Schedule of Changes in the City's Total OPEB Liability and Related Ratios

	2019	2018
Total OPEB liability		
Service cost	\$ 476,431	\$ 430,712
Interest	312,838	313,674
Changes of assumptions	(491,172)	250,912
Differences between expected and actual experience	100,825	90,586
Benefit payments	(345,317)	(326,136)
Net change in total OPEB liability	53,605	759,748
Total OPEB liability – beginning of year	8,790,354	8,030,606
Total OPEB liability – end of year	<u>\$ 8,843,959</u>	<u>\$ 8,790,354</u>
Covered-employee payroll	<u>\$ 18,900,000</u>	<u>\$ 18,200,000</u>
OPEB liability as a percentage of the total covered-employee payroll	<u>46.79%</u>	<u>48.30%</u>

Note 1:

Change of Assumptions - (1)The discount rate was changed from 4.50 percent to 3.44 percent in 2018. (2)The discount rate was changed from 3.44 percent to 4.09 percent in 2019.

Note 2:

The City implemented GASB Statement No. 75 for the year ended December 31, 2018.

This schedule is intended to present 10-year trend information. Additional years will be presented as they become available.

Note 3:

There are no plan assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to finance these liabilities.

CITY OF COON RAPIDS

REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2019

Public Employees Retirement Association

Defined Benefit Pensions Plans
Schedule of City's and Nonemployer Proportionate Share of Net Pension Liability
Public Employees General Employees Retirement Fund

Fiscal Year Ending	City's proportion of the net position liability	City's proportionate share of the net pension liability	City's proportionate share of the net pension liability of the State of Minnesota's proportionate share of the net pension liability	Proportionate share of the net pension liability and the City's share of the State of Minnesota's share of the net pension liability	City's covered payroll	Proportionate share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
12/31/2019	0.1620%	\$8,956,616	\$278,321	\$9,234,937	\$11,456,889	78.18%	80.20%
12/31/2018	0.1620%	\$8,987,093	\$294,768	\$9,281,861	\$10,871,427	82.67%	79.53%
12/31/2017	0.1636%	\$10,444,113	\$131,295	\$10,575,408	\$10,525,476	99.23%	75.90%
12/31/2016	0.1638%	\$13,299,747	\$173,659	\$13,473,406	\$10,139,747	131.16%	68.90%
12/31/2015	0.1655%	\$8,577,070	\$0	\$8,577,070	\$9,716,392	88.27%	78.19%

Note 1:

Changes in Plan Provisions. (1) On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the GERS, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised; the State's contribution of \$6 million, which meets the special funding situation definition, is due September 2015. (2) 2017 changes - The State's special funding contribution increased from \$6 million to \$16 million. (3) 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 percent to 3.00 percent, beginning July 1, 2018. Deferred augmentation was changed to 0.00 percent, 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 percent per year with a provision to increase to 2.50 percent upon attainment of 90.00 percent funding ratio to 50.00 percent of the Social Security Cost of Living Adjustment, not less than 1.00 percent and not more than 1.50 percent, 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.(4) 2019 changes - 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.

Note 2:

Changes in actuarial assumptions. (1) 2015 Changes - The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2030 and 2.50 percent per year thereafter to 1.00 percent per year through 2035 and 2.50 percent per year thereafter. (2) 2016 Changes - The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2035 and 2.50 percent per year thereafter to 1.00 percent per year for all future years. The assumed investment return was changed from 7.90 percent to 7.50 percent. The single discount rate was changed from 7.90 percent to 7.50 percent. Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation. (3) 2017 Changes - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year for all years to 1.0 percent per year through 2044 and 2.5 percent per year thereafter. The Combined Service Annuity (CSA) loads were changed from 0.8 percent for active members and 60 percent for vested and non-vested deferred members. The revised CSA loads are now 0.0 percent for active member liability, 15.0 percent for vested deferred member liability and 3.0 percent for non-vested deferred member liability. (4) 2018 changes - The mortality projection scale was changed from MP-2015 to MP-2017. The assumed benefit increase was changed from 1.00 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year. (5) 2019 changes - The mortality projection scale was changed from MP-2017 to MP-2018.

Note 3:

The City implemented GASB Statement No. 68 in fiscal year 2015 (using a June 30, 2015 measurement date). This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

CITY OF COON RAPIDS

REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2019

Public Employees Retirement Association

Defined Benefit Pensions Plans
Schedule of City's Proportionate Share of Net Pension Liability
Police and Fire Retirement Fund

Fiscal Year Ending	City's proportion of the net position liability	City's proportionate share of the net pension liability	City's covered payroll	Proportionate share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
12/31/2019	0.8873%	\$9,446,207	\$9,355,056	100.97%	89.30%
12/31/2018	0.8642%	\$9,211,484	\$9,108,012	101.14%	88.84%
12/31/2017	0.8560%	\$11,557,020	\$8,783,241	131.58%	85.40%
12/31/2016	0.8860%	\$35,556,722	\$8,533,901	416.65%	63.88%
12/31/2015	0.8930%	\$10,146,570	\$8,179,311	124.05%	86.61%

Note 1:

(1) Changes in Plan Provisions. On January 1, 2015, the post-retirement benefit increase to be paid after attainment of the 90 percent funding threshold was changed, from inflation up to 2.5 percent, to a fixed rate of 2.5 percent. (2) Postretirement benefit increases were changed to 1.00 percent 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 percent funding, or July 1, 2048, if earlier. Member contributions were changed from 10.80 percent to 11.30 percent of pay, effective January 1, 2019 and 11.80 percent of pay, effective January 1, 2020. Employer contributions were changed from 16.20 percent to 16.95 percent of pay, effective January 1, 2019 and 17.70 percent of pay, effective January 1, 2020. Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018. Deferred augmentation was changed to 0.00 percent, 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.

Note 2:

Changes in actuarial assumptions. (1) 2015 Changes - The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2030 and 2.50 percent per year thereafter to 1.00 percent per year through 2037 and 2.50 percent per year thereafter. (2) 2016 Changes - The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2037 and 2.50 percent per year thereafter to 1.00 percent per year for all future years. The assumed investment return was changed from 7.90 percent to 7.50 percent. The single discount rate was changed from 7.90 percent to 5.60 percent. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation. (3) 2017 Changes - Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates. Assumed rates of retirement were changed, resulting in fewer retirements. The Combined Service Annuity (CSA) load was 30 percent for vested and non-vested deferred members. The CSA has been changed to 33 percent for vested members and 2 percent for non-vested members. The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees. Assumed termination rates were decreased to 3.0 percent 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 percent to 60 percent. Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females. The assumed percentage of female members electing Joint and Survivor annuities was increased. The assumed post-retirement benefit increase rate was changed from 1.00 percent for all years to 1.00 percent per year through 2064 and 2.50 percent thereafter. The single discount rate was changed from 5.60 percent per annum to 7.50 percent per annum. (4) 2018 Changes - The mortality projects scale was changed from MP-2016 to MP-2017. As set by state statutes, the assumed post-retirement benefit increase was changes from 1.00 percent per year through 2064, and 2.50 percent thereafter, to 1.00 percent for all years with no trigger. (5) 2019 changes - The mortality projection scale was changed from MP-2017 to MP-2018.

Note 3:

The City implemented GASB Statement No. 68 in fiscal year 2015 (using a June 30, 2015 measurement date). This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

CITY OF COON RAPIDS

REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2019

Public Employees Retirement Association

**Defined Benefit Pensions Plans
Schedule of City Contributions
General Employees Retirement Fund**

Fiscal Year Ending	Statutorily required contribution (a)	Contributions in relation to the statutorily required contribution (b)	Contribution deficiency (excess) (a-b)	City covered payroll (d)	Contributions as a percentage of covered payroll (b/d)
12/31/2019	\$873,255	\$873,255	\$0	\$11,643,400	7.50%
12/31/2018	\$838,928	\$838,928	\$0	\$11,185,707	7.50%
12/31/2017	\$794,727	\$794,727	\$0	\$10,596,360	7.50%
12/31/2016	\$785,187	\$785,187	\$0	\$10,469,160	7.50%
12/31/2015	\$741,080	\$741,080	\$0	\$9,885,121	7.50%

Note 1:

The City implemented GASB Statement No. 68 in fiscal year 2015 (using a June 30, 2015 measurement date). This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

**Defined Benefit Pensions Plans
Schedule of City Contributions
Police and Fire Retirement Fund**

Fiscal Year Ending	Statutorily required contribution (a)	Contributions in relation to the statutorily required contribution (b)	Contribution deficiency (excess) (a-b)	City covered payroll (d)	Contributions as a percentage of covered payroll (b/d)
12/31/2019	\$1,633,311	\$1,633,311	\$0	\$9,636,053	16.95%
12/31/2018	\$1,491,726	\$1,491,726	\$0	\$9,208,185	16.20%
12/31/2017	\$1,443,260	\$1,443,260	\$0	\$8,909,012	16.20%
12/31/2016	\$1,405,945	\$1,405,945	\$0	\$8,678,673	16.20%
12/31/2015	\$1,358,308	\$1,358,308	\$0	\$8,383,915	16.20%

Note 1:

The City implemented GASB Statement No. 68 in fiscal year 2015 (using a June 30, 2015 measurement date). This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

COMBINING AND INDIVIDUAL STATEMENTS AND SCHEDULES

CITY OF COON RAPIDS, MINNESOTA

COMBINING BALANCE SHEET
GOVERNMENTAL FUND TYPES (NONMAJOR FUNDS)
 DECEMBER 31, 2019
 (WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2018)

	Special Revenue	Debt Service	Capital Projects	Totals	
				2019	2018
Assets					
Cash and investments	\$ 878,420	\$ 873,735	\$ 11,555,233	\$ 13,307,388	\$ 11,653,826
Taxes receivable	596	26,497	37,801	64,894	42,824
Accounts receivable	254,848			254,848	268,860
Accrued interest receivable	2,986	3,105	33,846	39,937	26,579
Notes receivable			59,768	59,768	69,642
Due from other governments	111,330			111,330	205,928
Due from other funds		1,703		1,703	
Advance to other funds					423,598
Prepaid items	4,200			4,200	3,891
Total Assets	\$ 1,252,380	\$ 905,040	\$ 11,686,648	\$ 13,844,068	\$ 12,695,148
Liabilities					
Accounts payable	\$ 85,921		\$ 105,387	\$ 191,308	\$ 113,200
Salaries payable	44,568		21,433	66,001	57,553
Contracts payable			14,063	14,063	21,958
Due to other governments	2,648			2,648	336
Revenue collected in advance	328			328	332
Due to other funds		\$ 1,703		1,703	
Advance from other funds	441,982			441,982	1,003,497
Total Liabilities	575,447	1,703	140,883	718,033	1,196,876
Deferred Inflows of Resources					
Unavailable revenue - property taxes	(862)	3,338	15,638	18,114	14,227
Unavailable revenue - other			59,768	59,768	69,642
Total Deferred Inflows of Resources	(862)	3,338	75,406	77,882	83,869
Fund Balances					
Nonspendable:					
Prepaid items	4,200			4,200	3,891
Restricted:					
Drug forfeitures	139,373			139,373	106,866
Fire rescue equipment					10,000
Smoke detectors					5,000
Debt service		899,999		899,999	1,608,579
Total Restricted	139,373	899,999		1,039,372	1,730,445
Committed:					
Public safety programs	9,024			9,024	7,383
Public communications programs	123,132			123,132	
Commissions and events	81,158			81,158	66,578
Law Enforcement programs	151,554			151,554	135,246
Curbside Recycling programs	23,852			23,852	35,876
Tree Maintenance programs	145,502			145,502	106,540
Development of projects			11,470,359	11,470,359	9,771,730
Total Committed	534,222		11,470,359	12,004,581	10,123,353
Unassigned					(443,286)
Total Fund Balance	677,795	899,999	11,470,359	13,048,153	11,414,403
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,252,380	\$ 905,040	\$ 11,686,648	\$ 13,844,068	\$ 12,695,148

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND TYPES (NONMAJOR FUNDS)
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2018)

	Special Revenue	Debt Service	Capital Projects	Totals	
				2019	2018
Revenues:					
General property taxes	\$ 148,566	\$ 2,358,619	\$ 2,258,774	\$ 4,765,959	\$ 4,585,295
Investment income	30,341	24,400	336,357	391,098	119,056
Intergovernmental	232,221			232,221	336,682
Charges for services	5,800			5,800	3,040
Other	2,064,851		50,472	2,115,323	2,069,331
Total Revenues	2,481,779	2,383,019	2,645,603	7,510,401	7,113,404
Expenditures:					
Current:					
General government	1,545,394			1,545,394	1,792,810
Public safety	57,801			57,801	174,213
Community services	192,400			192,400	172,336
Maintenance services	477,406			477,406	401,190
Capital outlay and improvements			2,346,788	2,346,788	1,890,308
Debt service:					
Principal retirement		1,665,000		1,665,000	925,000
Interest and fiscal charges		1,153,091		1,153,091	677,796
Total Expenditures	2,273,001	2,818,091	2,346,788	7,437,880	6,033,653
Excess (Deficiency) of Revenues over (under) Expenditures	208,778	(435,072)	298,815	72,521	1,079,751
Other Financing Sources (Uses):					
Refunding bond issuance		10,260,000		10,260,000	
Payment to Refunding Escrow Agent		(10,705,023)		(10,705,023)	
Premiums on bonds issued		608,582		608,582	
Sale of capital assets			62,535	62,535	90,605
Transfers in	38,050		1,780,633	1,818,683	1,968,104
Transfers out	(26,725)	(456,823)		(483,548)	(721,553)
Total Other Financing Sources (Uses)	11,325	(293,264)	1,843,168	1,561,229	1,337,156
Net Change in Fund Balances	220,103	(728,336)	2,141,983	1,633,750	2,416,907
Fund Balance at Beginning of Year	457,692	1,628,335	9,328,376	11,414,403	8,997,496
Fund Balance at End of Year	\$ 677,795	\$ 899,999	\$ 11,470,359	\$ 13,048,153	\$ 11,414,403

Reader's Notes:

SPECIAL REVENUE NONMAJOR FUNDS

Boulevard Tree Maintenance Fund - Established to account for the removal and maintenance of boulevard trees, specifically infested ash trees, which is funded through a tax levy.

Law Enforcement Programs Fund - Established to administer the proceeds from drug and DUI forfeiture activities. Also, to account for gifts and contributions from outside sources for the Drug Abuse Resistance Education (DARE) program and law enforcement block grant proceeds.

Fire Department Programs Fund - Established to account for special Fire Department activities including smoke detector, lock box, and Safety Camp Programs.

Lodging Tax Fund – Established to account for lodging taxes submitted by hotels and motels in the City and the disbursement of those taxes.

Public Communication Fund - Established to administer the proceeds from cable television franchise fees.

Commissions and Events Fund - Established to coordinate the activities of the Arts Commission, Historical Commission, and other special City events.

Senior Activity Fund - Established to account for special activities for the Senior Center. Proceeds are provided by gifts, fundraisers, and activity fees.

Curbside Recycling Fund - Established to coordinate all city recycling activities and to administer the County grant.

CITY OF COON RAPIDS, MINNESOTA

**SPECIAL REVENUE NONMAJOR FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2019
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2018)**

	Boulevard Tree Maintenance Fund	Law Enforcement Programs Fund	Fire Dept. Programs Fund	Lodging Tax Fund	Public Communication Fund
Assets					
Cash and investments	\$ 143,682	\$ 287,464	\$ 8,995	\$ 6,939	\$ 339,847
Taxes receivable:					
Current	1,458				
Delinquent	(862)				
Accounts receivable		2,074		22,316	229,961
Accrued interest receivable	362	1,025	33		1,199
Due from other governments		13,745			
Prepaid items					1,208
Total Assets	\$ 144,640	\$ 304,308	\$ 9,028	\$ 29,255	\$ 572,215
Liabilities					
Accounts payable		\$ 13,381	\$ 4	\$ 29,255	\$ 17,179
Salaries payable					38,048
Due to other governments					2,648
Revenue collected in advance					
Advance from other funds					390,000
Total Liabilities		13,381	4	29,255	447,875
Deferred Inflows of Resources					
Unavailable revenue - property taxes	\$ (862)				
Fund Balances					
Nonspendable:					
Prepaid items					1,208
Restricted:					
Drug forfeiture		139,373			
Fire rescue equipment					
Smoke dectectors					
Total Restricted		139,373			
Committed:					
Public safety programs			9,024		
Public communications programs					123,132
Commissions and events					
Law enforcement programs		151,554			
Curbside recycling programs					
Tree maintenance programs	145,502				
Total Committed	145,502	151,554	9,024		123,132
Unassigned					
Total Fund Balance	145,502	290,927	9,024		124,340
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 144,640	\$ 304,308	\$ 9,028	\$ 29,255	\$ 572,215

EXHIBIT D-1

Commissions and Events Fund	Senior Activity Fund	Curbside Recycling Fund	Totals	
			2019	2018
\$ 9,068	\$ 82,175	\$ 250	\$ 878,420	\$ 668,455
			1,458	1,399
			(862)	(699)
		497	254,848	267,660
32	335		2,986	2,209
		97,585	111,330	199,288
	2,467	525	4,200	3,891
<u>\$ 9,100</u>	<u>\$ 84,977</u>	<u>\$ 98,857</u>	<u>\$ 1,252,380</u>	<u>\$ 1,142,203</u>
\$ 5	\$ 10,119	\$ 15,978	\$ 85,921	\$ 66,506
		6,520	44,568	38,141
			2,648	332
328			328	332
		51,982	441,982	579,899
<u>333</u>	<u>10,119</u>	<u>74,480</u>	<u>575,447</u>	<u>685,210</u>
			(862)	(699)
	2,467	525	4,200	3,891
			139,373	106,866
				10,000
				5,000
			139,373	121,866
			9,024	7,383
			123,132	
8,767	72,391		81,158	66,578
			151,554	135,246
		23,852	23,852	35,876
			145,502	106,540
<u>8,767</u>	<u>72,391</u>	<u>23,852</u>	<u>534,222</u>	<u>351,623</u>
				(19,688)
8,767	74,858	24,377	677,795	457,692
<u>\$ 9,100</u>	<u>\$ 84,977</u>	<u>\$ 98,857</u>	<u>\$ 1,252,380</u>	<u>\$ 1,142,203</u>

CITY OF COON RAPIDS, MINNESOTA

SPECIAL REVENUE NONMAJOR FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2018)

	Boulevard Tree Maintenance Fund	Law Enforcement Programs Fund	Fire Dept. Programs Fund	Lodging Tax Fund	Public Communication Fund
Revenues:					
General property taxes	\$ 148,566				
Investment income	3,423	\$ 9,547	\$ 612		\$ 13,346
Intergovernmental		16,389			655
Charges for services		5,800			
Other		49,700	11,209	\$ 260,819	1,421,922
Total Revenues	151,989	81,436	11,821	260,819	1,435,923
Expenditures:					
General Government				247,904	1,288,835
Public Safety		32,621	25,180		
Community Services					
Maintenance Services	113,027				
Total Expenditures	113,027	32,621	25,180	247,904	1,288,835
Excess (Deficiency) of Revenues over (under) Expenditures	38,962	48,815	(13,359)	12,915	147,088
Other Financing Sources (Uses):					
Transfers in					
Transfers out				(12,915)	(3,810)
Total Other Financing Sources (Uses)				(12,915)	(3,810)
Net Change in Fund Balances	38,962	48,815	(13,359)		143,278
Fund Balance (Deficit) at Beginning of Year	106,540	242,112	22,383		(18,938)
Fund Balance at End of Year	<u>\$ 145,502</u>	<u>\$ 290,927</u>	<u>\$ 9,024</u>	<u>\$</u>	<u>\$ 124,340</u>

EXHIBIT D-2

Commissions and Events Fund	Senior Activity Fund	Curbside Recycling Fund	Totals	
			2019	2018
\$ 348	\$ 3,065		\$ 148,566	\$ 197,864
		\$ 215,177	30,341	8,706
			232,221	336,682
			5,800	3,040
<u>5,409</u>	<u>219,280</u>	<u>96,512</u>	<u>2,064,851</u>	<u>1,991,830</u>
<u>5,757</u>	<u>222,345</u>	<u>311,689</u>	<u>2,481,779</u>	<u>2,538,122</u>
8,655			1,545,394	1,792,810
	192,400		57,801	174,213
		364,379	192,400	172,336
			477,406	401,190
<u>8,655</u>	<u>192,400</u>	<u>364,379</u>	<u>2,273,001</u>	<u>2,540,549</u>
<u>(2,898)</u>	<u>29,945</u>	<u>(52,690)</u>	<u>208,778</u>	<u>(2,427)</u>
		38,050	38,050	1,783
	<u>(10,000)</u>		<u>(26,725)</u>	<u>(23,295)</u>
	<u>(10,000)</u>	<u>38,050</u>	<u>11,325</u>	<u>(21,512)</u>
(2,898)	19,945	(14,640)	220,103	(23,939)
<u>11,665</u>	<u>54,913</u>	<u>39,017</u>	<u>457,692</u>	<u>481,631</u>
<u>\$ 8,767</u>	<u>\$ 74,858</u>	<u>\$ 24,377</u>	<u>\$ 677,795</u>	<u>\$ 457,692</u>

BOULEVARD TREE MAINTENANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>				<u>2018</u> <u>Actual</u>
	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Positive</u> <u>(Negative)</u>	
Revenues:					
General property taxes	\$ 150,000	\$ 150,000	\$ 148,566	\$ (1,434)	\$ 197,864
Investment income			3,423	3,423	260
Total Revenues	<u>150,000</u>	<u>150,000</u>	<u>151,989</u>	<u>1,989</u>	<u>198,124</u>
Expenditures:					
Maintenance Services:					
Other charges and services	<u>150,000</u>	<u>150,000</u>	<u>113,027</u>	<u>36,973</u>	<u>91,584</u>
Net Change in Fund Balances	<u>\$</u>	<u>\$</u>	38,962	<u>\$ 38,962</u>	106,540
Fund Balance at Beginning of Year			<u>106,540</u>		
Fund Balance at End of Year			<u>\$ 145,502</u>		<u>\$ 106,540</u>

LAW ENFORCEMENT PROGRAMS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>				<u>2018</u> Actual
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	
Revenues:					
Investment income	\$ 4,283	\$ 4,283	\$ 9,547	\$ 5,264	\$ 2,955
Intergovernmental			16,389	16,389	88,193
Charges for services			5,800	5,800	3,040
Other	40,000	40,000	49,700	9,700	84,131
Total Revenues	<u>44,283</u>	<u>44,283</u>	<u>81,436</u>	<u>37,153</u>	<u>178,319</u>
Expenditures:					
Public Safety:					
Other charges and services			32,621	(32,621)	31,252
Capital outlay					128,360
Total Expenditures			<u>32,621</u>	<u>(32,621)</u>	<u>159,612</u>
Net Change in Fund Balances	<u>\$ 44,283</u>	<u>\$ 44,283</u>	48,815	<u>\$ 4,532</u>	18,707
Fund Balance at Beginning of Year			<u>242,112</u>		<u>223,405</u>
Fund Balance at End of Year			<u>\$ 290,927</u>		<u>\$ 242,112</u>

FIRE DEPARTMENT PROGRAMS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	2019				2018 Actual
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	
Revenues:					
Investment income	\$ 269	\$ 269	\$ 612	\$ 343	\$ 184
Other	10,000	10,000	11,209	1,209	24,072
Total Revenues	10,269	10,269	11,821	1,552	24,256
Expenditures:					
Public Safety:					
Other charges and services	9,500	9,500	25,180	(15,680)	14,601
Net Change in Fund Balances	\$ 769	\$ 769	(13,359)	\$ (14,128)	9,655
Fund Balance at Beginning of Year			22,383		12,728
Fund Balance at End of Year			\$ 9,024		\$ 22,383

LODGING TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>				<u>2018</u> <u>Actual</u>
	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Positive</u> <u>(Negative)</u>	
Revenues:					
Other	\$ 280,000	\$ 280,000	\$ 260,819	\$ (19,181)	\$ 267,987
Expenditures:					
General Government:					
Other charges and services	266,000	266,000	247,904	18,096	254,692
Excess of Revenues over Expenditures	14,000	14,000	12,915	(1,085)	13,295
Other Financing Uses:					
Transfers out	(14,000)	(12,915)	(12,915)		(13,295)
Net Change in Fund Balances	<u>\$</u>	<u>\$ 1,085</u>		<u>\$ (1,085)</u>	
Fund Balance at Beginning of Year					
Fund Balance at End of Year			<u>\$</u>		<u>\$</u>

PUBLIC COMMUNICATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>				<u>2018</u> Actual
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	
Revenues:					
Investment income	\$ 10,261	\$ 10,261	\$ 13,346	\$ 3,085	\$ 4,254
Intergovernmental	600	600	655	55	1,380
Other	<u>1,472,700</u>	<u>1,472,700</u>	<u>1,421,922</u>	<u>(50,778)</u>	<u>1,317,619</u>
Total Revenues	<u>1,483,561</u>	<u>1,483,561</u>	<u>1,435,923</u>	<u>(47,638)</u>	<u>1,323,253</u>
Expenditures:					
General Government:					
Personal services	881,644	881,644	915,653	(34,009)	873,235
Other charges and services	224,108	224,108	228,454	(4,346)	189,447
Capital outlay	<u>114,393</u>	<u>142,560</u>	<u>144,728</u>	<u>(2,168)</u>	<u>466,651</u>
Total Expenditures	<u>1,220,145</u>	<u>1,248,312</u>	<u>1,288,835</u>	<u>(40,523)</u>	<u>1,529,333</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>263,416</u>	<u>235,249</u>	<u>147,088</u>	<u>(88,161)</u>	<u>(206,080)</u>
Other Financing Sources (Uses):					
Transfers in					1,783
Transfers out		<u>(3,810)</u>	<u>(3,810)</u>		
Total Other Financing Sources (Uses)		<u>(3,810)</u>	<u>(3,810)</u>		<u>1,783</u>
Net Change in Fund Balances	<u>\$ 263,416</u>	<u>\$ 231,439</u>	143,278	<u>\$ (88,161)</u>	(204,297)
Fund Balance (Deficit) at Beginning of Year			<u>(18,938)</u>		<u>185,359</u>
Fund Balance (Deficit) at End of Year			<u>\$ 124,340</u>		<u>\$ (18,938)</u>

COMMISSIONS AND EVENTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>				<u>2018</u> <u>Actual</u>
	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Positive</u> <u>(Negative)</u>	
Revenues:					
Investment income	\$ 194	\$ 194	\$ 348	\$ 154	\$ 127
Other	13,500	13,500	5,409	(8,091)	14,532
Total Revenues	<u>13,694</u>	<u>13,694</u>	<u>5,757</u>	<u>(7,937)</u>	<u>14,659</u>
Expenditures:					
General Government:					
Other charges and services	13,500	13,500	8,655	4,845	8,785
Net Change in Fund Balances	<u>\$ 194</u>	<u>\$ 194</u>	(2,898)	<u>\$ (3,092)</u>	5,874
Fund Balance at Beginning of Year			<u>11,665</u>		<u>5,791</u>
Fund Balance at End of Year			<u>\$ 8,767</u>		<u>\$ 11,665</u>

SENIOR ACTIVITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>				<u>2018</u> Actual
	<u>Original</u> Budget	<u>Final</u> Budget	<u>Actual</u>	<u>Variance</u> Positive (Negative)	
Revenues:					
Investment income	\$ 1,014	\$ 1,014	\$ 3,065	\$ 2,051	\$ 926
Other	140,000	140,000	219,280	79,280	184,548
Total Revenues	<u>141,014</u>	<u>141,014</u>	<u>222,345</u>	<u>81,331</u>	<u>185,474</u>
Expenditures:					
Community Services:					
Other charges and services	132,000	132,000	192,400	(60,400)	172,336
Excess of Revenues over Expenditures	<u>9,014</u>	<u>9,014</u>	<u>29,945</u>	<u>20,931</u>	<u>13,138</u>
Other Financing Uses:					
Transfers out	(10,000)	(10,000)	(10,000)		(10,000)
Net Change in Fund Balances	<u>\$ (986)</u>	<u>\$ (986)</u>	19,945	<u>\$ 20,931</u>	3,138
Fund Balance at Beginning of Year			<u>54,913</u>		<u>51,775</u>
Fund Balance at End of Year			<u>\$ 74,858</u>		<u>\$ 54,913</u>

CURBSIDE RECYCLING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	2019				2018 Actual
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	
Revenues:					
Intergovernmental	\$ 237,763	\$ 237,763	\$ 215,177	\$ (22,586)	\$ 247,109
Other	87,300	87,300	96,512	9,212	98,941
Total Revenues	<u>325,063</u>	<u>325,063</u>	<u>311,689</u>	<u>(13,374)</u>	<u>346,050</u>
Expenditures:					
Maintenance Services:					
Personal services	115,499	115,499	127,584	(12,085)	108,014
Other charges and services	209,564	209,564	225,210	(15,646)	201,592
Capital outlay			11,585	(11,585)	
Total Expenditures	<u>325,063</u>	<u>325,063</u>	<u>364,379</u>	<u>(39,316)</u>	<u>309,606</u>
Excess (deficiency) of Revenues over (under) Expenditures			<u>(52,690)</u>	<u>(52,690)</u>	<u>36,444</u>
Other Financing Sources:					
Transfers in		<u>38,050</u>	<u>38,050</u>		
Net Change in Fund Balances	<u>\$</u>	<u>\$ 38,050</u>	<u>(14,640)</u>	<u>\$ (52,690)</u>	<u>36,444</u>
Fund Balance at Beginning of Year			<u>39,017</u>		<u>2,573</u>
Fund Balance at End of Year			<u>\$ 24,377</u>		<u>\$ 39,017</u>

Reader's Notes:

DEBT SERVICE NONMAJOR FUNDS

Tax Abatement Bonds - Established to account for the payment of principal and interest on bonds issued for the construction of an ice arena and the purchase of property in and surrounding the construction area.

Park Improvement Bonds – Established to account for the payment of principal and interest on the park improvement bond issue.

Equipment Certificates - Established to account for the payment of principal and interest on equipment certificates that were issued to finance major capital outlay purchases.

DEBT SERVICE NONMAJOR FUNDS
COMBINING BALANCE SHEET
 DECEMBER 31, 2019
 (WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2018)

	Tax Abatement Bonds	Park Improvement Bonds	Equipment Certificates	Totals	
				2019	2018
Assets					
Cash and investments	\$ 279,764	\$ 593,971		\$ 873,735	\$ 1,608,453
Taxes receivable:					
Current	9,643	11,813	\$ 1,703	23,159	14,593
Delinquent	819	1,579	940	3,338	832
Accrued interest receivable	1,709	1,396		3,105	5,289
Due from other funds		1,703		1,703	
Total Assets	<u>\$ 291,935</u>	<u>\$ 610,462</u>	<u>\$ 2,643</u>	<u>\$ 905,040</u>	<u>\$ 1,629,167</u>
Liabilities					
Due to other funds			\$ 1,703	\$ 1,703	
Deferred Inflows of Resources					
Unavailable revenue - property taxes	\$ 819	\$ 1,579	940	3,338	\$ 832
Fund Balances					
Restricted:					
Debt service	291,116	608,883		899,999	1,608,579
Committed:					
Development of projects					19,756
Total Fund Balance	<u>291,116</u>	<u>608,883</u>		<u>899,999</u>	<u>1,628,335</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 291,935</u>	<u>\$ 610,462</u>	<u>\$ 2,643</u>	<u>\$ 905,040</u>	<u>\$ 1,629,167</u>

CITY OF COON RAPIDS, MINNESOTA

DEBT SERVICE NONMAJOR FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2018)

	Tax Abatement Bonds	Park Improvement Bonds	Equipment Certificates	Totals	
				2019	2018
Revenues:					
General property taxes	\$ 982,354	\$ 1,202,691	\$ 173,574	\$ 2,358,619	\$ 2,362,507
Investment income (charges)	16,723	9,029	(1,352)	24,400	14,866
Total Revenues	<u>999,077</u>	<u>1,211,720</u>	<u>172,222</u>	<u>2,383,019</u>	<u>2,377,373</u>
Expenditures:					
Principal retirement	945,000	720,000		1,665,000	925,000
Interest and fiscal charges	865,338	287,753		1,153,091	677,796
Total Expenditures	<u>1,810,338</u>	<u>1,007,753</u>		<u>2,818,091</u>	<u>1,602,796</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(811,261)</u>	<u>203,967</u>	<u>172,222</u>	<u>(435,072)</u>	<u>774,577</u>
Other Financing Sources (Uses):					
Refunding bond issuance	10,260,000			10,260,000	
Payment to Refunding Escrow Agent	(10,705,023)			(10,705,023)	
Premiums on bonds issued	608,582			608,582	
Transfers out		(264,845)	(191,978)	(456,823)	(698,258)
Total Other Financing Sources (Uses)	<u>163,559</u>	<u>(264,845)</u>	<u>(191,978)</u>	<u>(293,264)</u>	<u>(698,258)</u>
Net Change in Fund Balances	(647,702)	(60,878)	(19,756)	(728,336)	76,319
Fund Balance at Beginning of Year	<u>938,818</u>	<u>669,761</u>	<u>19,756</u>	<u>1,628,335</u>	<u>1,552,016</u>
Fund Balance at End of Year	<u>\$ 291,116</u>	<u>\$ 608,883</u>	<u>\$</u>	<u>\$ 899,999</u>	<u>\$ 1,628,335</u>

CITY OF COON RAPIDS, MINNESOTA

TAX ABATEMENT BONDS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>	<u>2018</u>
Revenues:		
General property taxes	\$ 982,354	\$ 984,265
Investment income	16,723	6,790
Total Revenues	<u>999,077</u>	<u>991,055</u>
Expenditures:		
Principal retirement	945,000	450,000
Interest and fiscal charges	865,338	484,681
Total Expenditures	<u>1,810,338</u>	<u>934,681</u>
Excess (Deficiency) of Revenues over (under) Expenditures	(811,261)	56,374
Other Financing Sources (Uses):		
Refunding bond issuance	10,260,000	
Payment to Refunding Escrow Agent	(10,705,023)	
Premiums on bonds issued	608,582	
Total Other Financing Sources (Uses)	<u>163,559</u>	
Net Change in Fund Balances	(647,702)	56,374
Fund Balance at Beginning of Year	<u>938,818</u>	<u>882,444</u>
Fund Balance at End of Year	<u>\$ 291,116</u>	<u>\$ 938,818</u>

CITY OF COON RAPIDS, MINNESOTA

PARK IMPROVEMENT BONDS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>	<u>2018</u>
Revenues:		
General property taxes	\$ 1,202,691	\$ 1,204,776
Investment income	9,029	7,128
Total Revenues	<u>1,211,720</u>	<u>1,211,904</u>
Expenditures:		
Principal retirement	720,000	475,000
Interest and fiscal charges	287,753	193,115
Total Expenditures	<u>1,007,753</u>	<u>668,115</u>
Excess of Revenues over Expenditures	<u>203,967</u>	<u>543,789</u>
Other Financing Uses:		
Transfers out	<u>(264,845)</u>	<u>(524,769)</u>
Net Change in Fund Balances	(60,878)	19,020
Fund Balance at Beginning of Year	<u>669,761</u>	<u>650,741</u>
Fund Balance at End of Year	<u>\$ 608,883</u>	<u>\$ 669,761</u>

CITY OF COON RAPIDS, MINNESOTA

EQUIPMENT CERTIFICATES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>	<u>2018</u>
Revenues:		
General property taxes	\$ 173,574	\$ 173,466
Investment income (charges)	<u>(1,352)</u>	<u>948</u>
Total Revenues	<u>172,222</u>	<u>174,414</u>
Other Financing Uses:		
Transfers out	<u>(191,978)</u>	<u>(173,489)</u>
Net Change in Fund Balances	(19,756)	925
Fund Balance at Beginning of Year	<u>19,756</u>	<u>18,831</u>
Fund Balance at End of Year	<u><u>\$</u></u>	<u><u>\$</u></u> 19,756

CAPITAL PROJECTS NONMAJOR FUNDS

Facilities Construction Fund - Established to account for the construction of new City facilities including the City Center complex and fire station.

Equipment Certificate Fund - Established to account for the purchase of major capital outlay items financed with equipment certificates.

Street Reconstruction Fund - Established to administer funds dedicated to restoring aging and deteriorating streets.

Capital Equipment Fund - Established to account for major capital outlay purchases.

Sidewalk Construction Fund - Established to administer funds dedicated to design and construct City sidewalks.

Riverdale Area Fund - Established to account for the construction of infrastructure improvements for the Riverdale area project.

CITY OF COON RAPIDS, MINNESOTA

CAPITAL PROJECTS NONMAJOR FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2019

(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2018)

	Facilities Construction Fund	Equipment Certificate Fund	Street Reconstruction Fund	Capital Equipment Fund
Assets				
Cash and investments	\$ 5,142,967		\$ 3,015,209	\$ 2,264,913
Taxes receivable:				
Current			8,461	12,493
Delinquent			6,648	8,947
Accounts receivable				
Accrued interest receivable	14,343		8,992	6,599
Notes receivable	59,768			
Due from other governments				
Advance to other funds				
Total Assets	<u>\$ 5,217,078</u>	<u>\$</u>	<u>\$ 3,039,310</u>	<u>\$ 2,292,952</u>
Liabilities				
Accounts payable	\$ 35,097			\$ 68,071
Salaries payable			\$ 21,433	
Contracts payable				
Due to other governments				
Advance from other funds				
Total Liabilities	<u>35,097</u>	<u></u>	<u>21,433</u>	<u>68,071</u>
Deferred Inflows of Resources				
Unavailable revenue - property taxes			6,648	8,947
Unavailable revenue - other	59,768			
Total Deferred Inflows of Resources	<u>59,768</u>	<u></u>	<u>6,648</u>	<u>8,947</u>
Fund Balances (Deficit)				
Committed:				
Development of projects	5,122,213		3,011,229	2,215,934
Unassigned				
Total Fund Balance	<u>5,122,213</u>	<u></u>	<u>3,011,229</u>	<u>2,215,934</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 5,217,078</u>	<u>\$</u>	<u>\$ 3,039,310</u>	<u>\$ 2,292,952</u>

EXHIBIT F-1

Sidewalk Construction Fund	Riverdale Area Fund	Totals	
		2019	2018
\$ 274,760	\$ 857,384	\$ 11,555,233	\$ 9,376,918
1,209		22,163	12,605
43		15,638	14,094
			1,200
822	3,090	33,846	19,081
		59,768	69,642
			6,640
			423,598
<u>\$ 276,834</u>	<u>\$ 860,474</u>	<u>\$ 11,686,648</u>	<u>\$ 9,923,778</u>
	\$ 2,219	\$ 105,387	\$ 46,694
		21,433	19,412
\$ 14,063		14,063	21,958
			4
			423,598
<u>14,063</u>	<u>2,219</u>	<u>140,883</u>	<u>511,666</u>
43		15,638	14,094
		59,768	69,642
43		75,406	83,736
<u>262,728</u>	<u>858,255</u>	<u>11,470,359</u>	<u>9,751,974</u>
			(423,598)
<u>262,728</u>	<u>858,255</u>	<u>11,470,359</u>	<u>9,328,376</u>
<u>\$ 276,834</u>	<u>\$ 860,474</u>	<u>\$ 11,686,648</u>	<u>\$ 9,923,778</u>

CITY OF COON RAPIDS, MINNESOTA

CAPITAL PROJECTS NONMAJOR FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2018)

	Facilities Construction Fund	Equipment Certificate Fund	Street Reconstruction Fund	Capital Equipment Fund
Revenues:				
General property taxes			\$ 862,091	\$ 1,273,559
Investment income (charges)	\$ 146,383	\$ (3,540)	94,304	61,653
Other	9,874		30,000	5,598
Total Revenues	<u>156,257</u>	<u>(3,540)</u>	<u>986,395</u>	<u>1,340,810</u>
Expenditures:				
Personal services			215,159	
Other charges and services	20,760		597,655	
Capital outlay and improvements	128,186			1,365,925
Total Expenditures	<u>148,946</u>		<u>812,814</u>	<u>1,365,925</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>7,311</u>	<u>(3,540)</u>	<u>173,581</u>	<u>(25,115)</u>
Other Financing Sources:				
Sale of capital assets				62,535
Transfers in	1,200,000	427,138	106,909	46,586
Total Other Financing Sources	<u>1,200,000</u>	<u>427,138</u>	<u>106,909</u>	<u>109,121</u>
Net Change in Fund Balances	1,207,311	423,598	280,490	84,006
Fund Balance (Deficit) at Beginning of Year	<u>3,914,902</u>	<u>(423,598)</u>	<u>2,730,739</u>	<u>2,131,928</u>
Fund Balance at End of Year	<u>\$ 5,122,213</u>	<u>\$</u>	<u>\$ 3,011,229</u>	<u>\$ 2,215,934</u>

EXHIBIT F-2

Sidewalk Construction Fund	Riverdale Area Fund	Totals	
		2019	2018
\$ 123,124	\$ 30,961	\$ 2,258,774	\$ 2,024,924
6,596	5,000	336,357	95,484
		50,472	77,501
<u>129,720</u>	<u>35,961</u>	<u>2,645,603</u>	<u>2,197,909</u>
		215,159	168,434
5,078	11,806	635,299	369,484
	2,219	1,496,330	1,352,390
<u>5,078</u>	<u>14,025</u>	<u>2,346,788</u>	<u>1,890,308</u>
<u>124,642</u>	<u>21,936</u>	<u>298,815</u>	<u>307,601</u>
		62,535	90,605
		1,780,633	1,966,321
		1,843,168	2,056,926
124,642	21,936	2,141,983	2,364,527
138,086	836,319	9,328,376	6,963,849
<u>\$ 262,728</u>	<u>\$ 858,255</u>	<u>\$ 11,470,359</u>	<u>\$ 9,328,376</u>

FACILITIES CONSTRUCTION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>	<u>2018</u>
Revenues:		
Investment income	\$ 146,383	\$ 37,671
Other	9,874	71,637
Total Revenues	<u>156,257</u>	<u>109,308</u>
Expenditures:		
Other charges and services	20,760	13,017
Capital outlay and improvements	128,186	499,649
Total Expenditures	<u>148,946</u>	<u>512,666</u>
Excess (Deficiency) of Revenues over (under) Expenditures	7,311	(403,358)
Other Financing Sources:		
Transfers in	<u>1,200,000</u>	<u>1,575,000</u>
Net Change in Fund Balances	1,207,311	1,171,642
Fund Balance at Beginning of Year	<u>3,914,902</u>	<u>2,743,260</u>
Fund Balance at End of Year	<u>\$ 5,122,213</u>	<u>\$ 3,914,902</u>

EQUIPMENT CERTIFICATE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>	<u>2018</u>
Revenues:		
Investment income (charges)	\$ (3,540)	\$ (7,164)
Other Financing Sources:		
Transfers in	<u>427,138</u>	<u>173,489</u>
Net Change in Fund Balances	423,598	166,325
Fund Deficit at Beginning of Year	<u>(423,598)</u>	<u>(589,923)</u>
Fund Balance (Deficit) at End of Year	<u><u>\$</u></u>	<u><u>\$ (423,598)</u></u>

STREET RECONSTRUCTION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>	<u>2018</u>
Revenues:		
General property taxes	\$ 862,091	\$ 840,325
Investment income	94,304	27,832
Other	30,000	
Total Revenues	<u>986,395</u>	<u>868,157</u>
Expenditures:		
Personal services	215,159	168,434
Other charges and services	597,655	322,524
Total Expenditures	<u>812,814</u>	<u>490,958</u>
Excess of Revenues over Expenditures	<u>173,581</u>	<u>377,199</u>
Other Financing Sources:		
Transfers in	106,909	217,832
Net Change in Fund Balances	280,490	595,031
Fund Balance at Beginning of Year	<u>2,730,739</u>	<u>2,135,708</u>
Fund Balance at End of Year	<u>\$ 3,011,229</u>	<u>\$ 2,730,739</u>

CAPITAL EQUIPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>	<u>2018</u>
Revenues:		
General property taxes	\$ 1,273,559	\$ 1,059,237
Investment income	61,653	21,968
Other	5,598	5,864
Total Revenues	<u>1,340,810</u>	<u>1,087,069</u>
Expenditures:		
Capital outlay and improvements	<u>1,365,925</u>	<u>565,730</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(25,115)</u>	<u>521,339</u>
Other Financing Sources:		
Sale of capital assets	62,535	90,605
Transfers in	46,586	
Total Other Financing Sources	<u>109,121</u>	<u>90,605</u>
Net Change in Fund Balances	84,006	611,944
Fund Balance at Beginning of Year	<u>2,131,928</u>	<u>1,519,984</u>
Fund Balance at End of Year	<u>\$ 2,215,934</u>	<u>\$ 2,131,928</u>

SIDEWALK CONSTRUCTION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>	<u>2018</u>
Revenues:		
General property taxes	\$ 123,124	\$ 125,362
Investment income	6,596	3,903
Total Revenues	<u>129,720</u>	<u>129,265</u>
Expenditures:		
Other charges and services	5,078	4,337
Capital outlay and improvements		<u>287,011</u>
Total Expenditures	<u>5,078</u>	<u>291,348</u>
Net Change in Fund Balances	124,642	(162,083)
Fund Balance at Beginning of Year	<u>138,086</u>	<u>300,169</u>
Fund Balance at End of Year	<u>\$ 262,728</u>	<u>\$ 138,086</u>

RIVERDALE AREA FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>	<u>2018</u>
Revenues:		
Investment income	\$ 30,961	\$ 11,274
Other	5,000	
	<u>35,961</u>	<u>11,274</u>
Total Revenues		
Expenditures:		
Other charges and services	11,806	29,606
Capital outlay and improvements	2,219	
	<u>14,025</u>	<u>29,606</u>
Total Expenditures		
Net Change in Fund Balances	21,936	(18,332)
Fund Balance at Beginning of Year	<u>836,319</u>	<u>854,651</u>
Fund Balance at End of Year	<u>\$ 858,255</u>	<u>\$ 836,319</u>

Reader's Notes:

OTHER COMPARATIVE INFORMATION

CITY OF COON RAPIDS, MINNESOTA

SCHEDULE OF IMPROVEMENT BONDS
BALANCE SHEETS BY BOND YEAR
DECEMBER 31, 2019

(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2018)

	Special Assessment Bonds	G.O. Improvement Bonds of 1995	G.O. Improvement Bonds of 1996	G.O. Improvement Bonds of 1997	G.O. Improvement Bonds of 1998	Improvement Bonds of 1999/2000	G.O. Improvement Bonds of 2002	G.O. Improvement Bonds of 2005	G.O. Improvement Bonds of 2008
Assets									
Cash and investments	\$ (1,716)	\$ (37,760)		\$ 207				\$ (4,700)	\$ (10)
Taxes receivable:									
Current	1,264								
Delinquent	7,604								4,403
Accrued interest receivable								198	10
Special assessments receivable:									
Current				245				4,502	
Delinquent	228,089	37,760	\$ 76,490	483	\$ 2,849	\$ 385	\$ 506	712	591
Deferred				4,912	5,259	4,066		75,554	27,550
Other									
Due from other governments		37,760							
Total Assets	\$ 235,241	\$ 37,760	\$ 76,490	\$ 5,847	\$ 8,108	\$ 4,451	\$ 506	\$ 76,266	\$ 32,544
Deferred Inflows of Resources									
Unavailable revenue - property taxes	\$ 7,604								\$ 4,403
Unavailable revenue - special assessments	228,089	\$ 37,760	\$ 76,490	\$ 5,395	\$ 8,108	\$ 4,451	\$ 506	\$ 76,266	28,141
Total Deferred Inflows of Resources	235,693	37,760	76,490	5,395	8,108	4,451	506	76,266	32,544
Fund Balances (Deficit)									
Restricted:									
Debt service									
Committed:									
Development of projects				452					
Unassigned:	(452)								
Total Fund Balance (Deficit)	(452)			452					
Total Deferred Inflows of Resources and Fund Balances (Deficit)	\$ 235,241	\$ 37,760	\$ 76,490	\$ 5,847	\$ 8,108	\$ 4,451	\$ 506	\$ 76,266	\$ 32,544

G.O. Improvement Bonds of 2010	G.O. Improvement Bonds of 2013A	G.O. Improvement Bonds of 2013B	G.O. Improvement Bonds of 2014/2015	G.O. Improvement Bonds of 2016	G.O. Improvement Bonds of 2017	G.O. Improvement Bonds of 2018	G.O. Improvement Bonds of 2019	Totals	
								2019	2018
\$ (1,691)	\$ 601,448	\$ 588,812	\$ 1,370,753	\$ 88,254	\$ 259,355	\$ 635,178	\$ 132,716	\$ 3,630,846	\$ 2,926,672
	2,307	2,005	4,863		3,408	3,970		17,817	9,536
(1,129)	(2,924)	(1,256)	(2,283)		(1,740)	(37)		2,638	2,101
272	1,730	1,708	4,041	822	252	1,597	2,224	12,854	10,666
1,419	1,532	2,106	2,107	130	1,948	715		14,704	12,698
1,921	2,971	1,554	3,789	1,623	8,173	2,074		369,970	405,653
59,521	260,574	465,079	1,108,204	1,188,810	1,041,020	953,167	1,329,702	6,523,418	6,481,414
								2,171	2,171
								37,760	14,468
<u>\$ 60,313</u>	<u>\$ 867,638</u>	<u>\$ 1,060,008</u>	<u>\$ 2,491,474</u>	<u>\$ 1,279,639</u>	<u>\$ 1,312,416</u>	<u>\$ 1,596,664</u>	<u>\$ 1,464,642</u>	<u>\$ 10,610,007</u>	<u>\$ 9,865,379</u>
\$ (1,129)	\$ (2,924)	\$ (1,256)	\$ (2,283)		\$ (1,740)	\$ (37)		\$ 2,638	\$ 2,101
61,442	263,545	466,633	1,111,993	\$ 1,190,433	1,049,193	955,241	\$ 1,329,702	6,893,388	6,889,238
60,313	260,621	465,377	1,109,710	1,190,433	1,047,453	955,204	1,329,702	6,896,026	6,891,339
	607,017	594,631	1,381,764	89,206	264,963	641,460	134,940	3,713,981	2,753,930
								452	1,112,098
								(452)	(891,988)
	607,017	594,631	1,381,764	89,206	264,963	641,460	134,940	3,713,981	2,974,040
<u>\$ 60,313</u>	<u>\$ 867,638</u>	<u>\$ 1,060,008</u>	<u>\$ 2,491,474</u>	<u>\$ 1,279,639</u>	<u>\$ 1,312,416</u>	<u>\$ 1,596,664</u>	<u>\$ 1,464,642</u>	<u>\$ 10,610,007</u>	<u>\$ 9,865,379</u>

CITY OF COON RAPIDS, MINNESOTA

SCHEDULE OF IMPROVEMENT BONDS
 REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BY BOND YEAR
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2018)

	Special Assessment Bonds	G.O. Improvement Bonds of 1995	G.O. Improvement Bonds of 1996	G.O. Improvement Bonds of 1997	G.O. Improvement Bonds of 1998	Improvement Bonds of 1999/2000	G.O. Improvement Bonds of 2002	G.O. Improvement Bonds of 2005	G.O. Improvement Bonds of 2008
Revenues:									
General property taxes	\$ 128,952								\$ (131)
Special assessments	75,278	\$ 37,917		\$ 2,909	\$ 1,638	\$ 4,343	\$ 2	\$ 73,963	3,872
Investment income (charges)	2,480			107	24	47		10,963	441
Intergovernmental									
Total revenues	206,710	37,917		3,016	1,662	4,390	2	84,926	4,182
Expenditures:									
Principal retirement									
Interest and fiscal charges									
Other	1,007								
Total Expenditures	1,007								
Excess (Deficiency) of Revenues over (under) Expenditures	205,703	37,917		3,016	1,662	4,390	2	84,926	4,182
Other Financing Sources (Uses):									
Transfers in*						260	2,976,554		
Transfers out*	(462,866)	(37,917)	\$ (206)	(13,565)	(4,168)	(9,525)	(3,061,592)	(687,747)	(30,351)
Total Other Financing Sources (Uses)	(462,866)	(37,917)	(206)	(13,565)	(4,168)	(9,265)	(85,038)	(687,747)	(30,351)
Net Change in Fund Balances	(257,163)		(206)	(10,549)	(2,506)	(4,875)	(85,036)	(602,821)	(26,169)
Fund Balance (deficit) at Beginning of Year	256,711		206	11,001	2,506	4,875	85,036	602,821	26,169
Fund Balance (deficit) at End of Year	\$ (452)	\$	\$	\$ 452	\$	\$	\$	\$	\$

* Transfers totaling \$4,088,908 have been eliminated from the Improvement Bonds Fund in the Basic Financial Statements.

G.O. Improvement Bonds of 2010	G.O. Improvement Bonds of 2013A	G.O. Improvement Bonds of 2013B	G.O. Improvement Bonds of 2014/2015	G.O. Improvement Bonds of 2016	G.O. Improvement Bonds of 2017	G.O. Improvement Bonds of 2018	G.O. Improvement Bonds of 2019	Totals	
								2019	2018
\$ (60)	\$ 235,486	\$ 204,201	\$ 495,010	\$ 230,325	\$ 347,541	\$ 406,046	\$ 615,178	\$ 1,817,045	\$ 1,464,993
111,026	132,742	159,661	282,959	5,092	284,892	216,949	13,175	2,233,654	2,442,599
3,261	14,143	14,132	34,237	568,850	(18,505)	9,600		89,197	24,886
								568,850	521,450
114,227	382,371	377,994	812,206	804,267	613,928	632,595	628,353	4,708,746	4,453,928
	360,000	305,000	710,000	450,000	255,000			2,080,000	1,745,000
	31,800	49,788	119,600	118,850	77,950	104,247		502,235	451,253
								1,007	3,655
	391,800	354,788	829,600	568,850	332,950	104,247		2,583,242	2,199,908
114,227	(9,429)	23,206	(17,394)	235,417	280,978	528,348	628,353	2,125,504	2,254,020
(237,000)				(200,000)	1,303,110			4,279,924	
					(427,137)		(493,413)	(5,665,487)	(1,134,642)
(237,000)				(200,000)	875,973		(493,413)	(1,385,563)	(1,134,642)
(122,773)	(9,429)	23,206	(17,394)	35,417	1,156,951	528,348	134,940	739,941	1,119,378
122,773	616,446	571,425	1,399,158	53,789	(891,988)	113,112		2,974,040	1,854,662
\$	\$ 607,017	\$ 594,631	\$ 1,381,764	\$ 89,206	\$ 264,963	\$ 641,460	\$ 134,940	\$ 3,713,981	\$ 2,974,040

CITY OF COON RAPIDS, MINNESOTA

SCHEDULE OF SPECIAL ASSESSMENT CAPITAL PROJECTS FUND
BALANCE SHEETS BY BOND YEAR
YEAR ENDED DECEMBER 31, 2019
(WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2018)

	Revolving Construction	2017 Bonded Projects	2018 Bonded Projects	2019 Bonded Projects	2020 Bonded Projects	Totals	
						2019	2018
Assets							
Cash and investments	\$ 8,996,053	\$ (9,850)	\$ 934,543	\$ (2,238,493)	\$ (59,962)	\$ 7,622,291	\$ 11,550,838
Accounts receivable				2,214		2,214	2,802
Accrued interest	25,619		3,346			28,965	31,209
Special assessments receivable:							
Current	2,696					2,696	2,829
Delinquent	31,813					31,813	34,531
Deferred	1,320,112					1,320,112	1,561,762
Other	864,952					864,952	866,734
Due from other governments	17,195	9,850		27,250		54,295	80,851
Advance to other funds	1,652,203					1,652,203	1,407,347
Total Assets	\$ 12,910,643	\$	\$ 937,889	\$ (2,209,029)	\$ (59,962)	\$ 11,579,541	\$ 15,538,903
Liabilities							
Accounts payable	\$ 29,366			\$ 1,109	\$ 1,914	\$ 32,389	\$ 32,698
Contracts payable				583,209		583,209	190,203
Due to other governments				1,699		1,699	
Total Liabilities	29,366			586,017	1,914	617,297	222,901
Deferred Inflows of Resources							
Unavailable revenue - special assessments	2,216,877					2,216,877	2,463,027
Grants for subsequent years - MSA	2,666,997					2,666,997	3,014,337
Total Deferred Inflows of Resources	4,883,874					4,883,874	5,477,364
Fund Balances							
Committed:							
Development of projects	7,997,403		937,889			8,935,292	9,947,656
Unassigned:				(2,795,046)	(61,876)	(2,856,922)	(109,018)
Total Fund Balance (Deficit)	7,997,403		937,889	(2,795,046)	(61,876)	6,078,370	9,838,638
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit)	\$ 12,910,643	\$	\$ 937,889	\$ (2,209,029)	\$ (59,962)	\$ 11,579,541	\$ 15,538,903

SCHEDULE OF SPECIAL ASSESSMENT CAPITAL PROJECT FUNDS
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BY BOND YEAR
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2018)

	Revolving Construction	2017 Bonded Projects	2018 Bonded Projects	2019 Bonded Projects	2020 Bonded Projects	Totals	
						2019	2018
Revenues:							
Special assessments	\$ 536,628					\$ 536,628	\$ 576,610
Investment income (charges)	454,460		\$ 17,295	\$ (76,053)	\$ (216)	395,486	152,144
Intergovernmental	347,340		684,000	1,388,994		2,420,334	2,510,409
Other	54,405					54,405	45,180
Total Revenues	1,392,833		701,295	1,312,941	(216)	3,406,853	3,284,343
Expenditures:							
Capital outlay and improvements							
Personal services	27,562					27,562	41,452
Other charges	509,300			766		510,066	1,613,084
Bond issuance costs				40,430		40,430	27,421
Capital improvements	54,004		27,657	11,234,386	61,660	11,377,707	4,994,642
Total Expenditures	590,866		27,657	11,275,582	61,660	11,955,765	6,676,599
Excess (deficiency) of Revenues over (under) Expenditures	801,967		673,638	(9,962,641)	(61,876)	(8,548,912)	(3,392,256)
Other Financing Sources (Uses):							
Bond issuance				3,235,000		3,235,000	4,115,000
Premiums on bonds issued				548,200		548,200	279,456
Transfers in	657,250			3,493,413		4,150,663	4,560,511
Transfers out	(3,145,219)					(3,145,219)	(3,689,939)
Total Other Financing Sources (Uses)	(2,487,969)			7,276,613		4,788,644	5,265,028
Net Change in Fund Balances	(1,686,002)		673,638	(2,686,028)	(61,876)	(3,760,268)	1,872,772
Fund Balance (Deficit) at Beginning of Year	9,683,405		264,251	(109,018)		9,838,638	7,965,866
Fund Balance (Deficit) at End of Year	\$ 7,997,403	\$	\$ 937,889	\$ (2,795,046)	\$ (61,876)	\$ 6,078,370	\$ 9,838,638

*A transfer of \$3,000,000 between the Revolving Construction Fund and the 2019 Bonded Project Fund have been eliminated from the Special Assessment Fund in the Basic Financial Statements.

PARK IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	2019	2018
Revenues:		
General property taxes	\$ 408,647	\$ 397,492
Investment income (charges)	60,533	(17,234)
Intergovernmental		10,000
Payment on notes	18,113	6,038
Platting fees	299,830	346,819
Other	10,172	56,554
Total Revenues	797,295	799,669
Expenditures:		
Capital outlay and improvements		
Personal services	23,571	8,168
Other charges and services	17,345	36,266
Bond issuance costs		31,786
Capital outlay and improvements	2,623,226	3,012,519
Total Expenditures	2,664,142	3,088,739
Deficiency of Revenues over Expenditures	(1,866,847)	(2,289,070)
Other Financing Sources:		
Bond Issuance		4,770,000
Premium on bonds issued		196,067
Transfers in	264,845	565,793
Total Other Financing Sources	264,845	5,531,860
Net Change in Fund Balances	(1,602,002)	3,242,790
Fund Balance (Deficit) at Beginning of Year	2,330,516	(912,274)
Fund Balance at End of Year	<u>\$ 728,514</u>	<u>\$ 2,330,516</u>

HOUSING AND REDEVELOPMENT AUTHORITY CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>	<u>2018</u>
Revenues:		
General property taxes	\$ 718,999	\$ 717,936
Tax increments	337,854	328,504
Investment income	678,771	289,245
Intergovernmental	675,007	8
Payment on notes	476,836	381,144
Other	<u>2,044,964</u>	<u>35,931</u>
Total Revenues	<u>4,932,431</u>	<u>1,752,768</u>
Expenditures:		
Current		
Community development		
Personal services	249,039	241,230
Other charges and services	7,288,029	849,838
Capital outlay and improvements	<u>687,046</u>	<u>843,311</u>
Total Expenditures	<u>8,224,114</u>	<u>1,934,379</u>
Deficiency of Revenues over Expenditures	<u>(3,291,683)</u>	<u>(181,611)</u>
Other Financing Uses:		
Transfers out	<u>(2,055)</u>	<u>(1,946)</u>
Net Change in Fund Balances	(3,293,738)	(183,557)
Fund Balance at Beginning of Year	<u>24,400,686</u>	<u>24,584,243</u>
Fund Balance at End of Year	<u>\$ 21,106,948</u>	<u>\$ 24,400,686</u>

Reader's Notes:

WATER FUND
STATEMENT OF NET POSITION
 DECEMBER 31, 2019
 (WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2018)

	<u>2019</u>	<u>2018</u>
Assets		
Current Assets:		
Cash and cash equivalents	\$ 1,536,467	\$ 1,455,408
Investments	79,545	183,471
Accounts receivable	1,172,149	1,244,594
Accrued interest receivable	8,546	
Special assessments receivable:		
Current	15,520	22,489
Delinquent	67,324	62,099
Deferred	674,574	717,090
Inventories	36,675	14,640
Due from other governments	9,642	7,258
Prepaid items	8,378	8,213
Total Current Assets	<u>3,608,820</u>	<u>3,715,262</u>
Noncurrent Assets:		
Capital Assets:		
Land	371,408	371,408
Buildings and structures	36,535,726	35,773,806
Furniture, machinery and equipment	3,240,096	2,947,256
Other improvements	8,475,745	8,344,054
Infrastructure	51,130,974	49,935,245
Construction in progress	2,841,349	1,550,981
Total Capital Assets	102,595,298	98,922,750
Less: accumulated depreciation	<u>(41,813,967)</u>	<u>(39,650,440)</u>
Total Capital Assets (net of accumulated depreciation)	<u>60,781,331</u>	<u>59,272,310</u>
Total Assets	<u>\$ 64,390,151</u>	<u>\$ 62,987,572</u>
Liabilities		
Current Liabilities:		
Accounts payable	\$ 128,078	\$ 120,514
Salaries payable	42,608	35,083
Contracts payable	121,638	4,501
Due to other governments	33,993	70,586
Accrued interest payable	189,291	131,677
Current maturities of long-term debt	<u>1,980,000</u>	<u>1,770,000</u>
Total Current Liabilities	<u>2,495,608</u>	<u>2,132,361</u>
Noncurrent Liabilities:		
Compensated absences	98,854	95,094
Net pension liability	271,402	273,231
Bonds payable (net of current maturities and unamortized (discount)/premium: (\$935,458 in 2019; \$593,832 in 2018)	<u>14,560,458</u>	<u>13,638,832</u>
Total Noncurrent Liabilities	<u>14,930,714</u>	<u>14,007,157</u>
Total Liabilities	<u>17,426,322</u>	<u>16,139,518</u>
Deferred Inflows of Resources		
Pension plan deferments - PERA	<u>139,653</u>	<u>126,803</u>
Net Position		
Net investment in capital assets	44,240,873	43,863,478
Unrestricted	<u>2,583,303</u>	<u>2,857,773</u>
Total Net Position	<u>46,824,176</u>	<u>46,721,251</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 64,390,151</u>	<u>\$ 62,987,572</u>

WATER FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>	<u>2018</u>
Operating Revenues:		
Water charges	\$ 5,614,719	\$ 6,129,831
Miscellaneous	4,756	2,323
Total Operating Revenues	<u>5,619,475</u>	<u>6,132,154</u>
Operating Expenses:		
Personal services	921,801	864,467
Other charges and services	1,826,199	1,923,295
Supplies	243,764	220,984
Depreciation	2,170,338	2,111,358
Total Operating Expenses	<u>5,162,102</u>	<u>5,120,104</u>
Operating Income	<u>457,373</u>	<u>1,012,050</u>
Nonoperating Revenues (Expenses):		
Intergovernmental	772	818
Investment income (charges)	15,662	(14,115)
Sale of water meters	54,710	32,838
Interest and fiscal charges	(364,851)	(315,489)
Purchase and repair of water meters	(60,741)	(68,044)
Total Nonoperating Revenues (Expenses)	<u>(354,448)</u>	<u>(363,992)</u>
Change in net position	<u>102,925</u>	<u>648,058</u>
Net Position at Beginning of Year	<u>46,721,251</u>	<u>46,073,193</u>
Net Position at End of Year	<u>\$ 46,824,176</u>	<u>\$ 46,721,251</u>

WATER FUND
STATEMENT OF CASH FLOWS
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>	<u>2018</u>
<u>Increase in Cash and Cash Equivalents</u>		
Cash flows from operating activities:		
Cash received from customers	\$ 5,733,796	\$ 6,138,904
Cash paid to employees for services	(899,495)	(860,847)
Cash paid to supplies for goods and services	<u>(2,114,233)</u>	<u>(2,113,925)</u>
Net cash provided by operating activities	<u>2,720,068</u>	<u>3,164,132</u>
Cash flows from noncapital financing activities:		
Sale of water meters	54,710	32,838
Purchase and repair of water meters	(60,741)	(68,044)
Intergovernmental	<u>772</u>	<u>818</u>
Net cash used by noncapital financing activities	<u>(5,259)</u>	<u>(34,388)</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets*	(3,569,181)	(2,481,571)
Bond proceeds (net of issuance costs)*	2,528,413	2,041,306
Premium on bond proceeds	436,743	139,649
Principal paid on revenue bonds	(1,770,000)	(2,020,000)
Interest paid on revenue bonds	<u>(370,767)</u>	<u>(374,887)</u>
Net cash used by capital and related financing activities	<u>(2,744,792)</u>	<u>(2,695,503)</u>
Cash flows from investing activities:		
Sale of investments	103,926	759,930
Interest on investments	<u>7,116</u>	<u>(12,211)</u>
Net cash provided by investing activities	<u>111,042</u>	<u>747,719</u>
Net increase in cash and cash equivalents	81,059	1,181,960
Cash and cash equivalents at beginning of year	<u>1,455,408</u>	<u>273,448</u>
Cash and cash equivalents at end of year	<u>\$ 1,536,467</u>	<u>\$ 1,455,408</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
<u>Operating income</u>	<u>\$ 457,373</u>	<u>\$ 1,012,050</u>
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	2,170,338	2,111,358
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
Decrease in accounts receivable	72,445	16,215
(Increase) decrease in due from other governments	(2,384)	13,281
(Increase) decrease in prepaid items	(165)	288
(Increase) decrease in special assessments receivable	44,260	(22,746)
(Increase) decrease in inventories	(22,035)	2,734
Decrease in deferred outflows of resources		42,707
Increase in accounts payable	14,523	23,592
Increase in salaries payable	7,525	1,809
Increase in compensated absences	3,760	6,950
Increase (decrease) in due to other governments	(36,593)	3,740
(Decrease) in net pension liability	(1,829)	(87,421)
Increase in deferred inflows of resources	<u>12,850</u>	<u>39,575</u>
Total adjustments	<u>2,262,695</u>	<u>2,152,082</u>
Net cash provided by operating activities	<u>\$ 2,720,068</u>	<u>\$ 3,164,132</u>

* All bond proceeds were expended during 2019 on acquisitions of capital assets.

See Proprietary Funds Statement of Cash Flows (Exhibit B-9) for information on non-cash investing, capital, and financing activities.

SEWER FUND
STATEMENT OF NET POSITION
 DECEMBER 31, 2019
 (WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2018)

	2019	2018
Assets		
Current Assets:		
Cash and cash equivalents	\$ 3,489,918	\$ 3,316,543
Investments	180,678	418,088
Accounts receivable	1,378,259	1,358,662
Accrued interest receivable	19,713	18,464
Advance to other funds current	1,013,183	686,055
Due from other governments	37,871	10,002
Prepaid items	8,164	8,785
Total Current Assets	6,127,786	5,816,599
Noncurrent Assets:		
Capital Assets:		
Buildings and structures	4,557,896	4,557,896
Furniture, machinery and equipment	1,425,906	1,222,597
Other improvements	139,467	118,047
Infrastructure	46,419,823	45,099,779
Construction in progress	297,710	1,264,597
Total Capital Assets	52,840,802	52,262,916
Less: accumulated depreciation	(19,508,252)	(18,785,569)
Total Capital Assets (net of accumulated depreciation)	33,332,550	33,477,347
Total Assets	39,460,336	39,293,946
Deferred Outflows of Resources		
Pension plan deferments - PERA	172,559	248,633
Total Assets and Deferred Outflows of Resources	\$ 39,632,895	\$ 39,542,579
Liabilities		
Current Liabilities:		
Accounts payable	\$ 22,465	\$ 62,519
Salaries payable	21,254	19,246
Contracts payable		331,922
Due to other governments	4,366	9,207
Total Current Liabilities	48,085	422,894
Noncurrent Liabilities:		
Compensated absences	32,582	34,014
Net pension liability	800,690	801,604
Total Noncurrent Liabilities	833,272	835,618
Total Liabilities	881,357	1,258,512
Deferred Inflows of Resources		
Pension plan deferments - PERA	41,117	110,766
Net Position		
Net investment in capital assets	33,332,550	33,477,347
Unrestricted	5,377,871	4,695,954
Total Net Position	38,710,421	38,173,301
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 39,632,895	\$ 39,542,579

SEWER FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>	<u>2018</u>
Operating Revenues:		
Sewer charges	\$ 6,696,851	\$ 6,780,556
Miscellaneous	4,809	
Total Operating Revenues	<u>6,701,660</u>	<u>6,780,556</u>
Operating Expenses:		
Personal services	534,061	497,177
Other charges and services	716,222	708,042
Supplies	33,396	40,456
Disposal charges	4,103,781	4,099,819
Depreciation	971,282	967,892
Total Operating Expenses	<u>6,358,742</u>	<u>6,313,386</u>
Operating Income	<u>342,918</u>	<u>467,170</u>
Nonoperating Revenues:		
Investment income	182,314	67,365
Intergovernmental	493	446
Gain on disposal of capital assets	11,395	18,155
Total Nonoperating Revenues	<u>194,202</u>	<u>85,966</u>
Change in net position	<u>537,120</u>	<u>553,136</u>
Net Position at Beginning of Year	<u>38,173,301</u>	<u>37,620,165</u>
Net Position at End of Year	<u>\$ 38,710,421</u>	<u>\$ 38,173,301</u>

SEWER FUND
STATEMENT OF CASH FLOWS
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>	<u>2018</u>
<u>Increase in Cash and Cash Equivalents</u>		
Cash flows from operating activities:		
Cash received from customers	\$ 6,654,194	\$ 6,782,839
Cash paid to employees for services	(527,974)	(490,919)
Cash paid to supplies for goods and services	<u>(4,897,673)</u>	<u>(4,452,319)</u>
Net cash provided by operating activities	<u>1,228,547</u>	<u>1,839,601</u>
Cash flows from noncapital financing activities:		
Intergovernmental	493	446
Advance to/from other funds	<u>(327,128)</u>	<u>195,574</u>
Net cash provided (used) by noncapital and related financing activities	<u>(326,635)</u>	<u>196,020</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(1,227,012)	(1,135,376)
Proceeds from sale of capital assets	<u>80,000</u>	<u>18,155</u>
Net cash used by capital and related financing activities	<u>(1,147,012)</u>	<u>(1,117,221)</u>
Cash flows from investing activities:		
Sale of investments	237,410	1,717,631
Interest on investments	<u>181,065</u>	<u>61,466</u>
Net cash provided by investing activities	<u>418,475</u>	<u>1,779,097</u>
Net decrease in cash and cash equivalents	173,375	2,697,497
Cash and cash equivalents at beginning of year	<u>3,316,543</u>	<u>619,046</u>
Cash and cash equivalents at end of year	<u>\$ 3,489,918</u>	<u>\$ 3,316,543</u>
Reconciliation of Operating Income (Loss) to Net Cash <u>Provided by Operating Activities</u>		
<u>Operating income</u>	<u>\$ 342,918</u>	<u>\$ 467,170</u>
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	971,282	967,892
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
(Increase) decrease in accounts receivable	(19,597)	12,285
(Increase) in due from other governments	(27,869)	(10,002)
Decrease in prepaid items	621	341,375
Decrease in deferred outflows of resources	76,074	49,312
Increase (decrease) in accounts payable	(40,054)	54,885
Increase in salaries payable	2,008	2,787
Increase (decrease) in compensated absences	(1,432)	6,040
(Decrease) in due to other governments	(4,841)	(262)
(Decrease) in net pension liability	(914)	(43,710)
(Decrease) in deferred inflows of resources	<u>(69,649)</u>	<u>(8,171)</u>
Total adjustments	<u>885,629</u>	<u>1,372,431</u>
Net cash provided by operating activities	<u>\$ 1,228,547</u>	<u>\$ 1,839,601</u>

See Proprietary Funds Statement of Cash Flows (Exhibit B-9) for information on non-cash investing, capital, and financing activities.

STORM WATER DRAINAGE FUND
STATEMENT OF NET POSITION
DECEMBER 31, 2019
(WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2018)

	<u>2019</u>	<u>2018</u>
<u>Assets</u>		
Current Assets:		
Cash and cash equivalents	\$ 4,186,909	\$ 3,606,415
Investments	216,763	454,630
Accounts receivable	303,840	270,350
Accrued interest receivable	14,439	12,999
Due from other governments	2,040	2,040
Prepaid items	7,831	7,580
	<u>4,731,822</u>	<u>4,354,014</u>
Total Current Assets		
Noncurrent Assets:		
Capital Assets:		
Land	1,115,630	1,115,630
Furniture, machinery and equipment	985,808	985,808
Infrastructure	24,090,617	23,697,711
Construction in progress	539,755	263,212
	<u>26,731,810</u>	<u>26,062,361</u>
Total Capital Assets	26,731,810	26,062,361
Less: accumulated depreciation	<u>(16,127,219)</u>	<u>(15,440,591)</u>
	<u>10,604,591</u>	<u>10,621,770</u>
Total Capital Assets (net of accumulated depreciation)	10,604,591	10,621,770
	<u>15,336,413</u>	<u>14,975,784</u>
Total Assets	15,336,413	14,975,784
<u>Deferred Outflows of Resources</u>		
Pension plan deferments - PERA	13,760	30,665
	<u>13,760</u>	<u>30,665</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 15,350,173</u>	<u>\$ 15,006,449</u>
<u>Liabilities</u>		
Current Liabilities:		
Accounts payable	\$ 44,638	\$ 4,008
Salaries payable	1,126	7,225
Due to other governments		14
Accrued interest payable	4,474	5,141
Current maturities of long-term debt	80,000	80,000
	<u>130,238</u>	<u>96,388</u>
Total Current Liabilities	130,238	96,388
Noncurrent Liabilities:		
Compensated absences	16,451	12,253
Net pension liability	179,132	179,742
Bonds payable (plus unamortized premium of \$7,767 in 2019; \$9,320 in 2018)	447,767	529,320
	<u>643,350</u>	<u>721,315</u>
Total Noncurrent Liabilities	643,350	721,315
	<u>773,588</u>	<u>817,703</u>
Total Liabilities	773,588	817,703
<u>Deferred Inflows of Resources</u>		
Pension plan deferments - PERA	33,476	46,098
	<u>33,476</u>	<u>46,098</u>
<u>Net Position</u>		
Net investment in capital assets	10,076,824	10,012,450
Unrestricted	4,466,285	4,130,198
	<u>14,543,109</u>	<u>14,142,648</u>
Total Net Position	14,543,109	14,142,648
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 15,350,173</u>	<u>\$ 15,006,449</u>

STORM WATER DRAINAGE FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>	<u>2018</u>
Operating Revenues:		
Storm drain charges	\$ 1,645,245	\$ 1,487,449
Miscellaneous	1,184	1,138
Total Operating Revenues	<u>1,646,429</u>	<u>1,488,587</u>
Operating Expenses:		
Personal services	276,489	246,068
Other charges and services	411,126	500,669
Supplies	44,382	51,818
Depreciation	686,628	680,676
Total Operating Expenses	<u>1,418,625</u>	<u>1,479,231</u>
Operating Income	<u>227,804</u>	<u>9,356</u>
Nonoperating Revenues (Expenses):		
Intergovernmental	12,729	27,459
Investment income	169,245	56,524
Interest and fiscal charges	(9,317)	(10,917)
Total Nonoperating Revenues (Expenses)	<u>172,657</u>	<u>73,066</u>
Change in net position	<u>400,461</u>	<u>82,422</u>
Net Position at Beginning of Year	<u>14,142,648</u>	<u>14,060,226</u>
Net Position at End of Year	<u>\$ 14,543,109</u>	<u>\$ 14,142,648</u>

**STORM WATER DRAINAGE FUND
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019**

(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>	<u>2018</u>
<u>Increase in Cash and Cash Equivalents</u>		
Cash flows from operating activities:		
Cash received from customers	\$ 1,612,939	\$ 1,458,150
Cash paid to employees for services	(274,717)	(248,400)
Cash paid to supplies for goods and services	<u>(415,143)</u>	<u>(570,177)</u>
Net cash provided by operating activities	<u>923,079</u>	<u>639,573</u>
Cash flows from noncapital financing activities:		
Intergovernmental	<u>12,729</u>	<u>27,459</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(669,449)	(374,974)
Principal paid on revenue bonds	(80,000)	(80,000)
Interest paid on revenue bonds	<u>(11,537)</u>	<u>(13,137)</u>
Net cash used by capital and related financing activities	<u>(760,986)</u>	<u>(468,111)</u>
Cash flows from investing activities:		
Sale of investments	237,867	187,787
Interest on investments	<u>167,805</u>	<u>57,042</u>
Net cash provided by investing activities	<u>405,672</u>	<u>244,829</u>
Net decrease in cash and cash equivalents	580,494	443,750
Cash and cash equivalents at beginning of year	<u>3,606,415</u>	<u>3,162,665</u>
Cash and cash equivalents at end of year	<u>\$ 4,186,909</u>	<u>\$ 3,606,415</u>
Reconciliation of Operating Income to Net Cash <u>Provided by Operating Activities</u>		
Operating income	\$ 227,804	\$ 9,356
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	686,628	680,676
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
(Increase) in accounts receivable	(33,490)	(28,397)
(Increase) in due from other governments		(2,040)
(Increase) decrease in prepaid items	(251)	1,133
Decrease in deferred outflows of resources	16,905	20,449
Increase (decrease) in accounts payable	40,630	(18,825)
Increase (decrease) in salaries payable	(6,099)	716
Increase (decrease) in compensated absences	4,198	(1,336)
Increase (decrease) in due to other governments	(14)	2
(Decrease) in net pension liability	(610)	(29,140)
Increase (decrease) in deferred inflows of resources	<u>(12,622)</u>	<u>6,979</u>
Total adjustments	<u>695,275</u>	<u>630,217</u>
Net cash provided by operating activities	<u>\$ 923,079</u>	<u>\$ 639,573</u>

See Proprietary Funds Statement of Cash Flows (Exhibit B-9) for information on non-cash investing, capital, and financing activities.

GOLF FUND
STATEMENT OF NET POSITION
 DECEMBER 31, 2019
 (WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2018)

	<u>2019</u>	<u>2018</u>
<u>Assets</u>		
Current Assets:		
Cash and cash equivalents	\$ 420	\$ 420
Accounts receivable	175,970	87,118
Inventories	67,821	106,421
Due from other governments		884
Prepaid items	12,722	7,590
Total Current Assets	<u>256,933</u>	<u>202,433</u>
Noncurrent Assets:		
Capital Assets:		
Land	489,139	489,139
Buildings and structures	11,230,146	11,222,928
Furniture, machinery and equipment	3,569,205	3,365,797
Other improvements	4,453,864	4,038,594
Construction in progress		194
Total Capital Assets	19,742,354	19,116,652
Less: accumulated depreciation	<u>(8,356,480)</u>	<u>(7,612,974)</u>
Total Capital Assets (net of accumulated depreciation)	<u>11,385,874</u>	<u>11,503,678</u>
Total Assets	<u>11,642,807</u>	<u>11,706,111</u>
<u>Deferred Outflows of Resources</u>		
Pension plan deferments - PERA	34,401	76,665
Total Assets and Deferred Outflows of Resources	<u>\$ 11,677,208</u>	<u>\$ 11,782,776</u>
<u>Liabilities</u>		
Current Liabilities:		
Accounts payable	\$ 48,540	\$ 63,708
Salaries payable	32,133	29,981
Due to other governments	9,116	8,462
Advance from other funds current	1,149,610	773,116
Accrued interest payable	52,815	54,839
Deposits payable	198,912	188,493
Current capital leases payable	24,759	66,932
Current maturities of long-term debt	<u>180,000</u>	<u>160,000</u>
Total Current Liabilities	<u>1,695,885</u>	<u>1,345,531</u>
Noncurrent Liabilities:		
Compensated absences	90,382	90,085
Net pension liability	447,831	449,354
Leases payable		24,759
Advance from other funds long-term	1,125,776	865,286
Bonds payable (net of current maturities and unamortized (discounts)/premium: (\$98,952) in 2019; (\$104,895) in 2018)	<u>3,983,952</u>	<u>4,169,895</u>
Total Noncurrent Liabilities	<u>5,647,941</u>	<u>5,599,379</u>
Total Liabilities	<u>7,343,826</u>	<u>6,944,910</u>
<u>Deferred Inflows of Resources</u>		
Pension plan deferments - PERA	83,689	115,245
<u>Net Position</u>		
Net investment in capital assets	7,197,163	7,082,092
Unrestricted	<u>(2,947,470)</u>	<u>(2,359,471)</u>
Total Net Position	<u>4,249,693</u>	<u>4,722,621</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 11,677,208</u>	<u>\$ 11,782,776</u>

GOLF FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>	<u>2018</u>
Operating Revenues:		
Sales, fees, and charges:		
Green fees	\$ 1,425,432	\$ 1,506,202
Pro Shop	191,007	215,731
Restaurant	5,292,858	5,241,221
Rentals:		
Building	59,194	49,013
Carts	275,351	304,262
Simulator	<u>91,818</u>	<u>127,563</u>
Total sales, fees and charges	7,335,660	7,443,992
Miscellaneous	<u>36,088</u>	
Total Operating Revenues	<u>7,371,748</u>	<u>7,443,992</u>
Operating Expenses:		
Maintenance:		
Personal services	459,803	491,221
Other charges and services	81,328	83,487
Supplies	360,172	388,124
Depreciation	<u>253,634</u>	<u>232,063</u>
Total Maintenance Expenses	<u>1,154,937</u>	<u>1,194,895</u>
Administration:		
Pro Shop cost of goods sold	120,636	130,273
Personal services	448,286	443,406
Other charges and services	484,267	502,694
Supplies	53,737	54,607
Depreciation	<u>273,272</u>	<u>264,845</u>
Total Administration Expenses	<u>1,380,198</u>	<u>1,395,825</u>
Restaurant:		
Restaurant cost of goods sold	1,249,920	1,224,635
Contracted labor	2,604,361	2,486,227
Other charges and services	820,236	799,685
Supplies	243,578	270,408
Depreciation	<u>216,600</u>	<u>208,650</u>
Total Restaurant Expenses	<u>5,134,695</u>	<u>4,989,605</u>
Total Operating Expenses	<u>7,669,830</u>	<u>7,580,325</u>
Operating Loss	<u>(298,082)</u>	<u>(136,333)</u>
Nonoperating Revenues (Expenses):		
Investment income (charges)	(37,726)	(12,440)
Intergovernmental revenue	563	644
Gain on disposal of capital assets		5,093
Interest and fiscal charges	(68,672)	(86,456)
Interest and fiscal charges restaurant	<u>(69,011)</u>	<u>(71,536)</u>
Total Nonoperating Revenues (Expenses)	<u>(174,846)</u>	<u>(164,695)</u>
Changes in net position	<u>(472,928)</u>	<u>(301,028)</u>
Net Position at Beginning of Year	<u>4,722,621</u>	<u>5,023,649</u>
Net Position at End of Year	<u>\$ 4,249,693</u>	<u>\$ 4,722,621</u>

GOLF FUND
STATEMENT OF CASH FLOWS
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2018)

	<u>2019</u>	<u>2018</u>
<u>Increase in Cash and Cash Equivalents</u>		
Cash flows from operating activities:		
Cash received from customers	\$ 7,283,780	\$ 7,636,847
Cash paid to employees for services	(896,455)	(927,796)
Cash paid to suppliers for goods and services	<u>(5,983,459)</u>	<u>(5,905,104)</u>
Net cash provided by operating activities	<u>403,866</u>	<u>803,947</u>
Cash flows from noncapital financing activities:		
Intergovernmental	563	644
Advance from other funds	742,929	201,426
Interfund loan - Principal payment	(105,945)	(97,303)
Interfund loan - Interest payment	<u>(29,850)</u>	<u>(21,647)</u>
Net cash provided by noncapital financing activities	<u>607,697</u>	<u>83,120</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(631,105)	(526,648)
Proceeds from sale of capital assets		5,093
Principal paid on revenue bonds	(160,000)	(150,000)
Interest paid on revenue bonds	(114,252)	(122,141)
Principal paid on capital lease	(66,932)	(76,959)
Interest paid on capital lease	<u>(1,548)</u>	<u>(3,972)</u>
Net cash used by capital and related financing activities	<u>(973,837)</u>	<u>(874,627)</u>
Cash flows from investing activities:		
Interest on investments	<u>(37,726)</u>	<u>(12,440)</u>
Net increase (decrease) in cash and cash equivalents		
Cash and cash equivalents at beginning of year	<u>420</u>	<u>420</u>
Cash and cash equivalents at end of year	<u>\$ 420</u>	<u>\$ 420</u>
Reconciliation of Operating Loss to Net Cash <u>Provided by Operating Activities</u>		
Operating loss	<u>\$ (298,082)</u>	<u>\$ (136,333)</u>
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation	743,506	705,558
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
(Increase) decrease in accounts receivable	(88,852)	192,822
(Increase) decrease in inventories	38,600	(8,742)
Decrease in due from other governments	884	33
(Increase) in prepaid items	(5,132)	(345)
Decrease in deferred outflows of resources	42,264	51,121
Increase (decrease) in accounts payable	(9,765)	36,045
Increase in salaries payable	2,152	3,242
Increase in deposits payable	10,419	16,070
Increase in compensated absences	297	7,872
Increase (decrease) in due to other governments	654	(7,992)
(Decrease) in net pension liability	(1,523)	(72,851)
Increase (decrease) in deferred inflows of resources	<u>(31,556)</u>	<u>17,447</u>
Total adjustments	<u>701,948</u>	<u>940,280</u>
Net cash provided by operating activities	<u>\$ 403,866</u>	<u>\$ 803,947</u>

See Proprietary Funds Statement of Cash Flows (Exhibit B-9) for information on non-cash investing, capital, and financing activities.

INTERNAL SERVICE FUNDS

Insurance Reserve Fund - Established to account for insurance provided to other activities of the government on a cost reimbursement basis.

Compensated Absences Fund - Established to account for compensated absences for the governmental funds.

Retirement Insurance Fund - Established to administer the reserve and payment of retiree health insurance.

INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF NET POSITION
 DECEMBER 31, 2019
 (WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2018)

	Insurance Reserve	Compensated Absences	Retirement Insurance	TOTALS	
				2019	2018
Assets					
Current Assets:					
Cash and cash equivalents	\$ 4,084,309	\$ 2,611,808	\$ 4,682,291	\$ 11,378,408	\$ 10,203,223
Accrued interest receivable	15,188	8,938	15,633	39,759	34,963
Due from other governments			19,891	19,891	
Prepaid items	12,375			12,375	12,375
Total Assets	4,111,872	2,620,746	4,717,815	11,450,433	10,250,561
Deferred Outflows of Resources					
Plan deferments - OPEB			711,580	711,580	650,116
Total Assets and Deferred Outflows of Resources	\$ 4,111,872	\$ 2,620,746	\$ 5,429,395	\$ 12,162,013	\$ 10,900,677
Liabilities					
Current Liabilities:					
Accounts payable	\$ 34,628			\$ 34,628	\$ 52,208
Compensated absences		\$ 190,165		190,165	198,881
Total Current Liabilities	34,628	190,165		224,793	251,089
Noncurrent Liabilities:					
Compensated absences		2,430,581		2,430,581	2,291,873
Other post employment benefits			\$ 8,843,959	8,843,959	8,790,354
Total Noncurrent Liabilities		2,430,581	8,843,959	11,274,540	11,082,227
Total Liabilities	34,628	2,620,746	8,843,959	11,499,333	11,333,316
Deferred Inflows of Resources					
Plan deferments - OPEB			438,388	438,388	
Net Position					
Unrestricted	4,077,244		(3,852,952)	224,292	(432,639)
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 4,111,872	\$ 2,620,746	\$ 5,429,395	\$ 12,162,013	\$ 10,900,677

CITY OF COON RAPIDS, MINNESOTA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2018)

	Insurance Reserve	Compensated Absences	Retirement Insurance	TOTALS	
				2019	2018
Operating Revenues:					
Sales, fees, and charges	\$ 52,200			\$ 52,200	\$ 40,955
Miscellaneous	951,910		\$ 19,891	971,801	764,647
Total Operating Revenues	1,004,110		19,891	1,024,001	805,602
Operating Expenses:					
Personal services		\$ 277,434		277,434	236,665
Other charges and services	234,879		738,371	973,250	1,111,733
Total Operating Expenses	234,879	277,434	738,371	1,250,684	1,348,398
Operating Income (Loss)	769,231	(277,434)	(718,480)	(226,683)	(542,796)
Nonoperating Revenues:					
Investment income	143,106	90,875	159,660	393,641	130,115
Intergovernmental					105,901
Total Nonoperating Revenues	143,106	90,875	159,660	393,641	236,016
Income (loss) before transfers	912,337	(186,559)	(558,820)	166,958	(306,780)
Transfers in		186,559	407,825	594,384	611,247
Transfers out	(104,411)			(104,411)	(97,479)
Change in net position	807,926		(150,995)	656,931	206,988
Net Position at Beginning of Year	3,269,318		(3,701,957)	(432,639)	(639,627)
Net Position at End of Year	\$ 4,077,244	\$	\$ (3,852,952)	\$ 224,292	\$ (432,639)

CITY OF COON RAPIDS, MINNESOTA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
 YEAR ENDED DECEMBER 31, 2019
 (WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2018)

	Insurance Reserve	Compensated Absences	Retirement Insurance	TOTALS	
				2019	2018
<u>Increase (Decrease) in Cash and Cash Equivalents</u>					
Cash flows from operating activities:					
Cash received from customers	\$ 1,004,110			\$ 1,004,110	\$ 807,065
Cash paid to employees for services		\$ (147,442)		(147,442)	(199,736)
Cash paid to suppliers for goods and services	<u>(252,459)</u>		<u>\$ (307,842)</u>	<u>(560,301)</u>	<u>(674,456)</u>
Net cash provided (used) by operating activities	<u>751,651</u>	<u>(147,442)</u>	<u>(307,842)</u>	<u>296,367</u>	<u>(67,127)</u>
Cash flows from noncapital financing activities:					
Intergovernmental					105,901
Transfer in		186,559	407,825	594,384	611,247
Transfer out	<u>(104,411)</u>			<u>(104,411)</u>	<u>(97,479)</u>
Net cash provided (used) by noncapital financing activities	<u>(104,411)</u>	<u>186,559</u>	<u>407,825</u>	<u>489,973</u>	<u>619,669</u>
Cash flows from investing activities:					
Sale of investments					2,234,805
Interest on investments	<u>140,129</u>	<u>90,262</u>	<u>158,454</u>	<u>388,845</u>	<u>125,991</u>
Net cash provided (used) by investing activities	<u>140,129</u>	<u>90,262</u>	<u>158,454</u>	<u>388,845</u>	<u>2,360,796</u>
Net increase (decrease) in cash and cash equivalents	787,369	129,379	258,437	1,175,185	2,913,338
Cash and cash equivalents at beginning of year	<u>3,296,940</u>	<u>2,482,429</u>	<u>4,423,854</u>	<u>10,203,223</u>	<u>7,289,885</u>
Cash and cash equivalents at end of year	<u>\$ 4,084,309</u>	<u>\$ 2,611,808</u>	<u>\$ 4,682,291</u>	<u>\$ 11,378,408</u>	<u>\$ 10,203,223</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</u>					
Operating income (loss)	\$ 769,231	\$ (277,434)	\$ (718,480)	\$ (226,683)	\$ (542,796)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Decrease in accounts receivable					1,463
(Increase) in due from other governments			(19,891)	(19,891)	
(Increase) in deferred outflow of resources			(61,464)	(61,464)	(323,980)
Increase (decrease) in accounts payable	(17,580)			(17,580)	1,509
Increase in compensated absences		129,992		129,992	36,929
Increase in deferred outflow of resources			438,388	438,388	
Increase in other post employment benefits			53,605	53,605	759,748
Total adjustments	<u>(17,580)</u>	<u>129,992</u>	<u>410,638</u>	<u>523,050</u>	<u>475,669</u>
Net cash provided (used) by operating activities	<u>\$ 751,651</u>	<u>\$ (147,442)</u>	<u>\$ (307,842)</u>	<u>\$ 296,367</u>	<u>\$ (67,127)</u>

See Proprietary Funds Statement of Cash Flows (Exhibit B-9) for information on non-cash investing, capital, and financing activities.

CITY OF COON RAPIDS, MINNESOTA

AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 YEAR ENDED DECEMBER 31, 2019

	<u>Balance December 31, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2019</u>
<u>Deposit Fund</u>				
Assets:				
Cash and investments	\$ 1,394,666	\$ 359,162	\$ 499,166	\$ 1,254,662
Accrued interest	5,149		468	4,681
	<u>1,399,815</u>	<u>359,162</u>	<u>499,634</u>	<u>1,259,343</u>
Total Assets	<u>\$ 1,399,815</u>	<u>\$ 359,162</u>	<u>\$ 499,634</u>	<u>\$ 1,259,343</u>
Liabilities:				
Deposits Payable	<u>\$ 1,399,815</u>	<u>\$ 359,162</u>	<u>\$ 499,634</u>	<u>\$ 1,259,343</u>

Reader's Notes:

OTHER SUPPLEMENTAL INFORMATION

CITY OF COON RAPIDS, MINNESOTA

SCHEDULE OF BONDED INDEBTEDNESS
YEAR ENDED DECEMBER 31, 2019

Description	Fund #	Net Interest Rate	Dated	Final Maturity Date	Callable
<u>Debt Service Funds</u>					
13,500,000 - Lease Revenue Bonds 2010B	44000	4.2577%	08/11/10	2/1/2036	02/01/20
5,295,000 - General Obligation Park Bonds, 2015A	45000	2.1466%	04/15/15	2/1/2030	02/01/24
735,000 - General Obligation Park Bonds, 2016A	45000	1.1204%	11/22/16	4/1/2021	No call
1,710,000 - Park Improvement Bonds 2017A	45000	1.7057%	07/18/17	2/1/2025	No call
4,770,000 - Park Improvement Bonds 2018A	45000	3.2139%	12/13/18	2/1/2034	02/01/27
10,260,000 - General Obligation Tax Abatement Refunding Bonds of 2019B	44000	2.2896%	12/12/19	2/1/2036	02/01/28
Total Debt Service Funds					
<u>Special Assessment Fund</u>					
3,565,000 - Improvement Bonds 2013A	32110	1.3273%	02/14/13	2/1/2023	02/01/20
3,050,000 - Improvement Bonds 2013B	32140	2.1515%	12/30/13	2/1/2024	02/01/21
4,090,000 - Improvement Bonds 2014A	32150	1.7169%	11/18/14	2/1/2025	02/01/22
3,105,000 - Improvement Bonds 2015A	32150	1.8246%	04/15/15	2/1/2026	02/01/24
4,950,000 - Improvement Bonds 2016A	32160	1.4963%	11/22/16	4/1/2027	04/01/25
2,915,000 - Improvement Bonds 2017A	32170	1.9116%	07/18/17	2/1/2028	02/01/26
4,115,000 - Improvement Bonds 2018A	32180	2.8642%	12/13/18	2/1/2029	02/01/27
3,235,000 - Improvement Bonds 2019A	32190	1.9642%	08/08/19	2/1/2030	02/01/28
Total Special Assessment Fund					
<u>Public Utility Funds</u>					
4,120,000 - Water Revenue Refunding Bonds 2007A	71000	3.9197%	11/01/07	2/1/2021	02/01/18
2,590,000 - Water Revenue Bonds 2013B	71000	2.1515%	12/30/13	2/1/2024	02/01/21
4,795,000 - Water Revenue Bonds 2014A	71000	1.7460%	11/18/14	2/1/2025	02/01/22
835,000 - Storm Water Drainage Revenue Bonds 2014A	72000	1.7463%	11/18/14	2/1/2025	02/01/22
1,595,000 - Water Revenue Bonds 2015A	71000	1.8224%	04/15/15	2/1/2026	02/01/24
3,835,000 - Water Revenue Bonds 2016A	71000	1.4960%	11/22/16	4/1/2027	04/01/25
1,500,000 - Water Revenue Bonds 2017A	71000	1.9109%	07/18/17	2/1/2028	02/01/26
2,055,000 - Water Revenue Bonds 2018A	71000	2.8641%	12/13/18	2/1/2029	02/01/27
2,560,000 - Water Revenue Bonds 2019A	71000	1.9650%	08/08/19	2/1/2030	02/01/28
Total Public Utility Funds					
<u>Recreational Facility Funds</u>					
795,000 - Golf Course Revenue Bonds, Series 2013A	73000	1.8846%	02/14/13	2/1/2028	02/01/20
3,580,000 - Golf Course Revenue Bonds, Series 2017A	73000	2.6727%	07/18/17	2/1/2037	02/01/26
Total Recreational Facility Funds					
Total - All Funds					

EXHIBIT N

Balance January 1, 2019	Issued 2019	Retired 2019	Balance December 31, 2019	Principal Due in 2020	Interest Due in 2020
\$ 11,675,000		\$ 11,675,000			
4,380,000		315,000	\$ 4,065,000	\$ 320,000	\$ 101,638
565,000		180,000	385,000	190,000	8,700
1,710,000		225,000	1,485,000	230,000	41,100
4,770,000			4,770,000	215,000	176,356
	\$ 10,260,000		10,260,000		206,732
<u>23,100,000</u>	<u>10,260,000</u>	<u>12,395,000</u>	<u>20,965,000</u>	<u>955,000</u>	<u>534,526</u>
1,770,000		360,000	1,410,000	365,000	24,550
1,925,000		305,000	1,620,000	305,000	39,875
2,845,000		425,000	2,420,000	435,000	45,575
2,555,000		285,000	2,270,000	295,000	56,725
4,560,000		450,000	4,110,000	465,000	105,125
2,915,000		255,000	2,660,000	260,000	70,225
4,115,000			4,115,000	325,000	158,100
	3,235,000		3,235,000		150,760
<u>20,685,000</u>	<u>3,235,000</u>	<u>2,080,000</u>	<u>21,840,000</u>	<u>2,450,000</u>	<u>650,935</u>
1,300,000		420,000	880,000	430,000	26,600
1,650,000		255,000	1,395,000	265,000	34,312
3,465,000		465,000	3,000,000	475,000	57,181
600,000		80,000	520,000	80,000	9,938
1,310,000		150,000	1,160,000	155,000	28,925
3,535,000		350,000	3,185,000	360,000	81,500
1,500,000		130,000	1,370,000	135,000	36,150
2,055,000			2,055,000	160,000	79,000
	2,560,000		2,560,000		119,236
<u>15,415,000</u>	<u>2,560,000</u>	<u>1,850,000</u>	<u>16,125,000</u>	<u>2,060,000</u>	<u>472,842</u>
745,000		55,000	690,000	60,000	13,465
<u>3,480,000</u>		<u>105,000</u>	<u>3,375,000</u>	<u>120,000</u>	<u>96,262</u>
<u>4,225,000</u>		<u>160,000</u>	<u>4,065,000</u>	<u>180,000</u>	<u>109,727</u>
<u>\$ 63,425,000</u>	<u>\$ 16,055,000</u>	<u>\$ 16,485,000</u>	<u>\$ 62,995,000</u>	<u>\$ 5,645,000</u>	<u>\$ 1,768,030</u>

CITY OF COON RAPIDS, MINNESOTA

SCHEDULE OF BOND MATURITIES

December 31, 2019

Year	Debt Service Funds		Special Assessment Fund		Public Utility Funds	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 955,000	\$ 534,526	\$ 2,450,000	\$ 650,935	\$ 2,060,000	\$ 472,842
2021	1,455,000	612,088	2,680,000	579,250	2,285,000	408,056
2022	1,350,000	562,713	2,830,000	496,425	1,950,000	343,206
2023	1,395,000	513,738	2,825,000	410,654	2,010,000	284,322
2024	1,450,000	462,963	2,605,000	325,525	2,065,000	222,853
2025	1,505,000	412,063	2,335,000	246,909	1,825,000	164,084
2026	1,280,000	365,238	1,985,000	179,450	1,255,000	117,150
2027	1,320,000	320,450	1,690,000	122,025	1,105,000	80,126
2028	1,360,000	273,225	1,165,000	73,087	700,000	48,638
2029	1,405,000	223,926	875,000	31,425	550,000	22,125
2030	1,460,000	179,156	400,000	6,000	320,000	4,800
2031	1,075,000	145,506				
2032	1,100,000	117,288				
2033	1,130,000	87,619				
2034	1,160,000	55,675				
2035	775,000	29,438				
2036	790,000	9,875				
2037						
TOTAL	<u>\$ 20,965,000</u>	<u>\$ 4,905,487</u>	<u>\$ 21,840,000</u>	<u>\$ 3,121,685</u>	<u>\$ 16,125,000</u>	<u>\$ 2,168,202</u>

EXHIBIT O

Recreational Facility Funds		Totals	
Principal	Interest	Principal	Interest
\$ 180,000	\$ 109,727	\$ 5,645,000	\$ 1,768,030
195,000	104,728	6,615,000	1,704,122
225,000	99,102	6,355,000	1,501,446
235,000	92,928	6,465,000	1,301,642
240,000	86,552	6,360,000	1,097,893
250,000	79,978	5,915,000	903,034
260,000	73,110	4,780,000	734,948
270,000	66,847	4,385,000	589,448
275,000	61,076	3,500,000	456,026
190,000	55,200	3,020,000	332,676
195,000	49,425	2,375,000	239,381
200,000	43,500	1,275,000	189,006
205,000	37,425	1,305,000	154,713
215,000	31,125	1,345,000	118,744
215,000	24,675	1,375,000	80,350
230,000	18,000	1,005,000	47,438
240,000	10,950	1,030,000	20,825
245,000	3,675	245,000	3,675
<u>\$ 4,065,000</u>	<u>\$ 1,048,023</u>	<u>\$ 62,995,000</u>	<u>\$ 11,243,397</u>

Reader's Notes:

STATISTICAL SECTION

This part of the City of Coon Rapid’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.

- Table 1 – Government-Wide Net Position by Component
- Table 2 – Changes in Net Position
- Table 3 – Fund Balances – Governmental Funds
- Table 4 – Changes in Fund Balances – Governmental Funds

Revenue Capacity

These schedules contain information to help the reader assess the government’s most significant local revenue source, the property tax.

- Table 5 – Market Value and Tax Capacity Value of Taxable Property
- Table 6 – Property Tax Rates – Direct and Overlapping Governments
- Table 7 – Principal Property Taxpayers
- Table 8 – Property Tax Levies and Collections

Debt Capacity

These schedules present information to help the reader assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue additional debt in the future.

- Table 9 – Ratios of Outstanding Debt by Type
- Table 10 – Ratios of General Bonded Debt Outstanding
- Table 11 – Direct and Overlapping Governmental Activities Debt
- Table 12 – Legal Debt Margin Information
- Table 13 – Pledged Revenue Coverage

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.

- Table 14 – Demographic and Economic Statistics
- Table 15 – Principal Employers

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs.

- Table 16 – Full-time City Government Employees by Function
- Table 17 – Operating Indicators by Function
- Table 18 – Capital Asset Statistics by Function

Reader's Notes:

CITY OF COON RAPIDS, MINNESOTA

GOVERNMENT-WIDE NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities										
Net investment in capital assets	\$ 102,203,524	\$ 106,580,229	\$ 112,962,127	\$ 108,839,267	\$ 111,440,398	\$ 114,625,585	\$ 119,831,514	\$ 124,300,810	\$ 122,168,561	\$ 131,278,882
Restricted	27,111,379	19,036,744	18,460,032	21,721,746	22,662,842	24,289,623	24,423,525	25,971,350	25,377,952	25,091,275
Unrestricted	54,931,461	54,831,073	53,318,823	53,734,071	56,132,229	41,569,071	31,774,404	29,966,517	36,444,756	31,961,021
Subtotal Governmental Activities Net Position	\$ 184,246,364	\$ 180,448,046	\$ 184,740,982	\$ 184,295,084	\$ 190,235,469	\$ 180,484,279	\$ 176,029,443	\$ 180,238,677	\$ 183,991,269	\$ 188,331,178
Business-type Activities										
Net investment in capital assets	\$ 89,486,145	\$ 93,870,912	\$ 93,311,827	\$ 91,289,503	\$ 89,014,000	\$ 89,686,706	\$ 93,448,156	\$ 94,039,110	\$ 94,435,367	\$ 94,847,410
Unrestricted	9,434,712	11,022,451	12,390,088	14,191,254	15,963,970	13,271,293	9,503,085	8,683,393	9,352,905	9,518,639
Subtotal Business-type Activities Net Position	\$ 98,920,857	\$ 104,893,363	\$ 105,701,915	\$ 105,480,757	\$ 104,977,970	\$ 102,957,999	\$ 102,951,241	\$ 102,722,503	\$ 103,788,272	\$ 104,366,049
Primary Government										
Net investment in capital assets	\$ 191,689,669	\$ 200,451,141	\$ 206,273,954	\$ 200,128,770	\$ 200,454,398	\$ 204,312,291	\$ 213,279,670	\$ 218,339,920	\$ 216,603,928	\$ 226,126,292
Restricted	27,111,379	19,036,744	18,460,032	21,721,746	22,662,842	24,289,623	24,423,525	25,971,350	25,377,952	25,091,275
Unrestricted	64,366,173	65,853,524	65,708,911	67,925,325	72,096,199	54,840,364	41,277,489	38,649,910	45,797,661	41,479,660
Total Primary Government Net Position	\$ 283,167,221	\$ 285,341,409	\$ 290,442,897	\$ 289,775,841	\$ 295,213,439	\$ 283,442,278	\$ 278,980,684	\$ 282,961,180	\$ 287,779,541	\$ 292,697,227

Note 1: The City implemented Governmental Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for the year ended December 31, 2013, resulting in a restatement of beginning net position. Years prior to 2013 have not been restated.

Note 2: The City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, for the year ended December 31, 2015, resulting in a restatement of beginning net position. Years prior to 2015 have not been restated.

Note 3: The City implemented Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*, for the year ended December 31, 2018, resulting in a restatement of beginning net position. Years prior to 2018 have not been restated.

CITY OF COON RAPIDS, MINNESOTA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental activities:										
General government	\$ 4,574,091	\$ 4,729,669	\$ 5,153,326	\$ 5,384,088	\$ 5,829,134	\$ 5,760,719	\$ 6,186,499	\$ 6,324,427	\$ 6,428,816	\$ 7,274,494
Public safety	13,601,282	13,993,829	14,611,186	14,920,693	16,417,405	16,476,755	21,028,077	18,117,959	16,959,039	18,282,391
Community services	654,808	615,143	611,965	586,645	620,534	674,796	996,475	781,473	812,387	871,834
Community development	5,966,960	6,112,460	3,668,796	3,685,964	3,390,581	4,166,027	3,963,110	3,835,040	3,130,419	9,686,438
Public works:										
Streets	6,693,919	7,099,526	6,839,088	6,861,364	7,161,322	6,782,990	7,566,093	7,308,949	7,994,246	7,577,318
Parks and recreation	3,126,515	3,936,015	3,980,491	3,870,767	4,166,460	4,156,673	4,607,840	4,745,812	4,974,461	5,227,435
Maintenance of buildings/vehicles	1,508,438	1,604,927	1,524,179	1,491,789	1,501,092	1,457,211	1,500,865	1,513,483	1,473,482	1,536,395
Engineering and design	531,664	564,467	610,507	602,039	522,107	578,134	657,853	678,242	752,207	672,789
Interest expense and fiscal charges on long-term debt	533,784	889,971	778,979	769,562	794,765	934,556	920,120	958,191	1,010,378	1,438,842
Total governmental activities expenses	37,191,461	39,546,007	37,778,517	38,172,911	40,403,400	40,987,861	47,426,932	44,263,576	43,535,435	52,567,936
Business-type activities:										
Water	5,692,305	5,406,828	5,792,936	5,384,010	6,020,010	5,575,874	5,433,086	5,392,184	5,493,090	5,575,591
Sewer	5,856,768	5,829,927	5,598,040	5,954,262	6,166,584	6,100,977	6,615,202	6,698,893	6,293,936	6,360,696
Storm water drainage	1,305,147	1,227,554	1,284,813	1,235,081	1,226,766	1,255,199	1,352,985	1,855,790	1,488,954	1,426,552
Golf	2,753,055	2,380,478	2,698,899	2,723,898	3,228,483	6,293,356	7,251,832	7,491,167	7,733,451	7,800,832
Total business-type activities expenses	15,607,275	14,844,787	15,374,688	15,297,251	16,641,843	19,225,406	20,653,105	21,438,034	21,009,431	21,163,671
Total primary government expenses	\$ 52,798,736	\$ 54,390,794	\$ 53,153,205	\$ 53,470,162	\$ 57,045,243	\$ 60,213,267	\$ 68,080,037	\$ 65,701,610	\$ 64,544,866	\$ 73,731,607
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 2,156,886	\$ 2,030,170	\$ 2,563,165	\$ 2,640,027	\$ 2,712,516	\$ 2,769,130	\$ 2,970,023	\$ 2,873,811	\$ 2,842,928	\$ 3,002,898
Public safety	910,643	942,866	870,829	964,968	819,165	761,009	940,610	928,870	998,352	1,090,127
Community services	190,071	174,599	193,816	196,776	224,177	234,455	257,675	255,916	279,271	315,820
Community development	1,198,530	1,075,797	1,223,913	1,260,665	1,192,005	1,024,187	1,130,611	2,128,787	1,762,895	1,591,944
Public works:										
Streets	34,674	6,276	46,618	14,281	13,161	27,104	10,449	2,296	28,873	163,701
Parks and recreation	450,964	526,734	615,401	601,393	624,684	696,942	688,342	792,173	871,317	860,687
Maintenance of buildings/vehicles			327			1,664	2,240	118	17,301	
Engineering and design	110,643	244,471	209,989	337,037	260,739	263,090	312,075	8,170	1,875	1,710
Operating grants and contributions	2,084,712	1,907,040	1,820,230	2,073,304	1,885,945	2,085,293	2,087,260	2,619,248	2,337,858	5,110,853
Capital grants and contributions	3,934,892	4,931,735	5,922,495	4,783,241	5,417,259	6,302,213	6,255,382	5,928,757	6,078,918	5,859,497
Total governmental activities program revenues	11,072,015	11,839,688	13,466,456	12,872,019	13,149,651	14,165,087	14,654,667	15,538,146	15,219,588	17,997,237

(Continued)

CITY OF COON RAPIDS, MINNESOTA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Business-type activities:										
Charges for services:										
Water	4,737,354	4,946,935	6,128,948	5,581,711	5,189,690	5,486,569	5,976,613	5,973,963	6,166,269	5,677,480
Sewer	5,829,574	6,058,844	6,091,717	5,989,066	6,176,654	6,200,626	6,471,113	6,687,100	6,780,556	6,701,660
Storm water drainage	1,343,976	1,358,007	1,358,238	1,362,470	1,358,360	1,378,973	1,365,611	1,367,236	1,488,587	1,646,429
Golf	1,878,519	2,218,344	2,394,786	2,553,025	2,690,545	5,270,541	6,689,204	7,025,762	7,443,992	7,371,827
Operating grants and contributions									98,462	14,557
Capital grants and contributions	106,527	555,755	69,475							
Total business-type activities program revenues	13,895,950	15,137,885	16,043,164	15,486,272	15,415,249	18,336,709	20,502,541	21,054,061	21,977,866	21,411,953
Total primary government program revenues	\$ 24,967,965	\$ 26,977,573	\$ 29,509,620	\$ 28,358,291	\$ 28,564,900	\$ 32,501,796	\$ 35,157,208	\$ 36,592,207	\$ 37,197,454	\$ 39,409,190
Net (expense) revenue:										
Governmental activities	\$ (26,119,446)	\$ (27,706,319)	\$ (24,312,061)	\$ (25,300,892)	\$ (27,253,749)	\$ (26,822,774)	\$ (32,772,265)	\$ (28,725,430)	\$ (28,315,847)	\$ (34,570,699)
Business-type activities	(1,711,325)	293,098	668,476	189,021	(1,226,594)	(888,697)	(150,564)	(383,973)	968,435	248,282
Total primary government net expense	\$ (27,830,771)	\$ (27,413,221)	\$ (23,643,585)	\$ (25,111,871)	\$ (28,480,343)	\$ (27,711,471)	\$ (32,922,829)	\$ (29,109,403)	\$ (27,347,412)	\$ (34,322,417)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes collected for general purposes	\$ 17,272,247	\$ 17,259,393	\$ 17,625,056	\$ 18,029,864	\$ 17,910,227	\$ 18,374,053	\$ 19,078,993	\$ 19,549,342	\$ 20,209,099	\$ 21,013,387
Property taxes collected for special revenue									197,165	148,403
Property taxes collected for debt services	1,088,719	1,515,703	1,728,483	2,102,239	2,586,653	3,554,685	3,508,783	3,301,110	3,825,350	4,178,707
Property taxes collected for capital improvements	2,139,138	2,482,766	2,679,309	2,674,472	2,832,183	2,800,594	2,878,284	3,043,912	3,137,135	3,388,488
Tax increments	2,340,630	1,371,474	1,338,390	607,329	560,830	190,799	195,104	205,817	328,504	337,854
Grants and contributions not restricted to specific programs	100,639	104,887	47,159	42,112	976,856	1,117,258	1,160,917	1,170,561	1,234,346	1,239,385
Unrestricted investment earnings	1,313,591	2,429,304	990,583	(2,280,013)	3,385,518	1,349,718	595,755	1,162,677	1,033,161	2,753,934
Gain on sale of capital assets	187,054	67,032	304,945	43,423	262,910	3,161	159,031	90,605	62,535	
Miscellaneous	4,011,706	4,091,562	3,891,072	3,721,777	4,941,867	5,083,524	4,351,003	4,342,214	4,904,542	5,787,915
Transfers		(5,414,120)								
Total governmental activities	28,453,724	23,908,001	28,604,997	24,941,203	33,194,134	32,733,541	31,772,000	32,934,664	34,959,907	38,910,608
Business-type activities:										
Unrestricted investment earnings	151,164	250,394	129,816	(385,789)	615,663	269,989	82,575	134,848	97,334	329,495
Gain on sale of capital assets	4,790	14,894	10,260	11,140	45,531					
Miscellaneous				66,438	62,613	63,884	61,231	20,387		
Transfers		5,414,120								
Total business-type activities	155,954	5,679,408	140,076	(308,211)	723,807	333,873	143,806	155,235	97,334	329,495
Total primary government	\$ 28,609,678	\$ 29,587,409	\$ 28,745,073	\$ 24,632,992	\$ 33,917,941	\$ 33,067,414	\$ 31,915,806	\$ 33,089,899	\$ 35,057,241	\$ 39,240,103
Change in Net Position										
Governmental activities	\$ 2,334,278	\$ (3,798,318)	\$ 4,292,936	\$ (359,689)	\$ 5,940,385	\$ 5,910,767	\$ (1,000,265)	\$ 4,209,234	\$ 6,644,060	\$ 4,339,909
Business-type activities	(1,555,371)	5,972,506	808,552	(119,190)	(502,787)	(554,824)	(6,758)	(228,738)	1,065,769	577,777
Total primary government	\$ 778,907	\$ 2,174,188	\$ 5,101,488	\$ (478,879)	\$ 5,437,598	\$ 5,355,943	\$ (1,007,023)	\$ 3,980,496	\$ 7,709,829	\$ 4,917,686

Note: The City implemented Governmental Accounting Standards Board Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for the year ended December 31, 2013, resulting in a restatement of beginning net position. Years prior to 2013 have not been restated.

Note: The City implemented Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*, for the year ended December 31, 2018, resulting in a restatement of beginning net position. Years prior to 2018 have not been restated.

CITY OF COON RAPIDS, MINNESOTA

FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
DECEMBER 31

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Reserved	\$ 641,997									
Unreserved	11,491,566									
Nonspendable		\$ 564,220	\$ 490,077	\$ 409,748	\$ 438,296	\$ 484,521	\$ 705,810	\$ 622,535	\$ 561,703	\$ 393,190
Restricted		41,780	10,149	23,278	29,364	27,989	25,995	44,088	45,020	44,471
Assigned		100,875	223,519	392,602	196,625	118,300	75,850	84,700	65,000	16,248
Unassigned		11,888,822	12,143,846	12,631,844	13,242,936	13,791,970	13,566,004	14,481,631	15,029,197	16,030,549
Subtotal General Fund	\$ 12,133,563	\$ 12,595,697	\$ 12,867,591	\$ 13,457,472	\$ 13,907,221	\$ 14,422,780	\$ 14,373,659	\$ 15,232,954	\$ 15,700,920	\$ 16,484,458
All Other Governmental Funds										
Reserved	\$ 22,472,956									
Unreserved										
Special Revenue Funds	6,332,111									
Debt Service Funds	11,171,035									
Capital Projects Funds	22,976,808									
Nonspendable		\$ 7,144,468	\$ 5,744,391	\$ 5,009	\$ 7,386	\$ 9,402	\$ 9,266	\$ 3,789	\$ 5,945	\$ 13,561
Restricted		15,866,420	15,904,519	17,105,596	17,506,703	19,181,232	18,524,306	19,524,201	19,204,809	18,825,279
Committed		26,277,449	25,529,427	32,367,701	36,702,778	35,788,616	31,459,064	32,679,470	39,891,970	35,240,278
Assigned		231,381	1,832,727							
Unassigned		(3,800,857)	(4,736,496)	(1,018,315)	(2,293,522)	(1,418,146)	(2,023,843)	(3,137,711)	(1,444,292)	(2,857,374)
Subtotal All Other Governmental Funds	\$ 62,952,910	\$ 45,718,861	\$ 44,274,568	\$ 48,459,991	\$ 51,923,345	\$ 53,561,104	\$ 47,968,793	\$ 49,069,749	\$ 57,658,432	\$ 51,221,744
Total Governmental Funds										
Reserved	\$ 23,114,953									
Unreserved	51,971,520									
Nonspendable		\$ 7,708,688	\$ 6,234,468	\$ 414,757	\$ 445,682	\$ 493,923	\$ 715,076	\$ 626,324	\$ 567,648	\$ 406,751
Restricted		15,908,200	15,914,668	17,128,874	17,536,067	19,209,221	18,550,301	19,568,289	19,249,829	18,869,750
Committed		26,277,449	25,529,427	32,367,701	36,702,778	35,788,616	31,459,064	32,679,470	39,891,970	35,240,278
Assigned		332,256	2,056,246	392,602	196,625	118,300	75,850	84,700	65,000	16,248
Unassigned		8,087,965	7,407,350	11,613,529	10,949,414	12,373,824	11,542,161	11,343,920	13,584,905	13,173,175
Total Governmental Funds	\$ 75,086,473	\$ 58,314,558	\$ 57,142,159	\$ 61,917,463	\$ 65,830,566	\$ 67,983,884	\$ 62,342,452	\$ 64,302,703	\$ 73,359,352	\$ 67,706,202

Note: The City implemented Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* for the year ended December 31, 2011, resulting in reclassification of the components of fund balance. Years prior to 2011 have not been restated.

CITY OF COON RAPIDS, MINNESOTA

CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

Source	For the Year Ended December 31									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues:										
General property taxes	\$ 20,606,011	\$ 21,362,199	\$ 22,063,230	\$ 22,871,142	\$ 23,407,167	\$ 24,785,417	\$ 25,455,853	\$ 25,965,986	\$ 27,395,009	\$ 28,709,289
Tax increments	2,340,630	1,371,474	1,338,390	607,329	560,830	190,799	195,104	205,817	328,504	337,854
Special assessments	2,360,581	2,507,616	2,555,014	2,347,775	2,222,150	2,210,103	2,238,464	2,605,304	3,019,209	2,770,282
Licenses and permits	1,424,439	1,561,369	1,674,469	1,833,910	1,753,373	1,471,009	1,718,043	2,726,688	2,364,598	2,190,777
Fines and forfeitures	405,998	477,264	403,251	334,526	287,596	310,455	286,999	261,681	209,652	197,052
Investment income	1,159,638	2,141,346	875,930	(1,915,510)	2,922,053	1,199,488	556,140	1,028,582	911,886	2,368,386
Intergovernmental	3,900,251	4,359,186	5,546,238	3,849,436	5,686,906	6,126,483	5,162,661	6,541,747	6,142,465	6,718,652
Payments on notes	41,388	72,141	67,864	311,064	41,812	150,749	60,429	62,808	387,182	494,949
Charges for services	1,681,815	1,803,110	2,023,947	2,092,317	2,110,526	1,916,778	2,160,161	2,034,489	2,200,408	2,356,374
Platting fees	64,400	4,000		4,000	132,400	233,660	40,700	101,320	346,819	299,830
Other	5,427,804	5,244,461	5,813,838	5,969,497	6,603,915	6,543,441	6,462,610	6,475,000	6,762,863	8,943,852
Total Revenues	39,412,955	40,904,166	42,362,171	38,305,486	45,728,728	45,138,382	44,337,164	48,009,422	50,068,595	55,387,297
Expenditures:										
Current:										
General government	4,545,933	5,294,257	4,593,557	4,884,996	5,354,879	6,128,287	5,606,942	5,727,131	6,221,213	6,646,135
Public safety	12,260,567	12,319,225	12,805,233	13,016,603	13,752,422	14,357,554	14,622,162	14,968,823	15,752,335	16,359,630
Community services	644,122	600,001	596,624	573,592	607,968	657,273	723,889	742,655	812,263	860,929
Community development	1,970,652	2,021,636	1,929,385	1,996,238	2,085,200	2,074,414	2,187,884	2,110,971	1,989,989	9,598,282
Maintenance services	6,243,405	6,599,069	6,720,129	6,849,113	7,138,050	7,250,853	7,206,455	7,391,293	7,780,776	8,039,718
Capital outlay and improvements	13,508,321	20,038,416	13,351,483	9,875,556	13,697,841	17,797,550	18,407,297	14,984,690	13,590,025	17,653,741
Debt service:										
Principal retirement	1,330,000	2,430,000	2,160,000	1,725,000	1,875,000	2,965,000	2,240,000	3,580,000	2,670,000	3,745,000
Interest and fiscal charges	370,998	894,682	808,962	776,877	811,172	829,938	1,072,837	1,070,787	1,129,049	1,655,326
Other	56,187	41,169	35,467	30,382	27,133	22,411	16,906	8,181	3,655	1,007
Total Expenditures	40,930,185	50,238,455	43,000,840	39,728,357	45,349,665	52,083,280	52,084,372	50,584,531	49,949,305	64,559,768
Excess (Deficiency) of										
Revenues over Expenditures	(1,517,230)	(9,334,289)	(638,669)	(1,422,871)	379,063	(6,944,898)	(7,747,208)	(2,575,109)	119,290	(9,172,471)
Other Financing Sources (Uses):										
Bond issuance	17,080,000			6,615,000	4,090,000	8,400,000	5,685,000	4,625,000	8,885,000	3,235,000
Refunding bond issuance										10,260,000
Payment to Refunding Escrow Agent										(10,705,023)
Premium on bonds issued	33,736			251,368	79,274	359,065	386,989	245,486		1,156,782
Discount on bonds issued	(240,208)									
Sale of Capital Assets						1,054,000	170,087	159,031		62,535
Transfers in	14,926,978	3,580,537	3,587,978	2,018,124	2,069,713	7,200,586	5,415,327	6,395,038	475,523	3,448,122
Transfer out	(15,329,732)	(9,447,290)	(4,121,708)	(2,686,317)	(2,704,947)	(7,915,435)	(6,097,056)	(6,889,195)	90,605	(3,938,095)
Total Other Financing Sources (Uses)	16,470,774	(5,866,753)	(533,730)	6,198,175	3,534,040	9,098,216	5,560,347	4,535,360	9,451,128	3,519,321
Net Change in Fund Balances	\$ 14,953,544	\$ (15,201,042)	\$ (1,172,399)	\$ 4,775,304	\$ 3,913,103	\$ 2,153,318	\$ (2,186,861)	\$ 1,960,251	\$ 9,570,418	\$ (5,653,150)
Debt Service as a % of										
Noncapital Expenditures	5.4%	9.2%	8.8%	7.5%	7.6%	9.0%	8.8%	11.9%	9.7%	11.1%

CITY OF COON RAPIDS, MINNESOTA

MARKET VALUE AND TAX CAPACITY VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Year Ended December 31 (Payable)	Indicated Market Value (1)	Taxable Market Value (2)						Tax Capacity Value (3)	Tax Capacity Value as a % of Taxable Market Value	Tax Capacity Rate
		Real Property				Personal Property	Total			
		Residential	Commercial	Agricultural	Other					
2010	\$ 5,390,273,093	\$ 4,075,634,250	\$ 929,247,500	\$ 1,099,650	\$ 22,160,800	\$ 40,538,200	\$ 5,068,680,400	\$ 60,770,547	1.20 %	34.468
2011	4,811,249,418	3,615,823,400	862,618,600	998,800	23,745,600	43,444,300	4,546,630,700	54,880,856	1.21 %	38.951
2012	4,628,196,398	3,066,010,382	806,029,200	968,943	23,357,500	43,072,500	3,939,438,525	48,217,805	1.22 %	42.824
2013	4,190,437,869	2,706,549,993	745,286,500	921,660	24,877,500	44,956,900	3,522,592,553	43,467,894	1.23 %	48.835
2014	4,261,288,103	2,696,601,125	763,016,900	919,016	25,707,000	41,938,400	3,528,182,441	43,670,617	1.24 %	47.508
2015	4,764,308,759	3,133,685,353	809,612,400	993,595	27,946,300	41,278,700	4,013,516,348	49,038,831	1.22 %	44.754
2016	4,947,546,863	3,294,578,225	852,035,800	993,185	33,322,900	38,071,900	4,219,002,010	51,614,051	1.22 %	44.908
2017	5,105,318,437	3,453,343,321	884,474,900	1,254,200	37,213,100	39,277,600	4,415,563,121	54,020,606	1.22 %	44.212
2018	5,575,726,560	3,913,317,649	886,171,800	973,628	38,939,500	41,567,500	4,880,970,077	58,746,505	1.20 %	42.368
2019	6,014,863,545	4,302,235,978	927,982,500	1,002,125	40,377,600	43,513,700	5,315,111,903	63,612,762	1.20 %	41.232

(1) Indicated market value is calculated by dividing the estimated market value by the City's sales ratio determined by the State Department of Revenue. This is the estimate of what a property would sell for.

(2) Estimated market value is limited to the amount it can increase over the prior year resulting in the taxable market value.

(3) Tax capacity value is the taxable value after applying appropriate class rates for the property type.

TABLE 6

CITY OF COON RAPIDS, MINNESOTA

PROPERTY TAX RATES -- DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

Payable Year	City of Coon Rapids (2)	Overlapping Rates (1)			Total Direct and Overlapping Rates
		Anoka County	Anoka-Hennepin School District #11	Special Districts	
2010	34.468	35.189	19.939	6.089	95.685
2011	38.951	39.952	23.999	6.985	109.887
2012	42.824	41.146	23.325	6.990	114.285
2013	48.835	44.411	26.801	7.268	127.315
2014	47.508	43.239	28.265	7.425	126.437
2015	44.754	38.123	22.482	6.863	112.222
2016	44.908	38.894	20.885	7.775	112.462
2017	44.212	35.334	18.392	6.401	104.339
2018	42.368	36.841	18.590	6.612	104.411
2019	41.232	34.908	16.330	5.916	98.386

Source: Anoka County

(1) Overlapping rates are those of other governments that apply to property owners within the City of Coon Rapids. Not all overlapping rates apply to all City of Coon Rapids property owners (e.g., the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).

(2) Within the Anoka County property tax system, the City is an individual tax district. Thus the City direct rate is an individual rate, and is not comprised of component direct rates.

TABLE 7

CITY OF COON RAPIDS, MINNESOTA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Payable Principal Taxpayer	2019				2010			
	Taxable Market Value	Rank	Tax Capacity Value	Percentage of Total Tax Capacity Value	Taxable Market Value	Rank	Tax Capacity Value	Percentage of Total Tax Capacity Value
DDR MDT Riverdale Village Outer Ring LLC	\$ 58,152,500	1	\$ 1,162,300	1.83%	\$ 49,489,600 *	1	\$ 989,042	1.54%
DDR MDT Riverdale Village Inner Ring LLC	46,924,200	2	936,525	1.47%	46,088,300 *	2	919,673	1.43%
Allina Health System	36,687,600	3	731,477	1.15%				
Riverdale 2005 LLC	31,492,100	4	629,092	0.99%	26,159,300	3	522,436	0.81%
Xcel (fka Northern States Power)	30,320,000	5	606,400	0.95%	17,120,400	8	342,408	0.53%
Inland Riverdale Commons LLC	21,393,400	6	426,368	0.67%	20,197,000	5	403,190	0.63%
Sup I Village Ten LLC	21,000,000	7	419,250	0.66%	18,969,300	6	378,636	0.59%
Target Corporation	16,959,800	8	337,696	0.53%	18,300,900	7	364,518	0.57%
Medtronic Inc.	16,481,100	9	328,872	0.52%				
SCF Coon Rapids LLC	15,407,500	10	307,400	0.48%				
WC Northtown Village LLC					20,343,500	4	406,120	0.63%
Connexus Energy					15,385,100	9	306,556	0.48%
Menard, Inc.					14,754,500	10	294,340	0.48%
Totals	<u>\$ 294,818,200</u>		<u>\$ 5,885,380</u>	<u>9.25%</u>	<u>\$ 246,807,900</u>		<u>\$ 4,926,919</u>	<u>8.11%</u>

*formerly Coon Rapids Riverdale Village; now DDR MDT Riverdale Village Inner & Outer Ring LLC

Source: Anoka County

CITY OF COON RAPIDS, MINNESOTA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended December 31	Taxes Levied for the Fiscal Year	Levy Adjustments	Total to be collected	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of Levy and Adjustments
2010	\$ 19,995,687	\$ (337,966)	\$ 19,657,721	\$ 19,575,935	99.58%	\$ 63,130	\$ 19,639,065	99.91%
2011	20,589,661	(170,043)	20,419,618	20,383,108	99.82%	30,757	20,413,865	99.97%
2012	21,479,029	(277,707)	21,201,322	21,201,033	100.00%	(8,385)	21,192,648	99.96%
2013	22,436,696	(177,371)	22,259,325	22,170,164	99.60%	81,356	22,251,520	99.96%
2014	22,887,508	(193,364)	22,694,144	22,676,338	99.92%	6,727	22,683,065	99.95%
2015	24,269,114	(205,783)	24,063,331	24,063,225	100.00%	(23,843)	24,039,382	99.90%
2016	24,882,645	(191,381)	24,691,264	24,691,417	100.00%	(109,872)	24,581,545	99.56%
2017	25,621,862	(186,505)	25,435,357	25,434,672	100.00%	(63,355)	25,371,317	99.75%
2018	26,854,359	(50,149)	26,804,210	26,752,781	99.81%	20,190	26,772,971	99.88%
2019	28,244,265	(75,939)	28,168,326	28,014,901	99.46%		28,014,901	99.46%

CITY OF COON RAPIDS, MINNESOTA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Lease Revenue Bonds	Tax Increment Bonds	Special Assessments Bonds	Water Revenue Bonds	Storm Water Drainage Revenue Bonds	Recreational Facility Revenue Bonds	Capital Leases			
2010	\$ 1,843,822	\$ 14,319,792	\$ 2,240,228	\$ 6,538,631	\$ 10,284,523		\$ 4,172,188		\$ 39,399,184	1.69%	641
2011	1,443,059	14,330,460	795,000	5,960,015	9,449,133		4,174,219		36,151,886	1.46%	585
2012	1,082,294	13,966,129	240,000	5,081,398	8,578,744		4,056,250		33,004,815	1.29%	534
2013	721,529	13,591,797		11,199,150	10,394,564		4,746,647		40,653,687	1.56%	649
2014	360,765	13,202,465		14,219,670	14,302,619	\$ 850,534	4,627,788		47,563,841	1.74%	762
2015	5,486,956	12,796,444		15,260,099	14,753,108	848,980	4,503,928	\$ 304,848	53,954,363	1.89%	863
2016	5,934,446	12,380,423		19,003,409	17,158,094	772,427	4,380,068	237,685	59,866,552	2.06%	954
2017	7,431,514	11,954,402		19,110,220	15,311,846	690,874	4,485,838	168,650	59,153,344	1.95%	935
2018	11,888,862	11,513,380		21,662,145	15,408,832	609,320	4,329,895	91,691	65,504,125	2.16%	1,025
2019	21,501,756			23,707,013	16,540,458	527,767	4,163,952	24,759	66,465,705	1.99%	1,039

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 14) for personal income and population data.

CITY OF COON RAPIDS, MINNESOTA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Taxable Market Value of Property (1)	Per Capita (2)
2010	\$ 1,843,822	\$ 400,383	\$ 1,443,439	0.03%	\$ 23
2011	1,443,059	74,481	1,368,578	0.03%	22
2012	1,082,294		1,082,294	0.03%	17
2013	721,529		721,529	0.02%	12
2014	360,765		360,765	0.01%	6
2015	5,486,956	613,554	4,873,402	0.12%	78
2016	5,934,446	426,401	5,508,045	0.13%	88
2017	7,431,514	650,741	6,780,773	0.15%	107
2018	11,888,862	669,761	11,219,101	0.23%	176
2019	21,501,756	899,999	20,601,757	0.39%	322

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

(1) See the Schedule of Market Value and Tax Capacity Value of Taxable Property (Table 5) for property value data.

(2) Population data can be found in the Schedule of Demographic and Economic Statistics (Table 14).

TABLE 11

CITY OF COON RAPIDS, MINNESOTA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2019

Governmental Unit	Debt Outstanding	Applicable to City	
		Percent	Amount
Direct Debt:			
City of Coon Rapids	\$ 45,208,769 (1)	100.00%	\$ 45,208,769
Overlapping Debt:			
Anoka County	71,840,000	17.23%	12,378,032
Independent School District #11	175,390,000	25.79%	45,237,290
Metropolitan Council	263,285,000	1.60%	4,203,608
Total Overlapping Debt	<u>510,515,000</u>		<u>61,818,931</u>
Total Direct and Overlapping Debt	<u>\$ 555,723,769</u>		<u>\$ 107,027,700</u>

Sources: Anoka County, Independent School District #11, Metropolitan Council, and City of Coon Rapids

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 Coon Rapids. 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. This does not imply that every taxpayer is a resident and therefore responsible for repaying the debt of each overlapping government.

(1) The total of outstanding debt for governmental activities from Table 9.

CITY OF COON RAPIDS, MINNESOTA

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt limit	\$ 152,060,412	\$ 136,398,921	\$ 118,183,156	\$ 105,677,777	\$ 105,845,473	\$ 120,405,490	\$ 126,570,060	\$ 132,466,894	\$ 146,429,102	\$ 159,453,357
Total net debt applicable to limit						4,681,446	5,288,599	6,479,259	10,755,239	20,065,001
Legal debt margin	<u>\$ 152,060,412</u>	<u>\$ 136,398,921</u>	<u>\$ 118,183,156</u>	<u>\$ 105,677,777</u>	<u>\$ 105,845,473</u>	<u>\$ 115,724,044</u>	<u>\$ 121,281,461</u>	<u>\$ 125,987,635</u>	<u>\$ 135,673,863</u>	<u>\$ 139,388,356</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	3.89%	4.18%	4.89%	7.35%	12.58%

Legal Debt Margin Calculation for Fiscal Year 2019

Estimated market value (taxes payable 2019)	<u>\$ 5,315,111,903</u>
Debt limit (1)	<u>\$ 159,453,357</u>
Debt applicable to limit:	
General obligation bonds (2)	20,965,000
Less: Amount set aside for repayment of general obligation debt (3)	<u>(899,999)</u>
Total net debt applicable to limit	<u>20,065,001</u>
Legal debt margin	<u>\$ 139,388,356</u>

- (1) Under state law, no municipality, except a school district or a city of the first class, shall incur or be subject to a net debt in excess of three percent of the market value of taxable property in the municipality.
- (2) General obligation bonds (net of discount/premium)
- (3) Under state law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying those bonds.

TABLE 13

CITY OF COON RAPIDS, MINNESOTA

PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available For Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
WATER REVENUE BONDS							
2010	\$ 4,692,739	\$ 3,295,570	\$ 1,397,169	\$ 780,000	\$ 496,096	\$ 1,276,096	109.49%
2011	4,867,997	3,129,164	1,738,833	835,000 (3)	394,424	1,229,424	141.43%
2012	6,072,374	3,535,315	2,537,059	870,000 (3)	360,986	1,230,986	206.10%
2013	5,568,086	3,162,383	2,405,703	3,210,000 (4)	320,834	3,530,834	68.13%
2014	5,222,918	3,780,351	1,442,567	950,000	326,788	1,276,788	112.98%
2015	5,528,543	3,261,499	2,267,044	1,195,000	378,244	1,573,244	144.10%
2016	5,973,952	3,059,373	2,914,579	1,655,000	363,582	2,018,582	144.39%
2017	5,947,790	2,952,404	2,995,386	3,350,000 (4)	339,293	3,689,293	81.19%
2018	6,118,039	3,008,746	3,109,293	2,020,000	374,887	2,394,887	129.83%
2019	5,635,137	2,991,764	2,643,373	1,770,000	370,767	2,140,767	123.48%
STORM WATER DRAINAGE REVENUE BONDS							
2015	\$ 1,462,245	\$ 605,461	\$ 856,784		\$ 15,531	\$ 15,531	5516.61%
2016	1,397,876	695,938	701,938	\$ 75,000	14,109	89,109	787.73%
2017	1,433,064	1,096,884	336,180	80,000	12,517	92,517	363.37%
2018	1,545,111	798,555	746,556	80,000	13,137	93,137	801.57%
2019	1,815,674	731,997	1,083,677	80,000	11,537	91,537	1183.87%
RECREATIONAL FACILITY REVENUE BONDS (5)							
2010	\$ 1,863,822	\$ 1,545,297	\$ 318,525		(7)		N/A
2011	2,268,506	1,720,814	547,692		\$ 212,005	\$ 212,005	258.34%
2012	2,392,285	1,938,501	453,784	\$ 120,000	204,076	324,076	140.02%
2013	2,546,234	1,923,046	623,188	120,000	219,850	339,850	183.37%
2014	2,700,099	2,328,180	371,919	120,000	215,657	335,657	110.80%
2015	5,270,616	5,339,059	(68,443)	125,000	223,984	348,984	-19.61%
2016	6,684,913	6,300,339	384,574	125,000	229,664	354,664	108.43%
2017	7,016,207	6,559,795	456,412	3,615,000 (6)	233,259	3,848,259	11.86%
2018	7,431,552	6,874,767	556,785	150,000	122,141	272,141	204.59%
2019	7,334,022	6,926,324	407,698	160,000	114,252	274,252	148.66%

(1) Gross revenues include operating revenues and investment income.

(2) Operating expenses do not include depreciation.

(3) Excludes \$4,090,000 for bonds refunded with refunding bond proceeds held in escrow.

(4) Includes \$2,305,000 in called bonds in 2013 and \$1,675,000 in 2017.

(5) For golf course.

(6) Includes \$3,615,000 of refunded bonds in 2017.

(7) Interest of \$26,378 in 2010 on the Statement of Revenues, Expenses & Changes in Fund Net Assets was for interfund loan interest only.

TABLE 14

CITY OF COON RAPIDS, MINNESOTA

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2010	61,476	2,326,743,648	37,848	7.9%
2011	61,766	2,470,887,064	40,004	6.7%
2012	61,850	2,560,033,350	41,391	5.7%
2013	62,684	2,614,048,168	41,702	5.0%
2014	62,435	2,728,721,675	43,705	4.1%
2015	62,527	2,848,480,012	45,556	3.8%
2016	62,726	2,903,272,910	46,285	3.7%
2017	63,272	3,032,816,776	47,933	3.5%
2018	63,899	3,185,684,645	49,855	2.7%
2019	63,968	3,347,701,312	52,334	3.1%

(1) Estimates as provided by the Metropolitan Council except 2010 which is a U.S. Census figure.

(2) Calculated based on the per capita personal income for Anoka County (as provided by the U.S. Department of Commerce).

(3) For Anoka County as provided by the U.S. Department of Commerce.

(4) City of Coon Rapids rate as provided by the Minnesota Department of Employment and Economic Development.

TABLE 15

CITY OF COON RAPIDS, MINNESOTA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	2019			2010		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Mercy Hospital (Allina Health System)	1,974	1	7.66%	2,180	1	9.54%
Independent School District #11 ¹	1,303 ¹	2	5.06%	1,471 ³	2	6.44%
RMS Company	950	3	3.69%	321	8	1.40%
Honeywell Aerospace	600	4	2.33%	600	4	2.62%
Target	600	5	2.33%	460	7	2.01%
Anoka Ramsey Community College	550	6	2.13%	480	6	2.10%
Hom Furniture	300	7	1.16%			
City of Coon Rapids ²	297 ²	8	1.15%	226	10	0.99%
Menards	220	9	0.85%			
Wal-Mart	200	10	0.78%			
Mary T Inc.				655	3	2.87%
Allina Medical Center				482	5	2.11%
John Roberts Company				315	9	1.38%
	<u>6,994</u>		<u>27.15%</u>	<u>7,190</u>		<u>31.46%</u>

Sources: 2019 - Ehlers & Associates, Inc.

2010 - City of Coon Rapids Comprehensive Annual Financial Report

¹Includes full-time, part-time and seasonal employees that work in the City.

²Includes full-time, part-time and seasonal employees on a full-time equivalent basis.

³Includes full-time, part-time and seasonal employees that work in the entire School District.

CITY OF COON RAPIDS, MINNESOTA

FULL TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government	34	34	34	34	34	33	34	34	36	35
Public Safety:										
Police	72	72	72	72	72	73	74	75	76	75
Fire	32	32	32	32	32	32	32	32	33	33
Community Services	2	2	2	2	2	2	2	3	3	3
Community Development	18	19	17	17	18	19	19	19	19	19
Streets	12	12	12	12	13	13	14	14	14	14
Parks and Recreation	17	17	17	17	17	16	16	16	17	18
Maintenance of Buildings/Vehicles	9	9	9	9	9	9	9	10	9	9
Engineering and Design	9	9	9	9	9	10	9	9	9	9
Water	11	11	9	9	9	9	9	8	8	8
Sewer	6	6	7	7	7	7	7	7	7	7
Storm Drain	1	1	1	1	1	1	1	1	1	1
Golf	3	3	4	4	4	4	4	4	4	4
Total	226	227	225	225	227	228	230	232	236	235

Sources: City of Coon Rapids Human Resources Department

CITY OF COON RAPIDS, MINNESOTA

TABLE 17

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
Special assessment divisions made	14	4	6	8	4	5	2	9	3	1
Physical inspections	4,430	4,182	4,428	4,326	5,068	5,454	5,635	7,037	6,753	5,825
Real estate divisions made	12	5	6	8	15	16	9	19	14	4
Number of purchase orders processed	2,510	2,707	2,679	2,764	2,338	1,841	1,792	1,806	2,151	1,987
Insurance claims processed	58	50	52	53	61	64	61	81	80	84
Number of W-2's issued	457	465	471	465	495	499	505	506	525	518
Turnover rate of employees	1.30%	5.70%	5.75%	6.19%	8.37%	7.02%	6.52%	6.90%	6.36%	6.30%
Cases resolved prior to trial	98%	98%	98%	99%	99%	99%	93%	91%	91%	96%
Public Safety:										
Police										
Formal complaints issued:										
Gross Misdemeanor	308	277	267	233	231	299	306	340	307	471
Misdemeanor and Petty	684	794	669	621	515	468	352	301	1,166	531
Accidents	1,732	1,815	1,785	2,034	2,063	2,012	1,889	2,060	2,053	2,866
Crimes Reported	2,985	2,742	2,148	1,911	1,836	1,941	1,987	2,086	1,669	1,699
Totals calls for service	39,133	40,270	38,761	37,650	38,164	44,607	43,321	45,322	37,982	51,378
Traffic citations	3,665	3,724	2,992	2,168	1,611	1,706	1,613	1,832	1,375	1,187
Fire										
Fire inspections of existing buildings	480	982	511	1,038	964	515	400	898	601	443
Total Fire Department calls (excluding medical)	1,415	1,695	1,556	1,473	1,688	1,731	1,894	1,882	1,919	2,242
Medical alarms	3,079	3,156	3,322	3,320	3,291	3,423	3,977	4,341	4,516	4,593
Community Services										
Number of persons in City Funded Senior Programs (duplicated)	31,892	32,512	33,796	33,039	33,172	33,770	33,400	33,871	36,396	38,614
Community Development										
Number of new housing units approved:										
-Single Family	10	21	33	15	13	26	20	35	22	17
-Multiple Family	8	5	0	0	0	0	2	4	4	0
Estimated number of complaint inspections performed	1,015	2,826	1,697	2,050	1,321	1,150	1,110	1,275	1,448	1,461
Number of building permits issued	2,219	2,270	2,523	2,230	2,038	2,089	2,328	7,238	3,706	3,336
Number of long grass complaints received	420	1,101	841	865	884	622	567	531	515	388
Number of rental units inspected	488	822	527	636	651	942	972	913	916	874
Streets										
Number of cul-de-sacs to plow	411	422	422	422	422	423	423	423	423	424
Miles of streets sealcoated	22	13	32	24	17.1	17.2	16.2	16.2	14.3	11.9
Miles of streets reconstructed	7.6	8.5	10.1	10.8	9.1	8.6	7.5	10.5	8.9	9.3
Miles of sidewalks plowed	87	87	84	101	102	102	102	102	102	102

(Continued)

CITY OF COON RAPIDS, MINNESOTA

TABLE 17

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Parks and Recreation										
Number of City parks	44	44	44	44	44	45	45	46	46	46
Number of ice hours utilized (50 weeks)	2,053	2,225	2,127	2,001	2,680	2,734	3,223	3,340	3,470	3,167
Number of trees removed on private/public property	295	1,038	665	468	867	776	1,067	831	1,295	1,683
Maintenance of Buildings/Vehicles										
Number of licensed motor/trailer vehicles in fleet	188	200	209	206	212	210	195	193	201	201
Square footage of buildings maintained (excludes Public Works building)	73,500	73,500	73,500	73,500	73,500	73,500	73,500	73,500	73,500	73,500
Water										
Number of utility accounts	20,614	21,003	20,021	21,089	21,156	21,185	21,197	21,220	21,251	21,276
Sewer										
Miles of sewer lines jetted	78	77	34	32	86	79	54	103	153	77
Number of manholes checked & cleaned	2,072	2,078	1,064	5,925	1,128	1,163	1,272	1,371	1,446	1,518
Golf										
Number of golf rounds played (1)	90,000	n/a								
Number of tournaments & leagues conducted	200	n/a								
Number of paid adult golf rounds (1)		26,993	28,532	24,247	25,234	23,975	23,816	24,320	24,315	21,681
Number of paid membership rounds (1)		31,646	35,913	29,836	29,704	36,528	32,236	30,810	25,823	24,288
Number of memberships sold		1,660	2,048	2,017	2,092	2,107	2,031	1,948	1,899	1,952

(1) Golf measurements beginning in 2011 include only individually paid rounds. Previous years included estimates for tournaments.

Note: Figures not available for certain prior year indicators.

Sources: Various city departments

CITY OF COON RAPIDS, MINNESOTA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Public Safety:										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles (includes trailers)	43	43	47	47	46	44	50	47	48	49
Fire										
Stations	3	3	3	3	3	3	3	3	3	3
Vehicles (includes trailers)	24	24	24	25	25	25	28	23	21	21
Streets										
Streets (miles)	221.0	221.0	221.0	217.0	217.0	217.0	217.0	217.0	217.0	217.0
Cul-de-sacs	411	422	422	422	422	423	423	423	423	424
Parks and Recreation										
Parks acreage	871	871	871	902	902	902	902	902	917	917
Outdoor skating rinks	6	6	6	6	6	6	8	8	8	8
Indoor ice arena	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	293.6	293.6	293.6	300.4	300.4	300.4	300.4	300.4	300.4	300.4
East treatment plant capacity (millions of gallons)	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2
West treatment plant capacity (millions of gallons)	14	14	14	14	14	14	14	14	14	14
# of wells	24	24	24	24	24	24	24	24	24	24
Maximum daily capacity (millions of gallons)	32.9	32.9	32.9	32.9	32.9	32.9	32.9	32.9	32.9	32.9
Sewer										
Sewer mains (miles)	247.2	247.2	247.2	249.2	249.2	249.2	249.2	249.2	249.2	253.2
Lift stations	16	16	16	16	16	16	16	16	16	16
Storm Water Drainage										
Storm sewer pipe (miles)	106.8	106.8	106.8	111.1	111.1	111.1	111.1	111.1	111.1	111.1

Sources: Various city departments

Note: No capital asset indicators are available for the general government function.