



CITY COUNCIL REGULAR AGENDA
MONDAY, JUNE 21, 2021
CITY HALL at 7:00 PM

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. PLEDGE OF ALLEGIANCE**
- 4. ADDITIONS OR CORRECTIONS TO AGENDA**
- 5. DISCUSSION FROM THE FLOOR**
- 6. CONSENT AGENDA**
 - [A.](#) Approval of Minutes - June 7, 2021 Council Meeting
 - [B.](#) Approval of Minutes - June 14, 2021 Council Work Session
 - [C.](#) Contractor Pay Request Final - Garfield Pond Improvements Project
 - [D.](#) Second Quarter Billing for 2022 Payable 2023 Property Tax Assessment - Ken Tolzmann
 - [E.](#) General Operations Disbursements - Claim Resolution #21-09 - \$379,128.40
 - [F.](#) Resolution 21-22, Supporting the Development of a Greater Twin Cities Public Safety Training Facility
 - [G.](#) Contractor's Licenses
- 7. DEPARTMENT REPORTS**
 - [A.](#) Police Report
 - [B.](#) Recreation Report
- 8. ORDINANCES AND/OR RESOLUTIONS**
- 9. NEW BUSINESS**
 - [A.](#) 2020 Audited Financial Statements
 - [B.](#) Approval of Hire for Police Records Technician
- 10. REPORTS**
 - A. Attorney Report
 - [B.](#) Engineer Report
 - C. Administrator Report
- 11. OTHER**
 - [A.](#) Correspondence
- 12. ADJOURN**

**SEE REVERSE SIDE FOR RULES FOR PUBLIC HEARINGS AND
DISCUSSION FROM THE FLOOR**

Individuals with disabilities needing auxiliary aid(s) may request assistance by contacting the City Clerk at 1301 81st Avenue NE, Spring Lake Park, MN 55432. Ph.763-784-6491 at least 48 hours in advance.

RULES FOR DISCUSSION FROM THE FLOOR AND PUBLIC HEARINGS

DISCUSSION FROM THE FLOOR

- Discussion from the floor is limited to three minutes per person. Longer presentations must be scheduled through the Administrator, Clerk/Treasurer's office.
- Individuals wishing to be heard must sign in with their name and address. Meetings are video recorded so individuals must approach the podium and speak clearly into the microphone.
- Council action or discussion should not be expected during "Discussion from the Floor." Council may direct staff to research the matter further or take the matter under advisement for action at the next regularly scheduled meeting.

PUBLIC HEARINGS

The purpose of a public hearing is to allow the City Council to receive citizen input on a proposed project. This is not a time to debate the issue.

The following format will be used to conduct the hearing:

- The presenter will have a maximum of 10 minutes to explain the project as proposed.
- Councilmembers will have the opportunity to ask questions or comment on the proposal.
- Citizens will then have an opportunity to ask questions and/or comment on the project. Those wishing the comment are asked to limit their comments to 3 minutes.

In cases where there is a spokesperson representing a group wishing to have their collective opinions voiced, the spokesperson should identify the audience group he/she is representing and may have a maximum of 10 minutes to express the views of the group.

- People wishing to comment are asked to keep their comments succinct and specific.
- Following public input, Councilmembers will have a second opportunity to ask questions of the presenter and/or citizens.
- After everyone wishing to address the subject of the hearing has done so, the Mayor will close the public hearing.
- The City Council may choose to take official action on the proposal or defer action until the next regularly scheduled Council meeting. No further public input will be received at that time.

OFFICIAL PROCEEDINGS

Pursuant to due call and notice thereof, the regularly scheduled meeting of the Spring Lake Park City Council Regular was held on June 7, 2021 at the City Hall, at 7:00 PM

1. CALL TO ORDER

Acting Mayor Wendling called the meeting to order at 7:00 PM.

2. ROLL CALL

PRESENT

Councilmember Ken Wendling
Councilmember Brad Delfs
Councilmember Barbara Goodboe-Bisschoff
Councilmember Lisa Dircks

ABSENT

Mayor Robert Nelson

STAFF PRESENT

Public Works Director Randall, Police Chief Ebeltoft, Recreation Director Okey, Building Official Baker, Attorney Thames, Engineer Gravel, and Administrator Buchholtz

3. PLEDGE OF ALLEGIANCE

4. ADDITIONS OR CORRECTIONS TO AGENDA -- None

5. DISCUSSION FROM THE FLOOR -- None

6. CONSENT AGENDA

- A. Approval of Minutes - May 17, 2021 City Council Meeting
- B. Resolution 21-20, Accepting Monetary Donation
- C. Approval of Agreement for Local Assessor Services
- D. Approval of Temporary Liquor License - Kraus Hartig VFW for Tower Days Car Show
- E. Payment Request #6 - Arthur Street Water Treatment Plant Repairs
- F. Payment Request #5/Final - 2020 Sanitary Sewer Lining Project
- G. Business License
- H. Contractor's Licenses

Motion made by Acting Mayor Wendling to approve the Consent Agenda.

Voting Yea: Councilmember Delfs, Councilmember Goodboe-Bisschoff, Councilmember Dircks, Acting Mayor Wendling. Motion carried.

7. DEPARTMENT REPORTS

A. Public Works Report

Director Randall presented the monthly report for May 2021. He stated that Public Works has laid 12 tons of asphalt to patch potholes within the seal coat area. He stated that the pavement has been restored over the water main breaks.

B. Code Enforcement Report

Building Official Baker presented the Code Enforcement Report.

8. ORDINANCES AND/OR RESOLUTIONS

A. Resolution 21-21, Accepting the Coronavirus Local Fiscal Recovery Fund Established Under the American Rescue Plan Act

Administrator Buchholtz stated that the City is eligible for an estimated \$730,000 through the Coronavirus Local Fiscal Recovery Fund established under the American Rescue Plan Act. He stated that the funds can be used for the following eligible purposes: 1) responding to the public health emergency; 2) addressing negative economic impacts from the COVID-19 pandemic; 3) serving the hardest hit from the COVID-19 pandemic; and 4) improving access to infrastructure (water/sewer/storm water). He stated that funds will be distributed to the City in 2021 and 2022 for use no later December 31, 2024. He recommended approval of Resolution 21-21.

Motion made by Councilmember Dircks to approve Resolution 21-21, Accepting the Coronavirus Local Fiscal Recovery Fund Established Under the American Rescue Plan Act.

Voting Yea. Councilmember Delfs, Councilmember Goodboe-Bisschoff, Councilmember Dircks, Acting Mayor Wendling. Motion carried.

9. NEW BUSINESS

A. Appoint Josh Antoine as Chief of Police

Administrator Buchholtz stated that the City Council interviewed Sergeant Josh Antoine for its Police Chief opening and directed Administrator Buchholtz to make a conditional job offer to Mr. Antoine. He stated that Mr. Antoine has accepted the conditional job offer and presented a proposed employment contract for the City Council to consider.

Motion made by Councilmember Goodboe-Bisschoff to appoint Josh Antoine as the next Chief of Police for the City of Spring Lake Park and to authorize the Mayor and City Administrator to execute the Employment Agreement between the City and Josh Antoine.

Voting Yea: Councilmember Delfs, Councilmember Goodboe-Bisschoff, Councilmember Dircks, Acting Mayor Wendling. Motion carried.

B. Appointment of Recreation Program Supervisor

Director Okey presented Jamie Cassidy as the preferred candidate to fill the vacant Recreation Program Supervisor position. She stated that she recommended the starting wage be Step 4 of the City's Salary Schedule, with an increase to Step 5 upon a successful performance evaluation after 6 months.

Motion made by Councilmember Delfs to appoint Jamie Cassidy as Recreation Program Supervisor.

Voting Yea: Councilmember Delfs, Councilmember Goodboe-Bisschoff, Councilmember Dircks, Acting Mayor Wendling. Motion carried.

C. Request for Work Session - June 14, 2021

Administrator Buchholtz requested a work session to discuss the storm water utility, Garfield/Hayes/80th Avenue improvements, a resolution of support for a Joint Public Safety Training Facility in Anoka County, Triangle Park/City Hall sidewalk and Administrator reports.

Consensus of the City Council was to schedule the work session for June 14, 2021 at 5:30pm.

10. REPORTS

A. Attorney Report

Attorney Thames reported that he has reviewed the 2021 Sanitary Sewer Lining contracts.

B. Engineer Report

Engineer Gravel noted that the Engineer's Report was included in the packet.

C. Administrator Report

Administrator Buchholtz reported that the closing for 7812 McKinley Street will be held on Friday, June 11, 2021.

D. Beyond the Yellow Ribbon Report

Acting Mayor Wendling stated that there has been a strong community response to the Hamburger Fry and Pork Chop Fry that Spring Lake Park Beyond the Yellow Ribbon conducts.

11. OTHER

A. Correspondence

12. ADJOURN

Motion made by Councilmember Delfs to adjourn.

Voting yea: Councilmember Delfs, Councilmember Goodboe-Bisschoff, Councilmember Dircks, Acting Mayor Nelson. Motion carried.

The meeting adjourned at 7:20 PM.

Ken Wendling, Acting Mayor

Attest:

Daniel R. Buchholtz, Administrator, Clerk/Treasurer

OFFICIAL PROCEEDINGS

Pursuant to due call and notice thereof, the regularly scheduled meeting of the Spring Lake Park City Council Work Session was held on June 14, 2021 at the Spring Lake Park City Hall, 1301 81st Avenue NE, at 5:30 PM

1. CALL TO ORDER

Acting Mayor Wendling called the meeting to order at 5:30 PM.

PRESENT

Councilmember Ken Wendling
Councilmember Brad Delfs
Councilmember Barbara Goodboe-Bisschoff
Councilmember Lisa Dircks
Mayor Nelson (arrived at 5:35 PM)

STAFF PRESENT

Public Works Director Randall, City Engineer Gravel, Consultant Edgerton (Stantec), Administrator Buchholtz

OTHERS:

Rick Cobbs, 8085 Jefferson Street
Bonnie Dircks, 773 83rd Avenue NE
Kerry McCartney, West St. Paul

2. DISCUSSION ITEMS

A. Storm Water Utility Discussion

Dan Edgerton, Stantec, provided an overview of the storm water utility, stating that it is a way to create a dedicated funding source for storm drainage improvements and maintenance. He reviewed the methodology for how the fee structure would be created, which is based on runoff generated from a 24-hour, 3.6 inch storm event.

Mayor Nelson arrived at 5:35 PM.

Administrator Buchholtz stated that staff is looking at a fee of \$2.00 per month per residential equivalency factor (REF). A single family home would be 1 REF, with commercial and industrial users being assigned higher REFs due to more significant impervious surface coverage for those parcels. He stated that the charge would be a line item on the City's water bill, similar to the streetlight fee or recycling charge. He stated that with the impending payoff of the bond issued to finance the City's two water treatment plants, there is an opportunity to reduce the water treatment plant charge to make the storm water utility charge revenue neutral to the City. He stated that staff is proposing the fee take effect in 2022.

Council reviewed the proposed ordinance and process for adoption of the ordinance and implementation of the utility fee.

CONSENSUS of the City Council was to direct staff to place the proposed storm water utility ordinance on a future City Council agenda for adoption.

B. Garfield Street/Hayes Street/80th Avenue Improvements Discussion

Administrator Buchholtz reviewed the proposed 2022 Street Improvement project, which would reconstruct Garfield Street, Hayes Street and 80th Avenue NE. He provided a timeline for the project and proposed internal financing of the project to reduce costs for both the City and the affected residents. He stated that special assessments for the project were estimated to be \$3,000 per parcel.

City Council discussed the project, noting that staff proposed a neighborhood meeting in September along with the improvement hearing and the assessment hearing.

CONSENSUS of the Council was to move forward with the initial plan for the 2022 Street Improvement project.

C. Discussion of Resolution of Support for Greater Twin Cities Public Safety Training Facility

Mayor Nelson requested the City Council take a position on legislation to fund the Greater Twin Cities Public Safety Training Facility.

CONSENSUS of the City Council was to schedule consideration of a resolution of support for the Greater Twin Cities Public Safety Training Facility for possible adoption at the next City Council meeting.

D. Triangle Park/City Hall Sidewalk Update

Director Randall stated that initial quotes for the Manor Drive and City Hall sidewalk projects were exceeding budget. He requested the City Council include the sidewalk project for Manor Drive and City Hall as an alternate bid item with the 2022 Street Improvement Project.

CONSENSUS of the City Council was to delay construction of the Manor Drive sidewalk and City Hall sidewalk until 2022.

A. Administrator Report

Administrator Buchholtz noted that Anoka County would begin work on the CSAH 35 (Old Central) pavement rehabilitation project on July 21, 2021.

B. City Council Reports – None.

Mayor Nelson declared the meeting adjourned. Meeting adjourned at 7:00 PM.

Robert Nelson, Mayor

Attest:

Daniel R. Buchholtz, Administrator, Clerk/Treasurer



Stantec Consulting Services Inc.
733 Marquette Avenue, Suite 1000
Minneapolis, MN 55402
Tel: (612) 712-2000

June 9, 2021

Mr. Daniel Buchholtz, Administrator
City of Spring Lake Park
1301 81st Avenue NE
Spring Lake Park, MN 55432

Re: Garfield Pond Improvements Project
Project No. 193804750
Contractor's Request for Payment No. 5-FINAL

Dear Dan:

Attached for city approval is Contractor's Request for Payment No. 5-FINAL for the Garfield Pond Improvements Project. The Contractor on this project was Jacon, LLC from Vadnais Heights.

This request consists of a release of the 5% retainage (\$20,747.78) that the city has withheld until final project closeout documents were submitted and remaining site issues were resolved. With approval of this payment the city will accept the work subject to standard warranty conditions. IC-134 proof of tax withholding and lien wavers are included with this final payment request.

The total final construction cost on the projects is \$414,955.75. The original bid amount was \$410,789.00. The final cost is slightly higher due to some pipe field modifications and the substitution of native plant seeding.

We have reviewed the contractor's payment request and found it to be in order. We recommend approval. **If the City wishes to approve this request, then payment should be made to Jacon, LLC in the amount of \$20,747.78.**

Please execute the payment request documents. Keep one copy for your records, forward a copy to Jacon, LLC, and return one copy to me.

Feel free to contact us if you have any questions.

Regards,
STANTEC

A handwritten signature in black ink that reads "Phil Gravel".

Phil Gravel
City Engineer

Enclosures

cc: Charlie Igo, Jacon, LLC
Terry Randall, Public Works Director



Owner: City of Spring Lake Park, 1301 81st Ave. NE, Spring Lake Park, MN 55432	Date: May 21, 2021
For Period: 10/14/2020 to 5/21/2021	Request No: 5/FINAL
Contractor: Jacon, LLC, 3900 LaBore Rd., Vadnais Heights, MN 55110	

CONTRACTOR'S REQUEST FOR PAYMENT
2019 GARFIELD POND IMPROVEMENTS PROJECT
STANTEC PROJECT NO. 193804750

SUMMARY

1	Original Contract Amount		\$	<u>410,789.00</u>
2	Change Order - Addition	\$	<u>0.00</u>	
3	Change Order - Deduction	\$	<u>0.00</u>	
4	Revised Contract Amount		\$	<u>410,789.00</u>
5	Value Completed to Date		\$	<u>414,955.75</u>
6	Material on Hand		\$	<u>0.00</u>
7	Amount Earned		\$	<u>414,955.75</u>
8	Less Retainage 0%		\$	<u>0.00</u>
9	Subtotal		\$	<u>414,955.75</u>
10	Less Amount Paid Previously		\$	<u>394,207.97</u>
11	Liquidated damages -		\$	<u>0.00</u>
12	AMOUNT DUE THIS REQUEST FOR PAYMENT NO.	<u>5/FINAL</u>	\$	<u><u>20,747.78</u></u>

Recommended for Approval by:
STANTEC

Phil Gravel

6/9/21

Approved by Contractor:
JACON, LLC

[Signature]

Approved by Owner:
CITY OF SPRING LAKE PARK

Specified Contract Completion Date:

Date:

No.	Item	Unit	Contract Quantity	Unit Price	Current Quantity	Quantity to Date	Amount to Date
GENERAL							
1	MOBILIZATION	LS	1	15600.00		1	\$15,600.00
2	TRAFFIC CONTROL	LS	1	2500.00		1	\$2,500.00
3	DEWATERING	LS	1	14393.00		1	\$14,393.00
4	EROSION AND SEDIMENT CONTROL	LS	1	5500.00		1	\$5,500.00
5	COMMON EXCAVATION, GRADING (P)	LS	1	25000.00		1	\$25,000.00
6	COMMON EXCAVATION, POND EXCAVATION (LV)	CY	2200	9.00		1817	\$16,353.00
7	CLEARING AND GRUBBING	LS	1	44840.00		1	\$44,840.00
8	SALVAGE AND REINSTALL APRON	EA	3	2500.00		3	\$7,500.00
9	SALVAGE AND REINSTALL PIPE	LF	28	30.00		28	\$840.00
10	REMOVE PIPE	LF	12	14.00		12	\$168.00
11	REMOVE STORM CBMH OR CB	EA	2	1200.00		2	\$2,400.00
12	REMOVE BITUMINOUS PAVEMENT (INCLUDES SAWCUTS)	SF	900	2.00		848	\$1,696.00
13	REMOVE CONCRETE CURB (INCLUDES SAWCUTS)	LF	50	4.00		61	\$244.00
14	REMOVE CONCRETE SIDEWALK (INCLUDES SAWCUTS)	SF	110	4.00		475	\$1,900.00
15	REMOVE RETAINING WALL	LF	260	3.00		220	\$660.00
16	2' X 3' CB, INCL R-3067 CSTG AND ADJ RINGS	EA	1	3400.00		1	\$3,400.00
17	4' DIA STORM SEWER CBMH, INCL. CSTG AND ADJ RINGS	EA	1	4400.00		1	\$4,400.00
18	5' DIA STORM SEWER CBMH, INCL. CSTG AND ADJ RINGS	EA	1	5800.00		1	\$5,800.00
19	6' DIA STORM SEWER CBMH, INCL. CSTG AND ADJ RINGS	EA	2	8200.00		2	\$16,400.00
20	5' DIA STORM SEWER MH SPECIAL, INCL. CSTG AND ADJ RINGS	LS	1	6450.00		1	\$6,450.00
21	12" RC PIPE SEWER DESIGN 3006 CLASS V	LF	16	42.50		16	\$680.00
22	18" RC PIPE SEWER DESIGN 3006 CLASS V	LF	69	57.00		60	\$3,420.00
23	24" RC PIPE SEWER DESIGN 3006 CLASS V	LF	32	105.00		32	\$3,360.00
24	36" RC PIPE SEWER DESIGN 3006 CLASS III	LF	24	185.00		24	\$4,440.00
25	42" RC PIPE SEWER DESIGN 3006 CLASS II	LF	567	270.00		591	\$159,570.00
26	42" RC PIPE BEND DESIGN 3006 CLASS II	EA	12	1525.00		12	\$18,300.00
27	12" RC PIPE - APRON (INCL. TRASH GUARD)	EA	1	876.00		1	\$876.00
28	24" RC PIPE - APRON (INCL. TRASH GUARD)	EA	1	2011.00		1	\$2,011.00
29	42" RC PIPE - APRON (INCL. TRASH GUARD)	EA	2	8704.00		2	\$17,408.00
30	HAND-PLACED RIPRAP - CLASS 3	CY	90	100.00		50	\$5,000.00
31	TOPSOIL BORROW (LV)	CY	25	24.00			\$0.00
32	SELECT GRANULAR BORROW (MODIFIED) - INFILTRATION TRENCH (CV)	CY	180	21.00		128	\$2,688.00
33	MULCH, TYPE 1	LB	2600	0.50			\$0.00
34	EROSION CONTROL BLANKET, CATEGORY 3 STRAW	SY	2700	3.00		1550	\$4,650.00
35	MNDOT SEED MIX 33-261	SY	2700	0.25		1550	\$387.50
36	MNDOT SEED MIX 25-131	SY	3100	0.25		198	\$49.50
37	B618 CONCRETE CURB AND GUTTER	LF	50	20.00		61	\$1,220.00
38	4" CONCRETE SIDEWALK WITH BASE	SF	110	5.00		475	\$2,375.00
39	BITUMINOUS STREET PATCH (with 6" BIT. & 12" CLASS 5)	SF	900	3.00		848	\$2,544.00
40	PIPE AND GRADING CHANGES, HAULING	LS	1	6014.00		1	\$6,014.00
41	MNDOT SEED MIX 35-241	SY	2850	1.375		2850	\$3,918.75
	TOTAL						\$414,955.75

TOTAL

\$414,955.75

WORK COMPLETED TO DATE:

\$414,955.75

PROJECT PAYMENT STATUS

OWNER CITY OF SPRING LAKE PARK
STANTEC PROJECT NO. 193804750
CONTRACTOR JACON, LLC

CHANGE ORDERS

No.	Date	Description	Amount
Total Change Orders			

PAYMENT SUMMARY

No.	From	To	Payment	Retainage	Completed
1	01/27/2020	02/12/2020	9,929.40	522.60	10,452.00
2	02/13/2020	03/30/2020	247,932.71	13,571.69	271,433.80
3	04/01/2020	04/29/2020	110,610.59	19,393.30	387,866.00
4	04/30/2020	10/13/2020	25,735.27	20,747.78	414,955.75
5/FINAL	10/14/2020	05/21/2021	20,747.78		414,955.75

Material on Hand

Total Payment to Date		\$414,955.75	Original Contract	\$410,789.00
Retainage Pay No. 5/FINAL			Change Orders	
Total Amount Earned		\$414,955.75	Revised Contract	\$410,789.00

SUPPLIER/SUB-CONTRACTOR CERTIFICATE AND WAIVER OF LIEN
ACKNOWLEDGEMENT OF PAYMENT

SUPPLIER/SUB-CONTRACTOR: Jason
PROJECT: Spring Lake Park Coorfield Rnd
ADDRESS: _____
OWNER: _____
PRIME CONTRACTOR: _____
PERIOD FROM: _____ TO _____
DATE DATE

Materials, Equipment and /or Machinery have been delivered to the site, materials have been especially fabricated, or labor has been completed for the demolition of and/or for the construction of improvements for the Project during the Period as follows:

Description:

\$ In full AMOUNT PAID

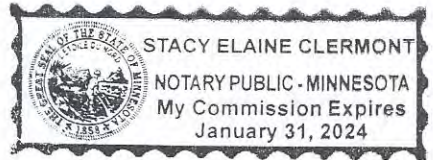
Forterra hereby certifies that payment has been made and hereby waives all right to liens and claims against the Owner and Jason therefore.

By: [Signature]
Title: Credit Mgr.
Date: 6-03-2021

SWORN TO BEFORE ME AND SUBSCRIBED IN MY PRESENCE AT Maple Grove, MN.
CITY STATE

THIS 3 DAY OF June, 2021.

[Signature]
NOTARY



CONTRACTOR: _____



Your Contractor Affidavit request is Approved. A copy of this page **MUST** be provided to the contractor or government agency that hired you.

Submitted Date and Time: 2-Jun-2021 4:18:38 PM
Confirmation Number: 0-180-179-104
Name: JACON LLC
ID: 2850900
Affidavit Number: 157421568
Project Owner: CITY OF SPRING LAKE PARK
Project Number: 193804750
Project Begin Date: 12/16/2019
Project End Date: 11/25/2020
Project Location: SPRING LAKE PARK
Project Amount: \$414,955.75
Subcontractors: No Subcontractors

Please [print this page](#) for your records using the print or save functionality built into your browser.

Kenneth A. Tolzmann, SAMA

Spring Lake Park City Assessor

May 21, 2021

City of Spring Lake Park
1301 81st Ave NE
Spring Lake Park, Mn 55432
Attn: Mr. Daniel Bucholtz, Admin.

Re: Second Quarter Billing for 2022 Payable 2023 Property Tax Assessment.

Dear Mr. Bucholtz,

The annual cost for assessment services in accordance with our contract is as follows:

1985 Residential improved parcels @ \$10.00 per parcel -----	\$19,850.00
321 Commercial/Ind/Apt parcels @ \$55.00 per parcel -----	17,655.00
44 Unimproved land parcels @ \$ 2.50 per parcel -----	110.00
89 Exempt parcels	nc

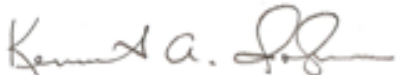
Total Cost for year 2022 assessment payable in 2023: \$37,615.00

Second Quarter Amt. Due: \$ 9,403.75

The above figures are in accordance with our contract for services dated December 17, 2018.

If you have any questions, please give me a call at 651 605-5125.

Sincerely,



Kenneth A. Tolzmann, SAMA#1939
Spring Lake Park City Assessor
24738 Hamlet Ave. N.
Forest Lake, Mn 55025

WHEREAS,
the City Council of the City of Spring Lake Park has considered the foregoing itemized list of disbursements; and

WHEREAS,
the City Council has determined that all disbursements, as listed, with the following exceptions:

are proper.

NOW, THEREFORE BE IT RESOLVED:
that the City Council directs and approves the payment of the aforementioned disbursements this _____ day of _____, 20_____.

Signed: _____
Mayor

Councilmembers:

ATTEST:

Daniel Buchholtz, Admin/Clerk-Treasurer

CITY OF SPRING LAKE PARK
CLAIMS LIST APPROVED AND PAID
GENERAL OPERATIONS

Date: May 2021
Page: 1
Claim Res.#21-09

<u>VOUCHER</u>	<u>VENDOR</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
70099	AT & T MOBILITY	PHONE SERVICES	550.51
70100	CARSON, CLELLAND & SCHREDER	ATTORNEY FEES	9,545.05
70101	CENTRAL TURF & IRRIGATION	SUPPLIES	291.62
70102	CINTAS	OPERATING SUPPLIES - MATS	76.58
70103	CITY OF SPRING LAKE PARK	STAFF MEMO - PLANNING	150.00
70104	CONNEXUS ENERGY	MONTHLY UTILITY BILL	10.09
70105	COTTENS INC	AUTO REPAIR SUPPLIES	23.99
70106	EBRIMA S. JALLOW	ESCROW REFUND	51.54
70107	FASTENAL COMPANY	SUPPLIES - CABLE TIES	29.68
70108	GAMETIME	PLAYGROUND EQUIPMENT	1,573.85
70109	GOPHER STATE ONE-CALL INC	LOCATES	130.95
70110	MANSFIELD OIL COMPANY	FUEL PAYMENT	1,580.30
70111	METROPOLITAN COUNCIL	SAC PAYMENT	14,688.34
70112	M-R SIGNS CO INC	SIGNAGE	111.65
70113	NORTHLAND TRUST SERVICES INC	BOND PAYMENTS	15,825.84
70114	ON SITE SANITATION INC	RESTROOM RENTAL	220.00
70115	SLP FIRE DEPARTMENT	MAY FIRE PROTECTION SERVICES	20,521.00
70116	SMITH SCHAFFER & ASSOCIATES	AUDIT SERVICES	10,700.00
70117	SPECIALTY SOLUTIONS LLC	PARK SUPPLIES	4,672.62
70118	TIM ELLENBECKER	ESCROW REFUND	166.19
70119	VIRGINIA MOUCHA	ESCROW REFUND	163.64
70120	W. HOFFMAN SOD COMPANY	SOD	78.00
70121	AMERITAS	PAYROLL	29.08
70122	CENTRAL PENSION FUND	PAYROLL	1,040.04
70123	DEARBORN LIFE INSURANCE CO	PAYROLL	293.18
70124	DELTA DENTAL	PAYROLL	771.68
70125	L.E.L.S.	PAYROLL	317.50
70126	LOCAL 49	PAYROLL	105.00
70127	MN CHILD SUPPORT PAYMENT CTR	PAYROLL	267.60
70128	NCPERS GROUP LIFE INS	PAYROLL	56.00
70129	PREFERREDONE INSURANCE CO	PAYROLL	13,309.35
70130	ACTION TARGET	VOID	-
70131	ANOKA COUNTY PROPERTY RECORDS	TAXING EXPENSES	1,869.34
70132	ASPEN MILLS	UNIFORM ALLOWANCE	246.60
70133	AT & T MOBILITY	PHONE SERVICE	345.14
70134	AXON ENTERPRISE INC	RANGE SUPPLIES	159.00
70135	BAKER TILLY US LLP	COMPENSATION STUDY	2,625.00
70136	BEAVERBROOK TRI-COUNTY SPORTSMAN	RANGE SUPPLIES	350.00
70137	BIG SKY FIREARMS	PARKS INSTRUCTOR	360.00
70138	CENTERPOINT ENERGY	MONTHLY UTILITY BILL	765.25
70139	CITY OF ROSEVILLE	DATA SERVICES	144.96

CITY OF SPRING LAKE PARK
CLAIMS LIST APPROVED AND PAID
GENERAL OPERATIONS

Date: May 2021
Page: 2
Claim Res.#21-09

<u>VOUCHER</u>	<u>VENDOR</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
70140	COMM-WORKS LLC	MONTHLY CAMERA MONITORING	850.00
70141	COON RAPIDS CHRYSLER	AUTO REPAIR SERVICE	55.00
70142	DAVIS & STANTON	CLOTHING/SERVICE AWARD RIBBONS	104.00
70143	ECM PUBLISHERS INC	AD - RECYCLING BIDS	170.50
70144	ELIZABETH MARTIN	RECREATION REFUND	70.00
70145	HEARTLAND TIRE INC	AUTO REPAIR SERVICE	310.00
70146	HOWARD JEWELL	TRIP REFUND	100.00
70147	LEAGUE OF MN CITIES INS TRUST	DEDUCTIBLE - WORKMAN'S COMP	1,000.00
70148	MANSFIELD OIL COMPANY	FUEL PAYMENT	577.44
70149	MARTIN-MCALLISTER	PERSONNEL EVALUATION	1,600.00
70150	JILL MASON	RECREATION INSTRUCTOR	75.00
70151	METROPOLITAN COUNCIL	MONTHLY WATER CHARGE	44,271.83
70152	ON SITE SANITATION INC	RESTROOM RENTAL	353.00
70153	RITA PFEIFFER	RECREATION REFUND	10.00
70154	SUMMIT FIRE PROTECTION	SPRINKLER INSPECTION	1,575.00
70155	VISU-SEWER INC	SECTIONAL LINER	2,500.00
70156	WALTERS RECYCLING & REFUSE SERV	SCRAP METAL DUMPSTER	193.38
70157	WASTE MANAGEMENT OF WI-MN	MONTHLY RECYCLING SERVICE	7,861.02
70158	ALLEGRA PRINT & IMAGING	SELF-STICK ENVELOPES	499.88
70159	ANAGO	APRIL-MAY JANITORIAL SERVICE	2,280.76
70160	CENTRAL TURF & IRRIGATION SUPPLY	SUPPLIES	631.04
70161	CINTAS	OPERATING SUPPLIES - MATS	76.58
70162	COMCAST	MONTHLY UTILITY BILLS	105.92
70163	DEARBORN LIFE INSURANCE CO	COBRA PAYMENT	7.00
70164	DELTA DENTAL	COBRA PAYMENT	242.48
70165	IDC AUTOMATIC	GARAGE DOOR REPAIR	150.00
70166	MANSFIELD OIL COMPANY	FUEL PAYMENT	584.14
70167	MYRNA HALLADAY	RECREATION REFUND	25.00
70168	OFFICE OF MN.IT SERVICES	MONTHLY FIBER OPTIC PAYMENT	40.60
70169	RICOH USA INC	SERVICE CALL	149.95
70170	SHORT ELLIOTT HENDRICKSON	ARTHUR ST WTP REHAB	613.31
70171	SPRING LAKE PARK LEASED HOUSING	TIF NOTE - DISTRICT 6-1	118,148.57
70172	STATE OF MINNESOTA	HAZARDOUS CHEMICAL FEE	125.00
70173	TWIN CITIES BMEU WEST	POSTAGE	2,271.39
70174	WALTERS RECYCLING & REFUSE SERV	GARBAGE/ORGANICS PICKUP	498.32
70175	WELLS FARGO CREDIT CARD	CREDIT CARD PAYMENT	25.16
70176	XCEL ENERGY	MONTHLY UTILITY BILLS	3,066.39
70177	AMERITAS	PAYROLL	29.08
70178	CENTRAL PENSION FUND	PAYROLL	1,040.04
70179	DEARBORN LIFE INSURANCE CO	PAYROLL	293.18
70180	DELTA DENTAL	PAYROLL	1,163.20

CITY OF SPRING LAKE PARK
CLAIMS LIST APPROVED AND PAID
GENERAL OPERATIONS

Date: May 2021
Page: 3
Claim Res.#21-09

<u>VOUCHER</u>	<u>VENDOR</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
70181	L.E.L.S.	PAYROLL	317.50
70182	LOCAL 49	PAYROLL	105.00
70183	MN CHILD SUPPORT PAYMENT CTR	PAYROLL	267.60
70184	NCPERS GROUP LIFE INS	PAYROLL	56.00
70185	PREFERREDONE INSURANCE CO	PAYROLL	13,309.35
70186	AMERICAN WATER WORKS ASSOC.	MEMBERSHIP RENEWAL	221.00
70187	COTTENS	AUTO REPAIR	15.99
70188	ECM PUBLISHERS, INC.	PUBLICATION OF ORDINANCE 473	102.13
70189	CITY OF MOUNDSVIEW	LAKESIDE PARK BUDGET	11,500.00
70190	GLOCK PROFESSIONAL INC	CONFERENCE	500.00
70191	ASPEN MILLS	UNIFORM ALLOWANCE	94.90
70192	AID ELECTRIC SERVICE INC	LIGHT REPAIR	1,492.65
70193	CONNEXUS ENERGY	MONTHLY BILLING	322.59
70194	INSTRUMENTAL RESEARCH INC	APRIL WATER TEST	112.00
70195	GREEN LIGHTS RECYCLING	APRIL RECYCLING EVENT	6,833.60
70196	MTI DISTRIBUTING INC	SUPPLIES	245.48
70197	DORIS L. CLITTY TRUSTEE	UTILITY REFUND	60.00
70198	JILL MASON	RECREATION INSTRUCTOR	56.00
70199	MUNICIPAL PAVING PLANT	ASPHALT MIX - APRIL	521.12
70200	LEE'S HEATING & AIR	REPAIR OF AC UNITS	980.00
70201	TASC	COBRA ADMINISTRATION FEE	30.08
70202	FURNITURE WORX	FILE CABINETS	1,476.35
70203	ON SITE SANITATION INC	RESTROOM RENTAL	280.00
70204	COON RAPIDS CHRYSLER	AUTO REPAIR	55.00
70205	MANSFIELD OIL COMPANY	FUEL PAYMENT	1,592.21
70206	DAVE PERKINS CONTRACTING INC	DIG MCKINLEY POND	2,550.00
70207	INNOVATIVE OFFICE SOLUTIONS LLC	OFFICE SUPPLIES	126.94
70208	HOUSE OF PRINT	SUMMER RECREATION BROCHURE	2,368.96
70209	COMPUTER INTERGRATION TECHNOLOG	OFFICE 365 AGREEMENT	328.00
70210	CINTAS	OPERATING SUPPLIES - MATS	76.58
70211	USS MINNESOTA ONE MT LLC	MONTHLY BILLING	11,325.59
70212	RUSSELL BERNER	ESCROW REFUND	182.09
70213	TOPWASH.COM	AUTO REPAIR	54.00
70214	BILL NEISS	TOWER DAYS VENDOR	300.00
70215	DAVE SCHEEL	TOWER DAYS VENDOR	1,200.00
70216	GAMETRUCK TWIN CITIES LLC	TOWER DAYS VENDOR	450.00
70217	GERALD MARK FLORA	TOWER DAYS VENDOR	2,000.00
70218	KEVIN LINDH	TOWER DAYS VENDOR	575.00
70219	LUMBERJACK ENTERPRISES	TOWER DAYS VENDOR	3,900.00
70220	MSMA	TOWER DAYS VENDOR	300.00
70221	RES SPECIALITY PYROTECHNICS	TOWER DAYS VENDOR	4,450.00

CITY OF SPRING LAKE PARK
CLAIMS LIST APPROVED AND PAID
GENERAL OPERATIONS

Date: May 2021
Page: 4
Claim Res.#21-09

<u>VOUCHER</u>	<u>VENDOR</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
70222	STEVE FAVILLA	TOWER DAYS VENDOR	500.00
70223	TOMMY WOOG	TOWER DAYS VENDOR	500.00
70224	LISA WOOG	TOWER DAYS VENDOR	150.00
70225	AID ELECTRIC SERVICE INC	EXHAUSE FAN REPAIR/LIGHT SWITCH	553.81
70226	ANOKA COUNTY TREASURY	JOINT POWERS AGREEMENT	1,505.10
70227	BIG SKY FIREARMS	RECREATION INSTRUCTOR	320.00
70228	CENTRAL TURF & IRRIGATION SUPPLY	SUPPLIES	68.81
70229	CHAMPION YOUTH	KARATE CLASS	756.00
70230	CINTAS	OPERATING SUPPLIES - MATS	76.58
70231	COMPUTER INTERGRATION TECHNOLOG	MANAGED SERVICE AGREEMENT	2,510.00
70232	HENRY GERTH	SUMMER ACTIVITY CATALOG	480.00
70233	MICHAEL LEDMAN	RECREATION INSTRUCTOR	336.60
70234	CITY OF MOUNDSVIEW	STUMP GRINDER REPAIR	1,425.38
70235	NORTH TH 65 CORRIDOR COALITION	2021 MEMBERSHIP DUES	250.00
70236	SHRED-IT USA	SHREDDING SERVICE	112.30
70237	TAHO SPORTSWEAR	SUMMER PROGRAM SHIRTS	692.20
70238	THE HOME DEPOT CREDIT SERVICES	CREDIT CARD PAYMENT	148.59
70239	WILL DAVISON	RECREATION INSTRUCTOR	50.00
		TOTAL DISBURSEMENTS	379,128.40

RESOLUTION NO. 21-XX

A RESOLUTION OF SUPPORT FOR THE DEVELOPMENT OF A GREATER TWIN CITIES PUBLIC SAFETY TRAINING FACILITY

WHEREAS, the City of Spring Lake Park recognizes the importance of providing state-of-the-art training opportunities for the firefighters and law enforcement officers charged with protecting the community and ensuring public safety; and

WHEREAS, there is a present need for a regional public safety training facility where all hazard response partners from Spring Lake Park, its neighboring cities and Anoka County can receive hazard mitigation and unified command training; and

WHEREAS, the establishment of a regional public safety training facility will enhance the public safety of Spring Lake Park and ensure that Spring Lake Park's fire, police, public works and other response personnel maintain the highest quality public safety services; and

WHEREAS, the development of a regional public safety training facility is a collaborative endeavor, requiring support from the cities of Spring Lake Park, Blaine, Andover, Coon Rapids, Anoka County and the State of Minnesota, as well as other local/regional response partners; and

WHEREAS, the 92nd Minnesota Legislature is presently considering HF 926 and SF 823, which would appropriate funds to the City of Blaine for the establishment of a regional public safety training facility.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SPRING LAKE PARK, MINNESOTA that the City Council does hereby support the establishment of a Greater Twin Cities Regional Public Safety Training Facility.

BE IT FURTHER RESOLVED that the City Council supports HF 926/SF 823 appropriating funding for the establishment of a Greater Twin Cities Regional Public Safety Training Facility.

The foregoing Resolution was moved for adoption by Councilmember .

Upon Vote being taken thereon, the following voted in favor thereof:

And the following voted against the same:

Whereon the Mayor declared said Resolution duly passed and adopted the ____th day of _____ 2021.

APPROVED BY:

Robert Nelson, Mayor

ATTEST:

Daniel R. Buchholtz, City Administrator

City of Spring Lake Park
1301 81st Avenue NE
Spring Lake Park, MN 55432

Contractor's Licenses

June 21, 2021

General Contractor

Apadana, LLC.

Hammerworks LLC.

Timbercreek Construction, LLC.

Heating Contractor

Sedgwick Heating

Tree Contractor

Rainbow Tree Company



Police Report

May 2021

Submitted for Council Meeting: June 21, 2021

The Spring Lake Park Police Department responded to six hundred and twenty-nine calls for service for the month of May 2021. This is compared to responding to six hundred and seventy-one calls for service in May 2020.

Officer Kramer, our School Resource Officer reports handling sixteen calls for service at our local schools for the month of May 2021, along with conducting seventeen student contacts, thirty-one escorts and sixteen follow up investigations into school related incidents. For further details, see Officer Kramer's attached report.

Investigator Bennek reports handling thirteen cases for the month of May 2021. Eleven of these cases were felony in nature, one case was gross misdemeanor in nature and one case was misdemeanor in nature. Investigator Bennek also continues to monitor four forfeiture cases along with his monthly case load, attempting to bring all cases to a conclusion as soon as possible. For further details, see Investigator Bennek's attached report.

The Spring Lake Park Police Department Administrative Office Staff continue to remain steadfast in their duties, typing and imaging reports, filing, answering and dispensing phone calls for service and information, along with other duties that may be assigned on a daily basis.

The month of May 2021 has been a busy month for myself as well, besides handling the day to day operations of the police department, I continue to attend meetings on a daily basis representing the City of Spring Lake Park and the Police Department.

This will conclude my report for the month of May 2021.

Are there any questions?



Spring Lake Park Police Department

Investigations Monthly Report

Investigator
Tony Bennek

May 2021

Total Case Load

Case Load by Level of Offense: 13

Felony	11
Gross Misdemeanor	1
Misdemeanor	1

Case Dispositions:

County Attorney	10
Juvenile County Attorney	0
City Attorney	3
Forward to Other Agency	0
SLP Liaison	0
Carried Over	0
Unfounded	0
Exceptionally Cleared	0
Closed/Inactive	0

Forfeitures:

Active Forfeitures	4
Forfeitures Closed	1

Spring Lake Park Police / School Resource Officer Report

May 2021

Incidents by School Location	Reports (ICRs)	Student Contacts*	Escorts/Other	Follow Up Inv.
Spring Lake Park High School	5	16	30	16
Discovery Days (pre-school)				
Lighthouse School	1		1	
Park Terrace Elementary School		1		
District Office				
Able and Terrace Parks (School Related)				
School Related				
Miscellaneous Locations	10			
Totals:	16	17	31	16

Breakdown of Reports (ICRs)	
Theft reports (cellphones, iPods, bikes, etc...)	
Students charged with Assault or Disorderly Conduct	2
Students charged with other crimes	
Non-students Charged	
Warrant Arrests	
Miscellaneous reports	14

Parks and Recreation Report for the Month of May

The Adopt-A-Flower Garden Program started in May with all the parks having at least one volunteer working in the flower beds and there is a Girl Scout Troop volunteering at Terrace Park. We wish to thank all our volunteers for their hard work and dedication to the parks. I picked up plant donations from the Minnesota Green Project on May 25 and the volunteers along with Public Works staff planted the flowers.

Recreation Staff was busy preparing for Tower Days, youth summer playground program, summer music program, and fall program planning during the month of May. The staff finished their training on the new registration system which will go live in July.

The Park Master planning is proceeding with the WSB project team receiving the surveys from the citizens that were distributed in their water bill during the month of April. There were 224 surveys returned, over a 10% return. In addition, 46 residents filled out the survey online. We wish to thank the citizens for their interest in their city parks.

The summer playground staff was finalized in May. Mason is returning from last year and our new employees Rachel and Loren are both education majors. The children should have a great time this summer with our fun-loving, energetic staff.

I attended the Parks and Recreation Commission meeting on May 4th. During the summer months the commission meets at a city park where they may see activities taking place and review park amenities. The May meeting was held at Triangle Memorial Park. Plans were made for the commission's involvement in Tower Days. At the end of May, one Park Commissioner, resigned her position because she is moving out of the city. If any citizen is interested in serving on the committee please fill out the application form located on our website.

Wesley and I attended the Tower Days meeting on May 25th. All plans were finalized.

I also attended Department Head Meetings, City Council and Workshop meetings.

Recreation Activities which were offered in May included: Yoga, Youth Softball, Adult Softball, Nordic Pole Walking, Book Club, Music in the Park with the High School Jazz Bands, Zoom Driver's Class, in-person driver's class, Permit to Carry Classes and four different pickleball courses.

I would like to remind every one of the summer music concerts at Lakeside Lions Park. The Castaways playing 50's favorites, will play on Wed. June 23, 6:30pm at Lakeside Lions Park. Beyond the Yellow Ribbon will be selling hot dogs and brats with all proceeds going to support veterans and their families.

Finally, I would like to express our thanks to the Tower Days Committee, Recreation Staff, our volunteers and our community for supporting our annual celebration.

This concludes the Recreation Report for May.

Respectfully Submitted by,

Kay Okey

Parks and Recreation Director



Memorandum

To: Mayor Nelson and Members of the City Council

From: Daniel R. Buchholtz, MMC, Administrator, Clerk/Treasurer

Date: June 17, 2021

Subject: 2020 Audit

Included with the packet is the draft 2020 audited financial statements. Jason Miller from Smith Schafer and Associates will be at the City Council meeting on Monday night to provide an overview of the financial statements and answer any questions that the City Council may have.

I would like to thank Accountant Melissa Barker, Utility Billing Clerk Dena Brunette, and Accounting Clerk/Special Projects Coordinator Wanda Brown and every staff person involved for their work over the past three months assisting our auditors with this process.

If you have any questions, please don't hesitate to contact me at 763-784-6491.

**CITY OF SPRING LAKE PARK
FINANCIAL STATEMENTS
DECEMBER 31, 2020**

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**CITY OF SPRING LAKE PARK
FINANCIAL STATEMENTS
For the Fiscal Year Ended December 31, 2020**

TABLE OF CONTENTS

	<u>PAGE</u>
INTRODUCTORY SECTION	
Elected and Appointed Officials	i
FINANCIAL SECTION	
Independent Auditor's Report	1
Management's Discussion and Analysis	3
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	14
Statement of Activities	15
Fund Financial Statements	
Balance Sheet - Governmental Funds	17
Reconciliation of Net Position in the Government-wide Financial Statements and Fund Balances in the Fund Basis Financial Statements	19
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	20
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	22
Statements of Revenues, Expenditures and Change in Fund Balance - Budget and Actual - General Fund	23
Statement of Net Position - Proprietary Funds	27
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	29
Statement of Cash Flows - Proprietary Funds	30
Notes to Financial Statements	32
Required Supplementary Information	
Schedule of City Contributions	
General Employees Retirement Fund	79
Public Employees Police and Fire Fund Pension Plan	79
Schedule of Proportionate Share of Net Pension Liability	
General Employees Retirement Fund	80
Public Employees Police and Fire Fund Pension Plan	80
Combining and Individual Nonmajor Fund Statements and Schedules	
Combining Balance Sheet - Nonmajor Governmental Funds	81
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	82
Combining Balance Sheet - Nonmajor Special Revenue Funds	83
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds	87
Combining Balance Sheet - Nonmajor Debt Service Funds	91
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Debt Service Funds	93
Combining Balance Sheet - Nonmajor Capital Projects Funds	95
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds	99
OTHER REPORT SECTION	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	103
Summary Schedule of Prior Audit Findings	105
Schedule of Findings and Responses	107
Corrective Action Plan	109

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CITY OF SPRING LAKE PARK

INTRODUCTORY SECTION

DECEMBER 31, 2020

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**CITY OF SPRING LAKE PARK
ELECTED AND APPOINTED OFFICIALS
December 31, 2020**

POSITION	NAME	TERM EXPIRES
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ELECTED OFFICIALS

City Council:

Mayor	Robert Nelson	December 31, 2022
Council Member	Brad Delfs	December 31, 2022
Council Member	Lisa Dircks	December 31, 2024
Council Member	Barbara Goodboe-Bisschoff	December 31, 2024
Council Member	Ken Wendling	December 31, 2022

APPOINTED OFFICIALS

City Administrator, Clerk-Treasurer	Daniel R. Buchholtz	Continuous
Accountant	Melissa Barker	Continuous

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CITY OF SPRING LAKE PARK

FINANCIAL SECTION

DECEMBER 31, 2020

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council
City of Spring Lake Park

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 Spring Lake Park, Minnesota as of and for the year ended December 31, 2020, and the related notes to financial statements, which collectively comprise the City of Spring Lake Park, Minnesota'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 of 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 entity'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 entity'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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Spring Lake Park, Minnesota as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 13 and the required supplementary information 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 appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Spring Lake Park, Minnesota's basic financial statements. The introductory section and combining and individual nonmajor fund financial statements listed in the Table of Contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements 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 combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section has 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 it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 16, 2021 on our consideration of the City of Spring Lake Park, Minnesota's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Spring Lake Park, Minnesota's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Spring Lake Park's internal control over financial reporting and compliance.

CITY OF SPRING LAKE PARK MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Spring Lake Park, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Spring Lake Park for the fiscal year ended December 31, 2020, with comparative data for the fiscal year ended December 31, 2019.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City of Spring Lake Park exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$24,559,835 (*net position*). Of this amount, \$8,781,274 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors in accordance with the City's fund designations and fiscal policies.
- The City's total net position increased by \$2,208,909. The increase is mainly attributed to grants and contributions not restricted to specific programs as well as operating grants and contributions in the City's governmental activities.
- As of the close of the current fiscal year, the City of Spring Lake Park's governmental funds reported combined ending fund balances of \$10,493,071, an increase of \$1,408,143 from the prior year.
- At the end of the current fiscal year, fund balance for the general fund was \$2,539,801, or 59.7% of total general fund expenditures.
- The City's total noncurrent liabilities decreased by \$824,913 due primarily to scheduled debt payments.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City of Spring Lake Park's basic financial statements. The City's basic financial statements are comprised of the following three components: 1) government-wide financial statements, providing information for the City as a whole, 2) fund financial statements, providing detailed information for the City's significant funds, and 3) notes to the financial statements, providing additional information that is essential to understanding the government-wide and fund statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

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

CITY OF SPRING LAKE PARK MANAGEMENT'S DISCUSSION AND ANALYSIS

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

Both of the government-wide financial statements distinguish functions of the City of Spring Lake Park that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Spring Lake Park include general government, public safety, public works, recreation and parks and development. The business-type activities of the City of Spring Lake Park include the utility fund.

The government-wide financial statements can be found on pages 14-16 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Spring Lake Park, 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 Spring Lake Park can be divided into two categories: governmental funds and proprietary funds.

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

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

The City of Spring Lake Park maintains thirty-nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, developer's escrow fund, the revolving fund, renewal and replacement fund, and the 2014A G.O. improvement bonds fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements or schedules* elsewhere in this report.

CITY OF SPRING LAKE PARK MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Spring Lake Park adopts an annual budget for its general fund. Budgetary comparison statements have been provided for this fund (pages 23-26) to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 17-22 of this report.

Proprietary funds. The City of Spring Lake Park maintains one type of proprietary fund - enterprise funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Spring Lake Park uses enterprise funds to account for its utility operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the utility funds, which are considered to be major funds of the City of Spring Lake Park.

The proprietary fund financial statements can be found on pages 27-31 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 32-78 of this report.

Other Information. The combining statements referred to earlier in connection with non-major governmental funds can be found on pages 81-102 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Spring Lake Park, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$24,559,835 at the close of the most recent fiscal year.

**CITY OF SPRING LAKE PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The largest portion of the City of Spring Lake Park's net position, \$13,004,502 (53%) reflects its investment in capital assets (e.g. land, buildings and improvements, and machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The City of Spring Lake Park uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Spring Lake Park's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Spring Lake Park's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 11,706,852	\$ 10,613,711	\$ 3,693,372	\$ 3,370,476	\$ 15,400,224	\$ 13,984,187
Capital assets	10,877,085	11,328,877	5,898,938	5,866,084	16,776,023	17,194,961
Total assets	<u>22,583,937</u>	<u>21,942,588</u>	<u>9,592,310</u>	<u>9,236,560</u>	<u>32,176,247</u>	<u>31,179,148</u>
Deferred outflows of resources	686,019	1,075,080	15,692	18,770	701,711	1,093,850
Long-term liabilities outstanding	5,576,503	6,176,861	948,004	1,172,559	6,524,507	7,349,420
Other liabilities	330,203	577,498	348,208	72,622	678,411	650,120
Total liabilities	<u>5,906,706</u>	<u>6,754,359</u>	<u>1,296,212</u>	<u>1,245,181</u>	<u>7,202,918</u>	<u>7,999,540</u>
Deferred inflows of resources	1,076,530	1,853,347	38,675	69,185	1,115,205	1,922,532
Net position:						
Net investment in capital assets	7,819,564	7,463,368	5,184,938	4,927,084	13,004,502	12,390,452
Restricted	2,774,059	2,061,665			2,774,059	2,061,665
Unrestricted	5,693,097	4,884,929	3,088,177	3,013,880	8,781,274	7,898,809
Total net position	<u>\$ 16,286,720</u>	<u>\$ 14,409,962</u>	<u>\$ 8,273,115</u>	<u>\$ 7,940,964</u>	<u>\$ 24,559,835</u>	<u>\$ 22,350,926</u>

An additional portion of the City of Spring Lake Park's net position at December 31, 2020 (11%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$8,781,274) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Spring Lake Park is able to report positive balances in all categories of net position for the City as a whole.

**CITY OF SPRING LAKE PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Governmental activities. Governmental activities account for 66% of the City of Spring Lake Park's net position as of December 31, 2020. The total increase in net position for governmental activities was \$1,876,758, accounting for 85% of the increase in the net position of the City of Spring Lake Park for the year ended December 31, 2020. The key elements for this increase were significant grants and contributions not restricted to specific programs and operating grants and contributions received by the City.

Business-type activities. Business-type activities increased the City of Spring Lake Park's net position by \$332,151 due to insurance proceeds received to repair the water treatment plant.

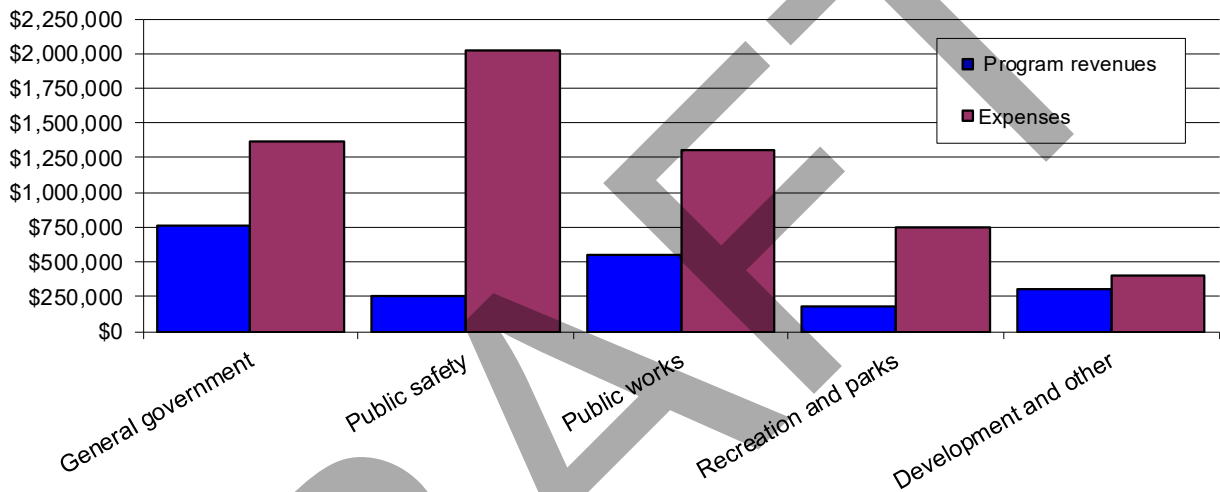
City of Spring Lake Park's Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 959,293	\$ 1,346,030	\$ 1,685,631	\$ 1,599,138	\$ 2,644,924	\$ 2,945,168
Operating grants and contributions	753,632	281,163			753,632	281,163
Capital grants and contributions	335,794	544,045			335,794	544,045
General revenues:						
Property taxes	3,898,537	3,467,392			3,898,537	3,467,392
Other	1,754,623	910,766	604,847	380,047	2,359,470	1,290,813
Total revenues	<u>7,701,879</u>	<u>6,549,396</u>	<u>2,290,478</u>	<u>1,979,185</u>	<u>9,992,357</u>	<u>8,528,581</u>
Expenses:						
General government	1,366,877	945,647			1,366,877	945,647
Public safety	2,019,971	2,298,653			2,019,971	2,298,653
Public works	1,300,003	1,436,306			1,300,003	1,436,306
Recreation and parks	742,799	980,797			742,799	980,797
Development and other	396,790	372,028			396,790	372,028
Interest on long-term debt	85,973	114,388			85,973	114,388
Utility			1,871,035	1,931,112	1,871,035	1,931,112
Total expenses	<u>5,912,413</u>	<u>6,147,819</u>	<u>1,871,035</u>	<u>1,931,112</u>	<u>7,783,448</u>	<u>8,078,931</u>
Change in net position before transfers	1,789,466	401,577	419,443	48,073	2,208,909	449,650
Transfers	87,292	86,942	(87,292)	(86,942)		
Change in net position after transfers	1,876,758	488,519	332,151	(38,869)	2,208,909	449,650
NET POSITION - BEGINNING OF YEAR	<u>14,409,962</u>	<u>13,921,443</u>	<u>7,940,964</u>	<u>7,979,833</u>	<u>22,350,926</u>	<u>21,901,276</u>
NET POSITION - END OF YEAR	<u>\$ 16,286,720</u>	<u>\$ 14,409,962</u>	<u>\$ 8,273,115</u>	<u>\$ 7,940,964</u>	<u>\$ 24,559,835</u>	<u>\$ 22,350,926</u>

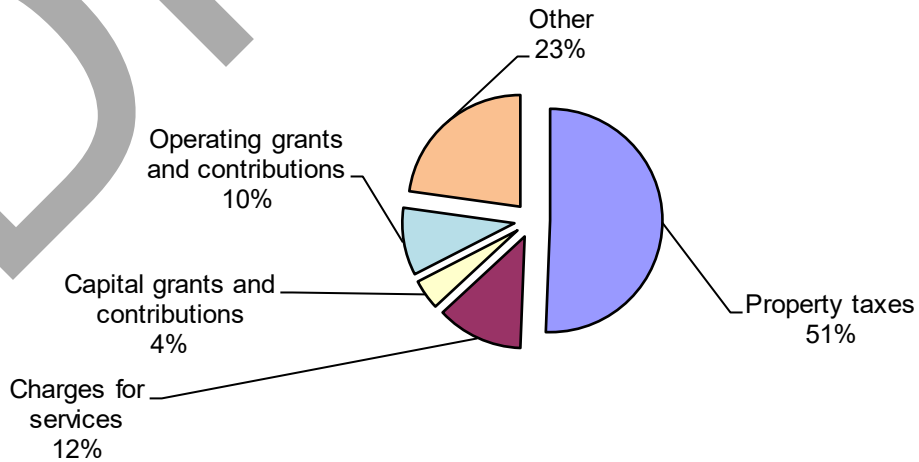
CITY OF SPRING LAKE PARK MANAGEMENT'S DISCUSSION AND ANALYSIS

Below are specific graphs that provide comparisons of the governmental activities direct program revenues with their expenses for the year ended December 31, 2020. Any shortfalls in direct revenues are primarily supported by property tax levy or general state aid.

Expenses and Program Revenues - Governmental Activities

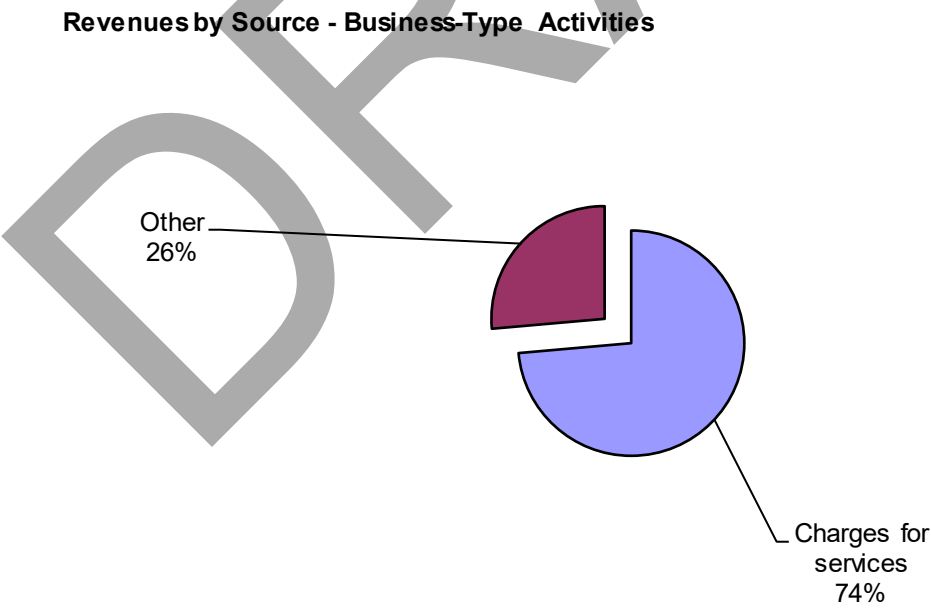
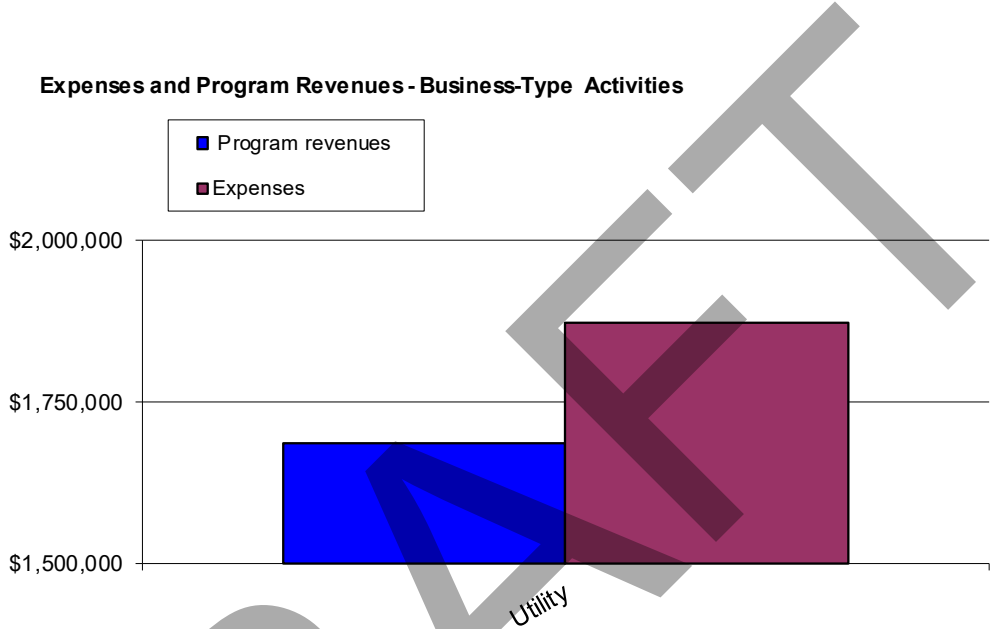


Revenues by Source - Governmental Activities



**CITY OF SPRING LAKE PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The following graphs relate the business-type activity's program revenues with its expenses for the year ended December 31, 2020. Since this activity requires significant physical assets to operate, any excess revenues are held for planned capital expenditures to keep pace with growing demand for services.



CITY OF SPRING LAKE PARK MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the City of Spring Lake Park's governmental funds reported combined ending fund balances of \$10,493,071, an increase of \$1,408,143 in comparison with the prior year. Approximately 76% of this total fund balance, or \$8,019,542, constitutes *assigned and unassigned fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance \$2,473,529 is *restricted and nonspendable* to indicate that it is not available for new spending because it has already been restricted by creditors, grantors or regulations of other governments or has been expensed for prepaid items.

The general fund is the chief operating fund of City of Spring Lake Park. At the end of the current year, fund balance of the general fund was \$2,539,801. As a measure of liquidity, it may be useful to compare the fund balance to total fund expenditures. Fund balance represents 60% of total current year general fund expenditures. The general fund's total fund balance increased by \$459,132 during the current year due primarily to increased collection of property taxes and intergovernmental revenues for coronavirus relief funding.

The developer's escrow fund decreased its fund balance by \$1,007 due to transfers to other funds.

The revolving fund increased its fund balance by \$237,884 due primarily to intergovernmental revenues in excess of expenditures allocated to this fund.

The renewal and replacement fund decreased its fund balance by \$206,191 due to transfers to other funds in excess of investment earnings allocated to this fund.

The 2014A G.O. improvement bonds fund increased its fund balance by \$226,412 due to property taxes, special assessments and investment earnings revenue allocated to the fund in excess of debt service payments.

The special revenue funds (other than the developer's escrow fund described as a major fund previously) increased their overall fund balances by \$578,416 due to the sale of property.

The debt service funds (other than the 2014A G.O. improvement bonds fund as described as a major fund above) increased their collective fund balance by \$329,248 due primarily to transfers from other funds.

**CITY OF SPRING LAKE PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The capital projects funds (other than the revolving fund and renewal and replacement fund described as major funds previously) decreased their collective fund balance by \$215,751 due primarily to current and capital outlay expenditures for public works in excess of revenues and transfers allocated to the capital projects funds.

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

Unrestricted net position for utility operations at the end of the year amounted to \$3,088,177. The utility fund increased its net position by \$332,151, for the year ended December 31, 2020. Other factors concerning the finances of this fund have already been addressed in the discussion of the City of Spring Lake Park's business-type activities.

General Fund Budgetary Highlights

The City's General Fund budget was amended during the year. The original budget called for no change in General Fund balance. The revised final budget called for a \$435,000 decrease in General Fund balance. The actual net change to the General Fund balance was an increase of \$459,132. Revenues exceeded budget by \$526,361 for the year ended December 31, 2020 due primarily to increased intergovernmental revenues including coronavirus relief funding. Total expenditures were less than budget by \$70,478 for the year. One department had expenditures in excess of budget: general government expenditures exceeded budget by \$115,304. These over expenditures were primarily related to coronavirus business relief grants for local businesses for which the City did not budget due to the unforeseen pandemic.

Capital Asset and Debt Administration

Capital assets. The City of Spring Lake Park's investment in capital assets for its governmental and business-type activities as of December 31, 2020, amounted to \$16,776,023 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, machinery and equipment and infrastructure. Total capital assets decreased by \$418,938, or approximately 3%, for the year ended December 31, 2020, due to current year depreciation expense and disposals for the year ended December 31, 2020 being higher than asset acquisitions.

City of Spring Lake Park's Capital Assets
(net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 604,950	\$ 1,131,681	\$	\$	\$ 604,950	\$ 1,131,681
Construction in progress	777,040		489,541		1,266,581	
Buildings and improvements	1,116,608	1,176,399	2,018,905	2,240,486	3,135,513	3,416,885
Machinery and equipment	1,038,885	1,201,244	121,460	156,596	1,160,345	1,357,840
Infrastructure	7,339,602	7,819,553	3,269,032	3,469,002	10,608,634	11,288,555
Total	\$ 10,877,085	\$ 11,328,877	\$ 5,898,938	\$ 5,866,084	\$ 16,776,023	\$ 17,194,961

**CITY OF SPRING LAKE PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Additional information on the City of Spring Lake Park's capital assets can be found in Note 3C beginning on page 51 of this report.

Long-term debt. At the end of the current fiscal year, the City of Spring Lake Park had \$3,758,700 in bonds, certificates, and notes payable outstanding. The entire amount outstanding comprises debt backed by the full faith and credit of the government.

City of Spring Lake Park's Outstanding Debt
General Obligation Bonds, Certificates and Notes Payable

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
General obligation bonds and notes payable	\$ 1,986,799	\$ 2,407,117	\$ 714,000	\$ 939,000	\$ 2,700,799	\$ 3,346,117
General obligation certificates	1,057,901	1,444,225			1,057,901	1,444,225
Total	\$ 3,044,700	\$ 3,851,342	\$ 714,000	\$ 939,000	\$ 3,758,700	\$ 4,790,342

The City of Spring Lake Park's total bonds, certificates and notes payable decreased by \$1,031,642 during the current fiscal year. The decrease was due to scheduled debt payments.

The City of Spring Lake Park maintains an AA bond rating from S&P for general obligation debt.

State statutes limit the amount of general obligation debt a Minnesota City may issue up to 3% of its market value of taxable property. Net debt is payable solely from ad valorem taxes. The City is currently well within this limit.

Economic Factors and Next Year's Budgets and Rates

The City Council has prepared a surplus budget for the General Fund for 2021 due to funding uncertainties associated with the COVID-19 pandemic. The City is seeing strong building permit activity as a result of low interest rates and stimulus dollars released into the economy. The City's property tax base continues to grow.

The City is undertaking a Classification and Compensation Study with the goal to ensure internal pay equity and competitiveness with the external market. Implementation of the study will have a measurable impact on the proposed 2022 budget.

The economy of the area is anticipated to remain stable. Inflationary trends in the region compare favorably to the national indices.

**CITY OF SPRING LAKE PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Major activities contemplated in 2021 are:

- Slip-lining project for sanitary sewer in an effort to renew the City's sanitary sewer system.
- Seal coat project in an effort to maintain the City's investment in its street network.
- Complete rehabilitation of the Arthur Street Water Treatment Plant.
- Wind down the City's emergency response to the COVID-19 pandemic.
- Begin planning for the 2022 street improvement project, which will include Garfield Street, Hayes Street and 80th Avenue NE.

Requests for Information

This financial report is designed to provide a general overview of the City of Spring Lake Park's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to City of Spring Lake Park, 1301 - 81st Avenue NE, Spring Lake Park, Minnesota 55432.

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CITY OF SPRING LAKE PARK
GOVERNMENT-WIDE FINANCIAL STATEMENTS
December 31, 2020

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CITY OF SPRING LAKE PARK
STATEMENT OF NET POSITION
December 31, 2020

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 10,526,501	\$ 3,342,049	\$ 13,868,550
Receivables	711,167	353,823	1,064,990
Intergovernmental receivables	465,627		465,627
Internal balances	2,500	(2,500)	
Prepaid items and other	1,057		1,057
Capital assets:			
Nondepreciable	1,381,990	489,541	1,871,531
Depreciable, net	9,495,095	5,409,397	14,904,492
Total Assets	<u>22,583,937</u>	<u>9,592,310</u>	<u>32,176,247</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows from pension activity	<u>686,019</u>	<u>15,692</u>	<u>701,711</u>
LIABILITIES			
Accounts payable	53,392	323,523	376,915
Accrued payroll and related taxes	16,975	10,008	26,983
Accrued interest	15,712	6,709	22,421
Unearned revenue	10,380	3,000	13,380
Deposits and other liabilities	233,744	4,968	238,712
Noncurrent liabilities:			
Due within one year	1,002,253	266,573	1,268,826
Due in more than one year	2,454,660	495,743	2,950,403
Net pension liability	2,119,590	185,688	2,305,278
Total Liabilities	<u>5,906,706</u>	<u>1,296,212</u>	<u>7,202,918</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows from pension activity	<u>1,076,530</u>	<u>38,675</u>	<u>1,115,205</u>
NET POSITION			
Net investment in capital assets	7,819,564	5,184,938	13,004,502
Restricted	2,774,059		2,774,059
Unrestricted	5,693,097	3,088,177	8,781,274
Total Net Position	<u>\$ 16,286,720</u>	<u>\$ 8,273,115</u>	<u>\$ 24,559,835</u>

See Notes to Financial Statements

CITY OF SPRING LAKE PARK
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2020

Functions/Programs	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
General government	\$ 1,366,877	\$ 276,075	\$ 482,931	\$
Public safety	2,019,971	124,364	126,077	
Public works	1,300,003	134,366	78,129	335,794
Recreation and parks	742,799	180,899	3,490	
Development and other	396,790	243,589	63,005	
Interest on long-term debt	85,973			
Total governmental activities	<u>5,912,413</u>	<u>959,293</u>	<u>753,632</u>	<u>335,794</u>
Business-Type activities:				
Utility	1,871,035	1,685,631		
Total business-type activities	<u>1,871,035</u>	<u>1,685,631</u>		
Total	<u>\$ 7,783,448</u>	<u>\$ 2,644,924</u>	<u>\$ 753,632</u>	<u>\$ 335,794</u>

General revenues:

- General property taxes
- Grants and contributions not restricted to specific programs
- Lease revenue
- Investment earnings
- Miscellaneous
- Transfers

Total general revenues and transfers

Change in net position

Net Position - beginning

Net Position - ending

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (607,871)		\$ (607,871)
(1,769,530)		(1,769,530)
(751,714)		(751,714)
(558,410)		(558,410)
(90,196)		(90,196)
(85,973)		(85,973)
<u>(3,863,694)</u>		<u>(3,863,694)</u>
	\$ (185,404)	(185,404)
	<u>(185,404)</u>	<u>(185,404)</u>
<u>(3,863,694)</u>	<u>(185,404)</u>	<u>(4,049,098)</u>
3,898,537		3,898,537
882,360		882,360
100,469	154,863	255,332
225,719	79,181	304,900
546,075	370,803	916,878
87,292	(87,292)	
<u>5,740,452</u>	<u>517,555</u>	<u>6,258,007</u>
1,876,758	332,151	2,208,909
<u>14,409,962</u>	<u>7,940,964</u>	<u>22,350,926</u>
<u>\$ 16,286,720</u>	<u>\$ 8,273,115</u>	<u>\$ 24,559,835</u>

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CITY OF SPRING LAKE PARK
FUND FINANCIAL STATEMENTS
December 31, 2020

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CITY OF SPRING LAKE PARK
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2020

	General Fund	Special Revenue Fund	Capital Project Funds	
		Developer's Escrow	Revolving Fund	Renewal and Replacement
ASSETS				
Cash and investments	\$ 2,216,440	\$ 228,144	\$ 1,435,442	\$ 1,890,961
Accounts receivable	14,282			
Taxes receivable	124,531			
Special assessments receivable	2,351		19,459	
Due from other funds	262,366		13,613	
Due from other governmental units	95,326		278	
Accrued interest receivable	24,243			
Prepaid expenditures	557			
TOTAL ASSETS	\$ 2,740,096	\$ 228,144	\$ 1,468,792	\$ 1,890,961
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
LIABILITIES				
Accounts payable	\$ 42,825	\$	\$	\$
Accrued payroll and taxes	16,975			
Deposits and other liabilities		228,144		
Due to other funds	13,613		251,015	
Unearned revenue				
Total liabilities	73,413	228,144	251,015	
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue:				
Property taxes	124,531			
Special assessments	2,351		19,459	
Developer fees				
Total deferred inflows of resources	126,882		19,459	
FUND BALANCE (DEFICIT)				
Nonspendable	557			
Restricted				
Assigned	2,539,244		1,198,318	1,890,961
Unassigned				
Total Fund Balance (Deficit)	2,539,801		1,198,318	1,890,961
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 2,740,096	\$ 228,144	\$ 1,468,792	\$ 1,890,961

See Notes to Financial Statements

Debt Service Fund	Other Governmental Funds	Total
2014A G.O. Improvement Bonds		
\$ 928,784	\$ 3,826,730	\$ 10,526,501
	224,714	238,996
		124,531
301,587		323,397
	2,501	278,480
3,343	26,818	125,765
		24,243
	500	1,057
<u>\$ 1,233,714</u>	<u>\$ 4,081,263</u>	<u>\$ 11,642,970</u>

\$	\$ 10,567	\$ 53,392
		16,975
	5,600	233,744
	11,352	275,980
	10,380	10,380
	37,899	590,471

		124,531
301,587		323,397
	111,500	111,500
<u>301,587</u>	<u>111,500</u>	<u>559,428</u>

	500	1,057
932,127	1,540,345	2,472,472
	2,399,641	8,028,164
	(8,622)	(8,622)
<u>932,127</u>	<u>3,931,864</u>	<u>10,493,071</u>

<u>\$ 1,233,714</u>	<u>\$ 4,081,263</u>	<u>\$ 11,642,970</u>
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**CITY OF SPRING LAKE PARK
RECONCILIATION OF NET POSITION IN THE
GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND BALANCES
IN THE FUND BASIS FINANCIAL STATEMENTS**

December 31, 2020

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

Total governmental fund balances (pages 17-18)		\$ 10,493,071
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Governmental funds - capital assets	\$ 28,321,134	
Accumulated depreciation	<u>(17,444,049)</u>	
		10,877,085
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable in the funds:		
Delinquent property taxes	\$ 124,531	
Special assessments	323,397	
Developr fees	<u>111,500</u>	
		559,428
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Bonds payable (net of receivable for amounts to be paid by other governmental entities)	\$ (2,704,838)	
Net pension liability, deferred outflows and inflows from pension activity	(2,510,101)	
Compensated absences	(399,392)	
Accrued interest	(15,712)	
Net unamortized bond premiums	<u>(12,821)</u>	
		<u>(5,642,864)</u>
Net position of governmental activities (page 14)		<u><u>\$ 16,286,720</u></u>

CITY OF SPRING LAKE PARK
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2020

	General Fund	Special Revenue Fund	Capital Project Funds	
		Developer's Escrow	Revolving Fund	Renewal and Replacement
REVENUES				
Property taxes	\$ 3,330,621	\$	\$	\$
Special assessments			18,232	
Licenses and permits	135,550			
Intergovernmental revenues	1,104,055		256,775	
Charges for services	137,400			
Fines and forfeitures	34,620			
Investment income	37,964			49,734
Other revenues	99,594	10,261		
TOTAL REVENUES	4,879,804	10,261	275,007	49,734
EXPENDITURES				
Current				
General government	988,623			
Public safety	2,263,657			
Public works	249,998		1,380	
Recreation and parks	573,185			
Development and other	104,159			
Capital Outlay				
General government	26,515			
Public safety	31,140			
Public works			35,743	297
Recreation and parks	17,118			
Debt Service				
Principal				
Interest and other				
TOTAL EXPENDITURES	4,254,395		37,123	297
Excess (deficiency) of revenues over (under) expenditures	625,409	10,261	237,884	49,437
OTHER FINANCING SOURCES				
Transfers from other funds	493,543			
Transfers to other funds	(659,820)	(11,268)		(255,628)
Sale of capital assets				
Total other financing sources (uses)	(166,277)	(11,268)		(255,628)
Net change in fund balances	459,132	(1,007)	237,884	(206,191)
FUND BALANCES (DEFICIT), Beginning	2,080,669	1,007	960,434	2,097,152
FUND BALANCES (DEFICIT), Ending	\$ 2,539,801	\$	\$ 1,198,318	\$ 1,890,961

See Notes to Financial Statements

Debt Service Fund	Other Governmental Funds	Total
2014A G.O. Improvement Bonds		
\$ 74,995	\$ 418,286	\$ 3,823,902
97,648		115,880
		135,550
373,249	137,274	1,871,353
	418,756	556,156
	8,713	43,333
20,353	117,668	225,719
	469,284	579,139
<u>566,245</u>	<u>1,569,981</u>	<u>7,351,032</u>
	82,646	1,071,269
	6,350	2,270,007
	724,093	975,471
	112,259	685,444
	296,465	400,624
		26,515
		31,140
	159,083	195,123
	301,341	318,459
300,000	506,642	806,642
39,833	51,624	91,457
<u>339,833</u>	<u>2,240,503</u>	<u>6,872,151</u>
<u>226,412</u>	<u>(670,522)</u>	<u>478,881</u>
	590,965	1,084,508
	(70,500)	(997,216)
	841,970	841,970
	<u>1,362,435</u>	<u>929,262</u>
226,412	691,913	1,408,143
705,715	3,239,951	9,084,928
<u>\$ 932,127</u>	<u>\$ 3,931,864</u>	<u>\$ 10,493,071</u>

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CITY OF SPRING LAKE PARK
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2020

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

Net change in fund balances - total governmental funds (pages 20-21)	\$	1,408,143
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Governmental funds report capital outlay as expenditures.

However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	\$	1,000,974	
Depreciation expense		(926,035)	
			74,939

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins and donations) is to decrease net position			(526,731)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:

Unavailable revenue, end of year	\$	559,428	
Unavailable revenue, beginning of year		(410,154)	
			149,274

In the statement of activities, certain operating expenses - net pension liability and compensated absences - are measured by the amounts earned during the year. In the government funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid)

Net pension liability	\$	204,450	
Compensated absences, beginning of year		(24,324)	
			180,126

Bond, contract and loan proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position:

Principal retirement on long-term debt	\$	806,642	
Shared debt principal payments received from other governments		(221,119)	
Change in accrued interest, bond premiums, bond discounts and deferred charges		5,484	
			591,007

Change in net position of governmental activities (pages 15-16)	\$	1,876,758
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See Notes to Financial Statements

**CITY OF SPRING LAKE PARK
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**
For the Year Ended December 31, 2020

	Budgeted Amounts		2020 Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
General property taxes	\$ 3,285,402	\$ 3,285,402	\$ 3,330,621	\$ 45,219
Licenses and Permits				
Licenses	46,752	46,752	39,073	(7,679)
Permits	108,000	108,000	96,477	(11,523)
Total Licenses and Permits	154,752	154,752	135,550	(19,202)
Intergovernmental				
Police aids	95,000	95,000	108,011	13,011
Other aids	504,788	504,788	996,044	491,256
Total Intergovernmental	599,788	599,788	1,104,055	504,267
Charges for Services				
General government	84,181	84,181	71,810	(12,371)
Public safety	2,000	2,000	1,355	(645)
Housing registration	72,000	72,000	64,235	(7,765)
Total Charges for Services	158,181	158,181	137,400	(20,781)
Fines and forfeits	48,500	48,500	34,620	(13,880)
Investment earnings	15,000	15,000	37,964	22,964
Miscellaneous Revenue				
Liaison officer	82,120	82,120	78,419	(3,701)
Insurance dividends	3,500	3,500	6,931	3,431
Reimbursements and other	6,200	6,200	14,244	8,044
Total Miscellaneous Revenue	91,820	91,820	99,594	7,774
TOTAL REVENUES	4,353,443	4,353,443	4,879,804	526,361
EXPENDITURES				
General Government				
Mayor and Council				
Personnel services	40,776	40,776	34,956	5,820
Supplies and services	2,350	2,350	1,171	1,179
Other charges	29,501	29,501	21,869	7,632
Total Mayor and Council	\$ 72,627	\$ 72,627	\$ 57,996	\$ 14,631

See Notes to Financial Statements

**CITY OF SPRING LAKE PARK
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED)**

For the Year Ended December 31, 2020

	Budgeted Amounts		2020 Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Administration				
Personnel services	\$ 444,416	\$ 453,668	\$ 406,037	\$ 47,631
Supplies	8,525	8,525	13,288	(4,763)
Contracted services	6,300	6,300	119,660	(113,360)
Other services and charges	20,709	20,709	22,458	(1,749)
Capital outlay			26,515	(26,515)
Total Administration	479,950	489,202	587,958	(98,756)
Election				
Personnel services			22,625	(22,625)
Other services and charges			7,375	(7,375)
Total Election			30,000	(30,000)
Assessing				
Contracted services	37,040	37,040	37,360	(320)
Accounting and Auditing				
Contracted services	11,013	11,013	8,063	2,950
Information Technology				
Contracted services	64,145	64,145	62,388	1,757
Legal				
Contracted services	122,500	122,500	113,796	8,704
Engineering				
Contracted services	7,500	7,500	8,366	(866)
Planning and Zoning				
Supplies and other charges	1,025	1,025	688	337
Government Buildings				
Personnel services	22,047	22,552	23,070	(518)
Supplies	17,750	17,750	33,307	(15,557)
Contracted services	49,765	49,765	47,119	2,646
Other charges	4,715	4,715	5,027	(312)
Total Government Buildings	94,277	94,782	108,523	(13,741)
Total General Government	\$ 890,077	\$ 899,834	\$ 1,015,138	\$ (115,304)

See Notes to Financial Statements

**CITY OF SPRING LAKE PARK
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED)**
For the Year Ended December 31, 2020

	Budgeted Amounts		2020 Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
EXPENDITURES				
Public Safety				
Police Protection				
Personnel services	\$ 1,657,656	\$ 1,694,485	\$ 1,726,900	\$ (32,415)
Supplies	45,782	45,782	37,887	7,895
Contracted services	48,917	49,137	43,640	5,497
Other charges	74,870	74,870	57,860	17,010
Capital outlay	37,471	37,471	5,658	31,813
Total Police Protection	<u>1,864,696</u>	<u>1,901,745</u>	<u>1,871,945</u>	<u>29,800</u>
Fire Protection				
Contracted services	230,696	230,696	230,700	(4)
Capital outlay	44,014	44,014	25,482	18,532
Total Fire Protection	<u>274,710</u>	<u>274,710</u>	<u>256,182</u>	<u>18,528</u>
Code Enforcement				
Personnel services	168,573	185,143	149,446	35,697
Supplies	4,600	4,600	2,000	2,600
Contracted services	16,300	16,300	11,995	4,305
Other charges	4,440	4,440	3,229	1,211
Total Code Enforcement	<u>193,913</u>	<u>210,483</u>	<u>166,670</u>	<u>43,813</u>
Total Public Safety	<u>2,333,319</u>	<u>2,386,938</u>	<u>2,294,797</u>	<u>92,141</u>
Public Works				
Street Maintenance				
Personnel services	214,459	227,430	216,815	10,615
Supplies	42,500	42,630	31,092	11,538
Contracted services	1,410	1,410	1,712	(302)
Other charges	900	900	379	521
Total Street Maintenance	<u>259,269</u>	<u>272,370</u>	<u>249,998</u>	<u>22,372</u>
Total Public Works	<u>\$ 259,269</u>	<u>\$ 272,370</u>	<u>\$ 249,998</u>	<u>\$ 22,372</u>

See Notes to Financial Statements

**CITY OF SPRING LAKE PARK
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED)**
For the Year Ended December 31, 2020

	Budgeted Amounts		2020	Variance with
	Original	Final	Actual Amounts	Final Budget- Positive (Negative)
EXPENDITURES				
Recreation and Parks				
Recreation				
Personnel services	\$ 293,567	\$ 300,090	\$ 261,807	\$ 38,283
Supplies	14,287	14,287	9,121	5,166
Contracted services	16,007	16,007	5,441	10,566
Other charges	2,045	2,045	978	1,067
Capital outlay			11,534	(11,534)
Total Recreation	325,906	332,429	288,881	43,548
Parks and Forestry				
Personnel services	260,051	260,051	240,359	19,692
Supplies	41,154	41,154	33,267	7,887
Contracted services	8,900	8,900	7,842	1,058
Other charges	15,725	15,725	14,370	1,355
Capital outlay			5,584	(5,584)
Total Parks and Forestry	325,830	325,830	301,422	24,408
Total Recreation and Parks	651,736	658,259	590,303	67,956
Other				
Personnel services	9,400	9,400	2,400	7,000
Other charges	178,472	95,472	51,788	43,684
Permit surcharges	2,600	2,600	7,973	(5,373)
Severance payments			41,998	(41,998)
Total Other	190,472	107,472	104,159	3,313
Total Expenditures	4,324,873	4,324,873	4,254,395	70,478
Excess (deficiency) of revenues over (under) expenditures	28,570	28,570	625,409	596,839
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	169,147	169,147	493,543	324,396
Transfers to other funds	(197,717)	(632,717)	(659,820)	(27,103)
Total Other Financing Sources (Uses)	(28,570)	(463,570)	(166,277)	297,293
NET CHANGE IN FUND BALANCE		(435,000)	459,132	894,132
FUND BALANCE, January 1	2,080,669	2,080,669	2,080,669	
FUND BALANCE, December 31	\$ 2,080,669	\$ 1,645,669	\$ 2,539,801	\$ 894,132

See Notes to Financial Statements

**CITY OF SPRING LAKE PARK
 PROPRIETARY FUND
 Statement of Net Position
 December 31, 2020**

	Utility Fund
ASSETS	
Current Assets	
Cash and investments	\$ 653,633
Accounts receivable	353,823
Due from other funds	3,419
Total Current Assets	1,010,875
Noncurrent Assets	
Property and Equipment	
Construction in progress	489,541
Buildings and structures	6,489,800
Distributions and collection systems	5,608,969
Furniture, fixtures and equipment	808,197
Total Property and Equipment	13,396,507
Less: Accumulated depreciation	7,497,569
Net Property and Equipment	5,898,938
Reserved Assets	
Cash and investments	2,688,416
Total Noncurrent Assets	8,587,354
TOTAL ASSETS	9,598,229
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows from pension activity	15,692

**CITY OF SPRING LAKE PARK
 PROPRIETARY FUND
 Statement of Net Position (Continued)
 December 31, 2020**

	<u>Utility Fund</u>
LIABILITIES	
Current Liabilities	
Accounts payable	\$ 323,523
Accrued payroll and taxes	10,008
Accrued interest	6,709
Unearned revenue	3,000
Other accrued liabilities	4,968
Due to other funds	5,919
Current portion of compensated absences	35,573
Current portion of note payable and capital lease	231,000
Total Current Liabilities	620,700
Long-term Liabilities	
Compensated absences payable	12,743
Net pension liability	185,688
Note payable	483,000
Total Long-term Liabilities	681,431
Total Liabilities	1,302,131
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows from pension activity	38,675
Net Position	
Net investment in capital assets	5,184,938
Unrestricted	3,088,177
Total Net Position	\$ 8,273,115

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**CITY OF SPRING LAKE PARK
 PROPRIETARY FUND
 Statement of Revenues, Expenses
 and Changes in Net Position
 For the Year Ended December 31, 2020**

	Utility Fund
Operating Revenue	
Charges for services	\$ 1,685,631
Operating Expenses	
Personnel services	352,587
Supplies	187,419
Contracted services and other	197,000
Treatment charges	600,803
Depreciation	456,687
Other charges	52,183
Total Operating Expenses	1,846,679
Operating (Loss)	(161,048)
Other Revenue (Expense)	
Lease revenue	154,863
Commissions and other revenue	370,803
Investment income	79,181
Interest and other expense	(24,356)
Total Other Revenue (Expense)	580,491
Income Before Transfers	419,443
Transfers to other funds	(87,292)
Change in net position	332,151
NET POSITION, BEGINNING OF YEAR	7,940,964
NET POSITION, END OF YEAR	\$ 8,273,115

See Notes to Financial Statements

**CITY OF SPRING LAKE PARK
 PROPRIETARY FUND
 Statement of Cash Flows
 For the Year Ended December 31, 2020**

	Utility Fund
Cash Flows from Operating Activities	
Cash received from customers	\$ 2,223,181
Cash paid to suppliers	(861,325)
Cash paid to employees	(375,618)
	986,238
Net Cash Provided By Operating Activities	
Cash Flows From Investing Activities	
Investment income	79,181
	79,181
Cash Flows from Noncapital Financing Activities	
Transfers to other funds	(87,292)
	(87,292)
Cash Flows from Capital and Related Financing Activities	
Acquisition of capital assets	(391,877)
Principal paid on long-term debt	(225,000)
Interest paid on long-term debt	(26,470)
	(643,347)
Net Cash (Used In) Capital and Related Financing Activities	
	(643,347)
Net Increase in Cash and Cash Equivalents	334,780
Cash and Cash Equivalents, January 1	3,007,269
Cash and Cash Equivalents, December 31	\$ 3,342,049
Classified as:	
Cash and investments - current assets	\$ 653,633
Cash and investments - reserved assets	2,688,416
Total Cash and Cash Equivalents, December 31	\$ 3,342,049

See Notes to Financial Statements

**CITY OF SPRING LAKE PARK
 PROPRIETARY FUND
 Statement of Cash Flows (Continued)
 For the Year Ended December 31, 2020**

**RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED
 BY OPERATING ACTIVITIES**

Operating (loss)	\$ (161,048)
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation	456,687
Change in net pension liability	(27,909)
Lease and other revenues	525,666
(Increase) decrease in:	
Accounts receivable	12,620
Due from other funds	1,007
Increase (decrease) in:	
Accounts payable	176,080
Accrued payroll and taxes	3,956
Due to other funds	(1,743)
Estimated liability for compensated absences	922
Net Cash Provided By Operating Activities	\$ 986,238

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CITY OF SPRING LAKE PARK
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

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CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

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

A. Reporting Entity

The City operates according to applicable laws and statutes under the council-administrator plan (Statutory Plan A) as defined by Minnesota statutes. A Council composed of an elected mayor and four other elected members directs the government of the City. The Council exercises legislative authority and determines all matters of policy and is responsible for directing the activities of the City. The Council appoints the City Administrator and other personnel who are responsible for the proper administration of all affairs relating to the City.

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City of Spring Lake Park (the primary government) and its component unit. A component unit is a legally separate entity for which the primary government is financially accountable, or for which the exclusion of the component unit would render the financial statements of the primary government misleading. The criteria used to determine if the primary government is financially accountable for a component unit include whether or not the primary government appoints the potential component unit's board, is able to impose its will on the potential unit, is in a relationship of financial benefit or burden with the potential component unit, or is fiscally depended upon by the potential component unit. The component unit described below is included in the City's reporting entity because of the significance of its operational or financial relationship with the City.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

A. Reporting Entity (Continued)

Related Organizations

Spring Lake Park - Blaine - Mounds View Fire Department

The City has joined with the cities of Blaine and Mounds View to cooperatively provide fire protection services to their residents. This is provided by the Spring Lake Park - Blaine - Mounds View Fire Department (the Fire Department), a private nonprofit Internal Revenue Code Section 501(c)(3) organization. The service territory is generally comprised of the cities of Spring Lake Park, Blaine and Mounds View.

The three cities agreed upon several significant provisions in their agreement dated December 11, 1990:

1. The Fire Department is governed by its own Board of Directors. Directors are appointed by each city and from the Fire Department.
 2. Operation, maintenance and debt service costs are shared based upon a formula. One half of the formula is the relative assessed value of each city. The other half is the three-year average of fire calls within each city. The City's share of the formula was 7.963% in 2020.
 3. The city of Blaine issued \$8,050,000 G.O. Capital Improvement Bonds, Series 2005A, on December 1, 2005 to construct a new fire station and training facility and acquire two additional fire trucks. The City of Spring Lake Park has recorded its share of the debt related to this bond issuance. These bonds were refunded in 2016 (see 4. below).
 4. In 2013, the city of Blaine issued crossover refunding bonds to refund (in 2016) the 2005A G.O. Capital Improvement Bonds. The City of Spring Lake Park has recorded its share of the debt related to this bond issuance.
 5. In 2017, the City of Spring Lake Park issued \$1,090,000 G.O. Equipment Certificates of Indebtedness, Series 2017A to purchase a new fire truck and additional fire vehicles and equipment. The City of Spring Lake Park has recorded the full amount of debt and an intergovernmental receivable for the share of debt related to Blaine and Mounds View.
 6. In 2018, the City of Blaine issued \$1,145,000 G.O. Equipment Certificates of Indebtedness, Series 2018A, to purchase new fire vehicles and equipment. The City of Spring Lake Park has recorded their principal share of debt and capitalized their share of fire vehicles and equipment.
 7. Each city has a non-measurable equity interest in the property that is held by the fire department.
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CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

A. Reporting Entity (Continued)

Related Organizations (Continued)

Spring Lake Park - Blaine - Mounds View Fire Department (Continued)

The City's share of operating costs were \$230,700, capital costs were \$25,482 and debt service costs were \$295,419 during 2020. The operating and capital costs were recorded as expenditures in the General Fund. The debt service costs were recorded as expenditures in the 2013A G.O. Capital Improvement Bond, 2017A G.O. Equipment Certificates and 2018A Blaine Fire debt service funds.

Because the City is not financially accountable for the Fire Department (the Fire Department is able to fund itself independently of the City) it is excluded from the reporting entity of the City.

A related entity, the Spring Lake Park Firemen's Relief Association (the Association), is a nonprofit organization organized to provide pension and other benefits to its members in accordance with Minnesota statutes. Because the City is not financially accountable for the Association (the Association is able to fund itself independently of the City) it is also excluded from the reporting entity of the City. The Fire Department and the Association issue financial reports which are available at City offices or at the Fire Department, 1710 Highway 10, Spring Lake Park, Minnesota, 55432.

North Metro Telecommunications Commission

In 2016, the City joined with the cities of Blaine, Centerville, Circle Pines, Ham Lake, Lexington and Lino Lakes to cooperatively purchase telecommunications equipment to provide cable communication services to their residents. The City of Spring Lake Park has recorded its share of the debt related to the 2016A G.O. Improvement Note issued by the city of Circle Pines. The 2016A North Metro Telecommunications debt service fund received \$13,342 in franchise fees that were used for debt service payments during the year ended December 31, 2020.

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 activities of the City. For the most part, the effect of interfund activity has been removed from these statements. *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.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

B. Government-wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *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*.

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

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

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

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the tax is levied. Revenue from grants and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year in which the resources are required to be used or the year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it is recognized.

Unearned revenue is recorded when assets are recognized before revenue recognition criteria have been satisfied. Grants received before eligibility requirements other than time requirements are met are recorded as unearned revenue. Grants received before time requirements are met are recorded as a deferred inflow of resources.

The City reports the following major governmental funds:

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

The *developer's escrow fund* is an accumulation of resources and costs associated with development throughout the City.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

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

The *revolving fund* was created to finance improvement projects. The fund is financed with the remaining funds left in capital project funds once the project is considered completed and special assessments.

The *renewal and replacement fund* was created to finance capital improvement projects in the City. The fund is financed with the remaining funds left in the liquor fund upon closing of the fund.

The *2014A G.O. improvement bonds fund* is an accumulation of resources (special assessments and intergovernmental revenues) for the payments of principal and interest on long-term general obligation debt of governmental funds.

The City reports the following major proprietary fund:

The *utility fund* accounts for the operation of the City owned utility (water and sewer) system.

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 City's enterprise funds and various other functions of the City. 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.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

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

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 of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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.

D. Assets, Liabilities, Deferred Inflows of Resources and Net Position or Equity

1. Cash and investments (including cash equivalents)

Cash balances from all City funds, except certain designated funds, are pooled and invested to the extent available in various securities as authorized by Minnesota statutes. Earnings from the pooled investments are allocated to the respective funds on the basis of the average cash balance participation of each fund throughout the year.

Investments are stated at fair value, based upon quoted market prices at the reporting date. Cash and cash equivalents for purposes of the basic financial statements includes amounts in demand deposits as well as all investments held by the City.

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

2. Receivables and payables (continued)

Advances between funds, if any, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

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

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

Taxes which remain unpaid at December 31 are classified as delinquent taxes receivable. The net amount of delinquent taxes receivable are fully offset by deferred inflow of resources in the governmental funds of the fund financial statements because they are not known to be available to finance current expenditures.

Assessments are levied at various times upon City Council resolution for property owner improvements made by the City. **Assessment collections are deferred, generally over ten-year periods, with interest charges ranging from 3.5% to 5.5%.** Revenue from these assessments is recognized when assessed in the government-wide financial statements and as the annual installments become collectible in the governmental funds of the fund financial statements. Annual installments not collected as of each December 31 are classified as delinquent assessments receivable. The net amount of delinquent assessments receivable are fully offset by deferred inflow of resources in the governmental funds of the fund financial statements because they are not known to be available to finance current expenditures.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

3. Tax increment district

Tax increment revenues received are recorded in the Debt Service Fund to service note principal and interest payments.

4. 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 more than \$3,000 and an estimated useful life greater than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. 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. Interest incurred during the construction phase of capital assets is expensed as incurred.

Property, plant and equipment are capitalized when acquired, and depreciation is provided using the straight-line method applied over the following estimated useful lives of the assets.

	<u>Useful Life in Years</u>
Land Improvements	10 - 20
Buildings and Improvements	15 - 40
Infrastructure	25 - 35
Distribution and Collection System	15 - 80
Furniture, Fixtures and Equipment	3 - 10

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

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

5. Compensated absences benefits

The City's policy is to permit employees to accumulate unused vacation and compensatory time benefits. City employees are entitled to vacation pay based upon length of employment. In addition, the City has established a severance pay policy for nonunion employees. This policy provides for severance payments upon termination of employment based on accumulated personal leave accrued, subject to certain conditions and specified maximums. Severance pay policy for union employees is governed by individual union contracts.

Vested benefits for City employees attributable to governmental funds are recorded as expenditures in these funds as benefits are paid to employees. The liability and corresponding expense is recorded in the government-wide financials statements as these benefits accrue. The liability and corresponding expense associated with proprietary funds is recorded in the applicable proprietary fund as benefits accrue.

6. 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 statements of net position.

Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are expensed as incurred. Bonds payable are reported net of the applicable bond premium or discount.

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.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

7. Pensions

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

8. Fund equity

In the government-wide and proprietary financial statements, net position is classified in the following categories:

Net Investment in Capital Assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt attributed to the acquisition, construction, or improvement of the assets.

Restricted Net Position – This amount is restricted by external creditors, grantors, contributors, laws or regulations of other governments.

Unrestricted Net Position – This amount is all net position that does not meet the definition of "net investment in capital assets" or "restricted net position."

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies governmental fund balances as follows:

Non-spendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual restraints.

Restricted – amounts are restricted by external creditors, grantors, contributors, laws or regulations of other governments.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

8. Fund equity (continued)

Committed – includes fund balance amounts that are committed by resolution, which is the City's highest level of decision-making authority, for specific purposes that are internally imposed by the City Council through formal action and remain binding unless removed by the City Council by subsequent formal action (resolution).

Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. The City Council, by majority vote, may assign fund balances to be used for specific purposes when appropriate. The Council has the power to assign fund balances or to designate an official who may assign fund balances. The City Administrator has been designated by the Council to assign fund balances.

Unassigned – includes positive fund balances within the General Fund which have not been classified within the above-mentioned categories and negative fund balances in other governmental funds.

The City considers restricted/committed amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as a grant agreement requiring dollar for dollar spending. Additionally, the City would first use committed, then assigned and lastly unassigned amounts when expenditures are made.

9. Deferred Outflows of Resources

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflow of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The City has one type of deferred outflow which is pension related and reported on the statement of net position.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

10. Deferred Inflows of Resources

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflow of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City recognized two types of deferred inflows. The first type occurs because governmental fund revenues are not recognized until available under the modified accrual basis of accounting. The second type is pension related and reported on the statement of net position.

E. Concentration of Credit Risk

Financial instruments which expose the City to a concentration of credit risk consist primarily of cash, investments and accounts and loans receivable. Credit risk associated with cash and investments is discussed in Note 3. The City's accounts and loans receivable are concentrated geographically, and for the most part, amounts are due from individuals residing in and businesses located in the City of Spring Lake Park.

F. Use of Estimates

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

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

G. Conduit Debt Obligations

The City issued lease revenue bonds during 2017 to provide funding to a private sector entity for a project deemed to be in the public interest. The City issued bonds during 2019 to provide funding to another private sector entity for a project deemed to be in public interest. Although these bonds bear the name of the City, the City has no obligation for such debt. Accordingly, the bonds are not reported as liabilities in the financial statements of the City. As of December 31, 2020, the outstanding principal amount of these bonds was \$58,108,683.

2. Stewardship, Compliance and Accountability

A. Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are legally adopted by Council resolution for the General Fund. An annual budget is not adopted for the Developer's Escrow special revenue fund, which adopts a project length budget. Formal budgetary integration is employed as a management control device during the year for the General Fund. The City follows these legal compliance procedures in establishing the budgetary data reflected in the financial statements.

1. Budget requests are submitted by all department heads to the City Administrator. The Administrator's office compiles the budget requests into an overall preliminary City budget, balancing budget requests with available revenue.
 2. The preliminary budget is submitted to the City Council in August for its review and/or modification.
 3. City administration presents the proposed budget to the City Council which in turn holds a truth-in-taxation public hearing on the proposed budget. The budget resolution adopted by the City Council sets forth the budget at the department level for the General Fund.
 4. All budgeted appropriations lapse at the end of the fiscal year. The legal level of control (the level on which expenditures may not legally exceed appropriations) for each budget is at the department level. Administration cannot legally amend or transfer appropriations between departments without the approval of the City Council once the budget has been approved. Any over expenditures of appropriations or transfers of appropriated amounts must be approved by the City Council.
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CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

2. **Stewardship, Compliance and Accountability**

A. Budgetary Information (Continued)

5. Budgeted amounts are as originally adopted, or as amended by the City Council. The budget cannot be amended without approval by the City Council.

All budget amounts presented in the accompanying supplementary information reflect the original budget and the final budget (which were not the same for the year ended December 31, 2020).

The City does not use encumbrance accounting.

B. Expenditures Exceeding Appropriations

For the year ended December 31, 2020, the following General Fund department had expenditures exceeding the latest amended budget:

	<u>2020 Budgeted Expenditures</u>		<u>2020 Actual Expenditures</u>		<u>Amount Exceeding Budgeted Amount</u>
General Government	\$ 899,834		\$ 1,015,138		\$ 115,304

The above listed over expenditures were approved by the City Council.

C. Fund Balance Deficits

As of December 31, 2020, the following fund had a deficit fund balance:

<u>Fund</u>	<u>Amount</u>
Nonmajor:	
2013A G.O. Capital Improvement Fire Bond Debt Service	\$ 8,622

The fund balance deficit will be eliminated by future revenue and financing sources.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

3. Detailed Notes on All Funds

A. Deposits and Investments

In accordance with applicable Minnesota statutes, the City maintains deposits at depository banks authorized by the City Council. All such depositories are members of the Federal Reserve System.

Minnesota statutes require that all deposits be protected by insurance, surety bond or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by insurance or surety bonds. Authorized collateral includes certain state or local government obligations and legal investments described in the investment policy section. Minnesota Statutes require that securities pledged as collateral be held in safekeeping by the City Treasurer or in a financial institution other than the institution furnishing the collateral.

The City's deposits were entirely covered by federal depository insurance or collateral at December 31, 2020.

Investment Policy

The City maintains a formal investment policy that limits its investment choices as a means of managing its exposure to credit risk. The City's investment policy does not address, however, limits on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The City is authorized by Minnesota Statutes to invest idle funds as follows:

- (a) Direct obligations or obligations guaranteed by the United States or its agencies.
 - (b) Shares of investment companies registered under the Federal Investment Company Act of 1940 and whose only investments are in securities described in (a) above.
 - (c) General obligations of the State of Minnesota or its municipalities.
 - (d) Bankers acceptances of United States banks eligible for purchase by the Federal Reserve System.
 - (e) Commercial paper issued by United States corporations or their Canadian subsidiaries, of the highest quality, and maturing in 270 days or less.
 - (f) Repurchase agreements with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a reporting dealer to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.
 - (g) Money market funds with institutions that have portfolios consisting exclusively of United States Treasury obligations and Federal Agency issues.
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CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

3. Detailed Notes on All Funds (Continued)

A. Deposits and Investments (Continued)

- (h) Guaranteed investment contracts (gic's) issued or guaranteed by United States commercial banks or domestic branches of foreign banks or United States insurance companies and with a credit quality in one of the top two highest categories.

Fair Value Measurements

Fair value measurements are determined utilizing the framework established by the Governmental Accounting Standards Board. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the City has the ability to access.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data. Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specific (contractual) term, Level 2 input must be observable for substantially the full term of the asset or liability

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

3. Detailed Notes on All Funds (Continued)

A. Deposits and Investments (Continued)

Fair Value Measurements (Continued)

The City's investments within the fair value hierarchy at December 31, 2020 were as follows:

	Assets Measured at Fair Value	Fair Value Hierarchy Level		
		Level 1	Level 2	Level 3
Certificates of Deposit	\$ 8,943,527	\$ 8,943,527	\$	\$
U.S. Government Securities	1,091,754		1,091,754	
Total	<u>\$ 10,035,281</u>	<u>\$ 8,943,527</u>	<u>\$ 1,091,754</u>	<u>\$</u>

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needs for operation.

The following is a summary of the City of Spring Lake Park's cash and investment portfolio including the range of maturities and investment ratings by type of investment:

<u>Investment</u>	<u>Range of Maturities</u>	<u>Rating</u>	<u>Value</u>
Cash	N/A	N/A	\$ 3,833,269
Certificates of Deposit	8/30	N/A	8,943,527
U.S. Government Securities	10/26	AAA	1,091,754
Total cash and investments			<u>\$13,868,550</u>

N/A Not applicable or not available

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

3. Detailed Notes on All Funds (Continued)

A. Deposits and Investments (Continued)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The City's investments are rated by various credit rating agencies, where applicable, to indicate the associated credit risk. Investment ratings by investment type (as applicable) are included in the preceding summary of investments.

The City does not have a formal policy related to the credit risk of its investments, but continues to buy safe and liquid assets that are allowable under Minnesota Statutes.

Concentration of Credit Risk

The City diversifies its investment portfolio to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, a specific issuer or a specific class of securities. The City's investment policies do not limit the concentration of investments. Investments in any one issuer that represented 5% or more of total investments as of December 31, 2020 were as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Value</u>
4M Fund	Money Market Accounts	\$3,496,783

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counter party, the City will not be able to recover the value of its investment securities that are in the possession of an outside party. At December 31, 2020, all investments were insured or registered or the securities were held by the City or its agent in the City's name.

B. Due From Other Governmental Units

Amounts due from other governmental units as of December 31, 2020 were as follows:

<u>Fund Type</u>	<u>Anoka County</u>	<u>Ramsey County</u>
General Fund	\$ 94,150	\$ 1,176
Capital Projects	278	
Debt Service	30,161	
	<u>\$ 124,589</u>	<u>\$ 1,176</u>

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

3. Detailed Notes on All Funds (Continued)

C. Capital Assets

Capital asset activity for the City for the year ended December 31, 2020 was as follows:

Governmental Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 1,131,681	\$	\$ 526,731	\$ 604,950
Construction in progress		777,040		777,040
Total capital assets, not being depreciated	1,131,681	777,040	526,731	1,381,990
Capital assets, being depreciated:				
Buildings and improvements	3,351,210	48,282		3,399,492
Machinery and equipment	3,781,792	175,652		3,957,444
Infrastructure	19,582,208			19,582,208
Total capital assets, being depreciated	26,715,210	223,934		26,939,144
Less accumulated depreciation for:				
Buildings and improvements	2,174,811	108,073		2,282,884
Machinery and equipment	2,580,548	338,011		2,918,559
Infrastructure	11,762,655	479,951		12,242,606
Total accumulated depreciation	16,518,014	926,035		17,444,049
Total capital assets, being depreciated, net	10,197,196	(702,101)		9,495,095
Governmental activities capital assets, net	<u>\$ 11,328,877</u>	<u>\$ 74,939</u>	<u>\$ 526,731</u>	<u>\$ 10,877,085</u>

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

3. Detailed Notes on All Funds (Continued)

C. Capital Assets (Continued)

Business-Type Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Construction in progress	\$	\$ 489,541	\$	\$ 489,541
Total capital assets, not being depreciated		489,541		489,541
Capital assets, being depreciated:				
Buildings and improvements	6,553,078		63,278	6,489,800
Machinery and equipment	827,367		19,169	808,198
Infrastructure	5,608,968			5,608,968
Total capital assets, being depreciated	12,989,413		82,447	12,906,966
Less accumulated depreciation for:				
Buildings and improvements	4,312,592	221,581	63,278	4,470,895
Machinery and equipment	670,771	35,136	19,169	686,738
Infrastructure	2,139,966	199,970		2,339,936
Total accumulated depreciation	7,123,329	456,687	82,447	7,497,569
Total capital assets, being depreciated, net	5,866,084	(456,687)		5,409,397
Business-type activities capital assets, net	\$ 5,866,084	\$ 32,854	\$	\$ 5,898,938

Depreciation expense for the year ended December 31, 2020 was charged to functions/programs as follows:

Governmental Activities

General government	\$ 136,203
Public safety	106,712
Public works	615,888
Recreation and parks	67,232
Total	\$ 926,035

Business-Type Activities

Utility	\$ 456,687
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CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

3. Detailed Notes on All Funds (Continued)

D. Long-Term Debt

The City issues general obligation bonds and equipment certificates to provide funds for economic development and for the acquisition and construction of major capital assets including infrastructure. General obligation bonds have been issued for both general government and proprietary activities. Bonds issued to provide funds for business-type activities are reported in proprietary funds if they are expected to be repaid from proprietary revenues.

General obligation bonds and certificates are direct obligations and pledge the full faith and credit of the City. General obligation improvement and refunding bonds are expected to be repaid, in part, from assessments to the benefited properties.

A summary of long-term debt outstanding at December 31, 2020 is as follows:

	Issue Date	Range of Interest Rates	Final Maturity	Balance 12/31/20
General obligation bonds:				
2013A Capital Improvement Bonds	5/30/2013	2.00%	2025	\$ 226,601
2013B Capital Improvement Bonds	12/18/2013	2.50% - 3.00%	2023	225,000
2014A Capital Improvement Bonds	6/18/2014	2.00% - 2.75%	2025	1,485,000
General obligation certificates:				
2017A Equipment Certificates	3/21/2017	3.00%	2023	675,000
2018A Equipment Certificates	1/4/2018	1.90%	2022	325,000
2018A Improvement Certificates	6/7/2018	3.00% - 5.00%	2023	57,901
General obligation note payable:				
Note Payable - Public Facilities Authority	7/8/2003	2.819%	2023	714,000
2016A Improvement Notes	4/14/2016	2.00%	2025	50,198
Other Liabilities:				
Net unamortized premium on bonds				12,821
Compensated Absences				447,708
Total Long-Term Debt				<u>\$ 4,219,229</u>

Liquidation of the compensated absences liability occurs within the department and fund for which the corresponding employees are assigned.

The City is subject to statutory limitation by the State of Minnesota for bonded indebtedness payable principally from property taxes. As of December 31, 2020, the City had not utilized approximately \$17,183,000 of its net legal debt margin.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

3. Detailed Notes on All Funds (Continued)

D. Long-Term Debt (Continued)

The following is a summary of the changes in long-term debt obligations for the year ended December 31, 2020:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
GOVERNMENTAL ACTIVITIES					
Bonds and Notes Payable:					
General obligation bonds:					
2013A Capital Improvement Bonds	\$ 264,823	\$	\$ 38,222	\$ 226,601	\$ 41,650
2013B Capital Improvement Bonds	295,000		70,000	225,000	70,000
2014A Capital Improvements Bonds	1,785,000		300,000	1,485,000	300,000
General obligation certificates:					
2017A Equipment Certificates	885,000		210,000	675,000	220,000
2018A Equipment Certificates	485,000		160,000	325,000	160,000
2018A Improvement Certificates	74,225		16,324	57,901	18,275
General obligation note payable:					
2016A Improvement Notes	62,294		12,096	50,198	12,096
Other Liabilities:					
Compensated Absences	375,068	193,579	169,255	399,392	180,232
Unamortized premium	43,176		7,147	36,029	
Less: unamortized (discount)	(29,009)		(5,801)	(23,208)	
Governmental Activities					
Long-Term Liabilities	4,240,577	193,579	977,243	3,456,913	1,002,253
BUSINESS-TYPE ACTIVITIES					
Bonds and Notes Payable:					
General obligation note payable:					
Note Payable - Public Facilities Authority	939,000		225,000	714,000	231,000
Other Liabilities:					
Compensated Absences	47,394	35,816	34,894	48,316	35,573
Business-Type Activities					
Long-Term Liabilities	986,394	35,816	259,894	762,316	266,573
Total	\$ 5,226,971	\$ 229,395	\$ 1,237,137	\$ 4,219,229	\$ 1,268,826

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

3. Detailed Notes on All Funds (Continued)

D. Long-Term Debt (Continued)

Debt service requirements to maturity for long-term debt, excluding compensated absences, as of December 31, 2020 were as follows:

Year	General Obligation Improvement and Refunding Bonds		General Obligation Equipment and Refunding Certificates	
	Principal	Interest	Principal	Interest
2021	\$ 411,650	\$ 44,515	\$ 398,275	\$ 25,395
2022	417,500	35,941	409,125	14,766
2023	423,775	26,849	250,501	4,232
2024	344,625	17,586		
2025	339,051	9,661		
Totals	\$ 1,936,601	\$ 134,550	\$ 1,057,901	\$ 44,393

Year	General Obligation Notes Payable	
	Principal	Interest
2021	\$ 243,096	\$ 21,132
2022	250,398	14,378
2023	257,701	7,420
2024	13,003	260
Totals	\$ 764,198	\$ 43,190

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

3. Detailed Notes on All Funds (Continued)

E. Tax Increment District

The City of Spring Lake Park enters into property tax abatement agreements through the use of tax increment financing districts with local businesses under various Minnesota Statutes. Under these statutes, the City annually abates taxes collected above the districts' base tax capacity which is established during adoption of the tax increment district. These agreements are established to foster economic development and redevelopment through creating jobs, removing blight and providing affordable housing. The City uses Minnesota Statutes 469.001 to 469.047 and 469.174 to 469.179 (The Tax Increment Act) to create these districts.

The City of Spring Lake Park is the administering authority for the City of Spring Lake Park Tax Increment Financing District, No. 6-1. The district is housing development type and authorized under Minnesota law chapter 469.174 to 469.179 (The Tax Increment Act). District No. 6-1 was certified in 2017 and will continue until December 31, 2040.

Information regarding District No. 6-1 (as of December 31, 2019, the most current information available) is as follows:

Original net tax capacity	\$	11,313
Current net tax capacity		113,420
Capture net tax capacity: Retained by authority		102,107

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

3. Detailed Notes on All Funds (Continued)

F. Interfund Receivables and Payables

The following schedule reports the interfund receivables and payables within the City's funds as of December 31, 2020:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Major Governmental Funds:		
General Fund	\$ 262,366	\$ 13,613
Revolving Fund	13,613	251,015
Subtotal	<u>275,979</u>	<u>264,628</u>
Non-Major Governmental Funds:		
Special Revenue		
Recycling	1,882	
Street Lights	619	
Cable		11,352
Debt Service		
2013A GO Capital Improvement Bonds		
2018A Blaine Fire Debt Service		
Capital Projects		
Park Equipment and Improvement		
Street Sealcoating		
Storm Water		
Subtotal	<u>2,501</u>	<u>11,352</u>
Total Governmental Funds	<u>278,480</u>	<u>275,980</u>
Proprietary Funds:		
Utility	3,419	5,919
Subtotal	<u>3,419</u>	<u>5,919</u>
Total All Funds	<u>\$ 281,899</u>	<u>\$ 281,899</u>

Interfund receivables and payables are the result of expenditures of funds prior to the collection of special assessments, property taxes and other revenues. All interfund balances will be repaid as the revenues are collected by the individual funds or by transfers from other funds.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

3. Detailed Notes on All Funds (Continued)

G. Interfund Transfers

Transfers are used to 1) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due; or 2) move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations.

Interfund transfers during the year ended December 31, 2020 were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Governmental Funds:		
General Fund	\$ 493,543	\$ 659,820
Developers Escrow		11,268
Renewal and Replacement		255,628
Subtotal	<u>493,543</u>	<u>926,716</u>
Non-Major Governmental Funds:		
Special Revenue		
Comprehensive Plan Update	5,578	
Emergency Management	3,157	
Police Reserves	3,000	
Forestry	2,000	
Animal Control	1,000	
Recreation Fund		62,500
Recycling Fund		5,000
Debt Service		
2013A GO Capital Improvement Fire Bonds	50,000	
2013B GO Capital Improvement Bonds	158,645	
2017A GO Equipment Certificates	59,553	
2018A Blaine Fire Debt Service	80,032	
Tax Increment Financing - Legends of SLP		3,000

(Continued)

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

3. Detailed Notes on All Funds (Continued)

G. Interfund Transfers (Continued)

	<u>Transfers In</u>	<u>Transfers Out</u>
Capital Projects		
Storm Water	150,000	
Street sealcoating	50,000	
Building Maintenance	9,428	
Public Safety Replacement	18,572	
Subtotal	<u>590,965</u>	<u>70,500</u>
Total Governmental Funds	1,084,508	997,216
Proprietary Funds:		
Utility		<u>87,292</u>
Total All Funds	<u>\$ 1,084,508</u>	<u>\$ 1,084,508</u>

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

3. Detailed Notes on All Funds (Continued)

H. Fund Equity

In accordance with the requirements of GASB Statement No. 54, below is a schedule of ending fund balances as of December 31, 2020:

	General Fund	Developer's Escrow	Revolving Fund	Renewal and Replacement	2014A G.O. Improvement Bonds	Other Governmental Funds	Total Governmental Funds
Nonspendable							
Prepaid items	\$ 557	\$	\$	\$	\$	\$ 500	\$ 1,057
Restricted							
Police activities						8,742	8,742
Debt service					932,127	589,511	1,521,638
Street improvements						169,481	169,481
Park acquisition						705,058	705,058
Community development						67,553	67,553
Total Restricted					932,127	1,540,345	2,472,472
Assigned							
Working capital reserve	2,055,455						2,055,455
Compensated absences	399,392						399,392
Elections	84,397						84,397
Recreation programs						323,572	323,572
Recycling						77,469	77,469
Street lighting						54,017	54,017
Cable activities						27,851	27,851
Public safety supplies						22,852	22,852
HRA reserve						915,621	915,621
Street improvement			1,198,318	1,890,961			3,089,279
Street sealcoating						62,534	62,534
Storm water runoff program						39,709	39,709
Capital replacement						668,023	668,023
Building maintenance						139,241	139,241
Park acquisition						33,775	33,775
Other activities						34,977	34,977
Total Assigned	2,539,244		1,198,318	1,890,961		2,399,641	8,028,164
Unassigned						(8,622)	(8,622)
Total Fund Balance	\$ 2,539,801	\$	\$ 1,198,318	\$ 1,890,961	\$ 932,127	\$ 3,931,864	\$ 10,493,071

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

3. Detailed Notes on All Funds (Continued)

H. Fund Equity (Continued)

The City has restricted portions of fund balance in the fund financial statements and fund equity in the government-wide financial statements. The restricted fund balance / equity represents the portion not available for expenditure or legally segregated for specific future use. A summary of the restricted portion of the fund balance / equity at December 31, 2020 is as follows:

Specific Purpose	Restriction Imposed By			
	Contributors	Grantors	Creditors	Regulations
Restricted Fund Balance				
Debt Service Funds:				
Debt service requirements	\$	\$	\$ 1,521,638	\$
Special Revenue Funds:				
Police activities	\$	\$ 8,742	\$	\$
Community development	17,397	50,156		
Total Special Revenue Funds	\$ 17,397	\$ 58,898	\$	\$
Capital Project Funds:				
Street improvements	\$	\$ 169,481	\$	\$
Park acquisition	705,058			
Total Capital Project Funds	\$ 705,058	\$ 169,481	\$	\$
Restricted Net Position				
Debt service requirements	\$	\$	\$ 1,823,225	\$
Police activities		8,742		
Community development	17,397	50,156		
Street improvements		169,481		
Park acquisition	705,058			
Total Restriction Net Position	\$ 722,455	\$ 228,379	\$ 1,823,225	\$

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

4. Other Information

A. Risk Management

The City is exposed to various risks of loss related to torts: theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; and natural disasters. The City participates in the League of Minnesota Cities Insurance Trust (LMCIT) to provide its general liability and property coverage. The LMCIT is a public entity risk pool currently operating as a common risk management and insurance program for participating Minnesota Cities. All Cities in the LMCIT are jointly and severally liable for all claims and expenses of the pool. The amount of any liability in excess of assets of the pool may be assessed to the participating cities if a deficiency occurs. The City purchases commercial insurance for property values in excess of the LMCIT policy limits and all other risks of loss. Settled claims have not exceeded the LMCIT or commercial coverage in any of the past three fiscal years.

Worker's compensation insurance is also purchased through the LMCIT. The worker compensation program is a retrospectively rated contract with premiums or required contributions based primarily on the experience rates of the participating cities. 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.

B. Commitments and Contingencies

Insurance:

The City has outstanding claims subject to its insurance deductible. Although the outcome of these actions is not presently determinable, in the opinion of management, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

General Litigation:

Management is not aware of any existing or pending lawsuits, claims or other actions in which the City is a defendant. It is the opinion of management that any such claims would be covered by the liability insurance of the City and that potential claims against the City would not materially affect the financial statements.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

4. Other Information (Continued)

C. Pension Plans

1. Public Employees Retirement Association (PERA) - Defined Benefit

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 - All full-time and certain part-time employees of the City of Spring Lake Park 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 - The Police and Fire Plan, originally established for police officers and firefighters not covered by a local relief association, now covers all police officers and firefighters hired since 1980. Effective July 1, 1999, the 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 PERA.

B. Benefits Provided

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

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

4. Other Information (Continued)

D. Pension Plans (Continued)

1. Public Employees Retirement Association (PERA) - Defined Benefit (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 for each of the first 10 years of service and 1.7 percent for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7 percent for all years of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

Benefit increases are provided to benefit recipients each January. Beginning in 2019, the postretirement increase is 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.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

4. Other Information (Continued)

D. Pension Plans (Continued)

1. Public Employees Retirement Association (PERA) - Defined Benefit (Continued)

B. Benefits Provided (continued)

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. For Police and Fire Plan members who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equal at least 90.

Benefit increases are provided to benefit recipients each January. Beginning in 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.

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 2020 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, 2020, were \$103,623. The City's contributions were equal to the required contributions as set by state statute.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

4. Other Information (Continued)

D. Pension Plans (Continued)

1. Public Employees Retirement Association (PERA) - Defined Benefit (Continued)

C. Contributions (continued)

2. Police and Fire Fund Contributions

Police and Fire member's contribution rates increased from 11.30 percent of pay to 11.80 percent and employer rates increase from 16.95 percent to 17.70 percent on January 1, 2020. The City's contributions to the Police and Fire Fund for the year ended December 31, 2020, were \$186,745. 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, 2020, the City reported a liability of \$1,103,164 for its proportionate share of the General Employees Fund's net pension liability. The City's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$33,897. The net pension liability was measured as of June 30, 2020, 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, 2019 through June 30, 2020, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was .0184 percent at the end of the measurement period and .0200 percent for the beginning of the period.

City's proportionate share of the net pension liability	\$ 1,103,164
State of Minnesota's proportionate share of the net pension liability associated with the City	<u>33,897</u>
Total	<u>\$ 1,137,061</u>

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

4. Other Information (Continued)

D. Pension Plans (Continued)

1. Public Employees Retirement Association (PERA) - Defined Benefit (Continued)

D. Pensions Costs (continued)

1. General Employees Fund Pension Costs (continued)

For the year ended December 31, 2020, the City recognized pension expense (benefit) of (\$151,555) for its proportionate share of the General Employees Plan's pension expense. In addition, the City recognized an additional \$2,951 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, 2020, 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	\$ 10,996	\$ 4,174
Changes in actuarial assumptions		44,744
Net collective difference between projected and actual investment earnings		4,252
Changes in proportion		153,587
Contributions paid to PERA subsequent to the measurement date	<u>54,086</u>	
Total	<u>\$ 65,082</u>	<u>\$ 206,757</u>

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

4. Other Information (Continued)

D. Pension Plans (Continued)

1. Public Employees Retirement Association (PERA) - Defined Benefit (Continued)

D. Pensions Costs (continued)

1. General Employees Fund Pension Costs (continued)

The \$54,086 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending December 31:</u>	<u>Pension Expense</u>
2021	\$ (154,426)
2022	(66,988)
2023	(999)
2024	26,652

2. Police and Fire Fund Pension Costs

At December 31, 2020, the City reported a liability of \$1,202,114 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2020, 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, 2019 through June 30, 2020, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was .0912 percent at the end of the measurement period and .0955 percent for the beginning of the period.

The State of Minnesota also contributed \$13.5 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2020. The contribution consisted of \$4.5 million in direct state aid that does meet the definition of a special funding situation and \$9.0 million in fire state aid that does not meet the definition of a special funding situation. The \$4.5 million direct state was paid on October 1, 2019. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

4. Other Information (Continued)

D. Pension Plans (Continued)

1. Public Employees Retirement Association (PERA) - Defined Benefit (Continued)

D. Pensions Costs (continued)

2. Police and Fire Fund Pension Costs (continued)

The \$9 million in fire state aid will continue until the fund is 90 percent funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90 percent funded, whichever occurs later.

As a result, the State of Minnesota is included as a non-employer contributing entity in the Police and Fire Retirement Plan Schedule of Employer Allocations and Schedule of Pension Amounts by Employer, Current Reporting Period Only (pension allocation schedules) for the \$4.5 million in direct state aid. Police and Fire Plan employers need to recognize their proportionate share of the State of Minnesota's pension expense (and grant revenue) under GASB 68 special funding situation accounting and financial reporting requirements. For the year ended December 31, 2020, the City recognized pension (benefit) of (\$80,804) for its proportionate share of the Police and Fire Plan's pension expense. In addition, the City recognized an additional \$8,708 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$4.5 million to the Police and Fire Fund.

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$9 million in fire state aid. The City also recognized \$8,208 for the year ended December 31, 2020 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.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

4. Other Information (Continued)

D. Pension Plans (Continued)

1. Public Employees Retirement Association (PERA) - Defined Benefit (Continued)

D. Pensions Costs (continued)

2. Police and Fire Fund Pension Costs (continued)

At December 31, 2020, 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	\$ 53,771	\$ 60,092
Changes in actuarial assumptions	424,056	756,699
Net collective difference between projected and actual investment earnings	34,919	
Changes in proportion	24,694	91,657
Contributions paid to PERA subsequent to the measurement date	<u>99,189</u>	
Total	<u>\$ 636,629</u>	<u>\$ 908,448</u>

The \$99,189 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending December 31:</u>	<u>Expense Amount</u>
2021	\$ (99,752)
2022	(365,179)
2023	50,967
2024	49,740
2025	(6,784)

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

4. Other Information (Continued)

D. Pension Plans (Continued)

1. Public Employees Retirement Association (PERA) - Defined Benefit (Continued)

Total Pension Expense

The total pension expense (benefit) for all plans (General Employees Fund and Police and Fire Fund) recognized by the City for the year ended December 31, 2020 was (\$232,359).

E. Actuarial Assumptions

The total pension liability in the June 30, 2020, actuarial valuation was determined using an individual entry-age normal actuarial cost method and the following actual assumptions:

Inflation	2.50 percent per year
Active Member Payroll Growth	3.25 percent per year
Investment Rate of Return	7.50 percent

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 and 1.0 percent per year for the Police and Fire Plan.

Actuarial assumptions used in the June 30, 2020 valuation were based on the results of actuarial experience studies. The most recent four-year experience study for the General Employees Plan was completed in 2019. The assumption changes were adopted by the Board and become effective with the July 1, 2020 actuarial valuation. The most recent four-year experience study for the Police and Fire Plan was completed in 2020. The recommended assumptions for those plans were adopted by the Board and will be effective with the July 1, 2021 actuarial valuations if approved by the Legislature.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

4. Other Information (Continued)

D. Pension Plans (Continued)

1. Public Employees Retirement Association (PERA) - Defined Benefit (Continued)

E. Actuarial Assumptions (Continued)

The following changes in actuarial assumptions and plan provisions occurred in 2020:

General Employees Fund

Changes in Actuarial Assumptions:

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

4. Other Information (Continued)

D. Pension Plans (Continued)

1. Public Employees Retirement Association (PERA) - Defined Benefit (Continued)

E. Actuarial Assumptions (Continued)

General Employees Fund

Changes in Actuarial Assumptions (Continued):

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

Changes in Plan Provisions:

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

Police and Fire Fund

Changes in Actuarial Assumptions:

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

Changes in Plan Provisions:

- There have been no changes since the prior valuation.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

4. Other Information (Continued)

D. Pension Plans (Continued)

1. Public Employees Retirement Association (PERA) - Defined Benefit (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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Stocks	35.5%	5.10%
International Stocks	17.5%	5.30%
Bonds (Fixed Income)	20.0%	0.75%
Alternative Assets (Private Markets)	25.0%	5.90%
Cash	<u>2.0%</u>	0.00%
Total	100.0%	

F. Discount Rate

The discount rate used to measure the total pension liability in 2020 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 and the Police and Fire 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.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

4. Other Information (Continued)

D. Pension Plans (Continued)

1. Public Employees Retirement Association (PERA) - Defined Benefit (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:

	Sensitivity of Net Pension Liability at Different Discount Rates			
	General Employees Fund		Police and Fire Fund	
1% Lower	6.50%	\$ 1,767,989	6.50%	\$ 2,395,985
Current Discount Rate	7.50%	\$ 1,103,164	7.50%	\$ 1,202,114
1% Higher	8.50%	\$ 554,737	8.50%	\$ 214,394

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 Retirement Association (PERA) - Defined Contribution

Four 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 council members are tax deferred until time of withdrawal.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

4. Other Information (Continued)

D. Pension Plans (Continued)

2. Public Employees Retirement Association (PERA) - Defined Contribution

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. 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.

Total contributions made by the City of Spring Lake Park during fiscal year 2020 were:

<u>Contribution Amount</u>		<u>Percentage of Covered Payroll</u>		<u>Required Rate</u>
<u>Employee</u>	<u>Employer</u>	<u>Employee</u>	<u>Employer</u>	
\$ 1,267	\$ 1,267	5%	5%	5%

E. Other Postemployment Benefits

The City has considered the accounting pronouncement, GASB Statement No. 75, *Accounting and Financial Reporting by for Postemployment Benefits Other than Pensions*. Management determined the OPEB liability at December 31, 2020 is not material and therefore is not recorded in these financial statements.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

4. Other Information (Continued)

F. Joint Powers Agreements

As previously noted, the City of Spring Lake Park participates with the cities of Blaine and Mounds View through a joint powers agreement to cooperatively support the Spring Lake Park Fire Department, Inc. (the Department). The Department is independent of the cities and operates as a separate entity. Under terms of the agreement, the equipment, property and other assets of the Department are owned jointly by the three cities. Each city enters into a contract for services with the Department for fire protection services. Cost of services for each City is determined based on a formula prescribed in the agreement. Based on the agreement, in the event the Department sustains operating deficits, the cities will contribute additional funds to the Department in proportion to the formula described above. Operating budgets of the Department are approved annually by the cities.

Payments to the Department by the City of Spring Lake Park in 2020 totaled \$256,182, including a provision for capital expenditures. This total was approximately 8% of contracted revenues from member cities reported by the Department. As described in Note 1, the City is also responsible for its share of debt service payments related to bonds issued on behalf of the Department for building improvements and equipment acquisitions.

In addition, the City is a member of the Anoka County Joint Law Enforcement Council (JLEC), an organization of Anoka County and certain cities located within the County formed to cooperate in their law enforcement efforts. The City participates with the JLEC on a cost-sharing basis with the development and maintenance of an integrated central records communication system. Costs related to the City's participation in the JLEC were \$13,751 for the year ended December 31, 2020.

In 1983, the City adopted an ordinance establishing a franchise for a cable communications system. City and neighboring municipalities formed the North Metro Telecommunications Commission (the "Commission"). The purpose of this organization is to monitor the operations and activities of cable communications of the member municipalities. The Commission also provides coordination, administration and enforcement of the franchises for the cable communication system.

The City receives a portion of the franchise fees, which are reported in the North Central Suburban Cable Fund. These revenues are committed for cable television related expenditures. Financial statements for the Commission can be obtained by writing to: North Metro Telecommunications Commission, 12520 Polk Street NE, Blaine, Minnesota 55434.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

5. Subsequent Event

In February 2021, the City issued general obligation improvement refunding bonds in the amount of \$1,455,000. Proceeds from the bond will be used to refund the 2014 bonds.

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**CITY OF SPRING LAKE PARK
REQUIRED SUPPLEMENTARY INFORMATION**

December 31, 2020

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CITY OF SPRING LAKE PARK, MINNESOTA
Schedule of City Contributions
PERA General Employees Retirement Fund
December 31, 2020

Year Ended December 31	Statutorily Required Contribution (a)	Contributions in Relation to Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (d)	Contributions as a Percentage of Covered Payroll (b/d)
2014	\$ 106,316	\$ 106,316	\$	\$ 1,468,400	7.2%
2015	109,297	109,297		1,442,177	7.6%
2016	112,202	112,202		1,496,472	7.5%
2017	114,728	114,728		1,529,713	7.5%
2018	110,008	110,008		1,466,764	7.5%
2019	102,065	102,065		1,360,859	7.5%
2020	103,623	103,623		1,381,644	7.5%
2021					
2022					
2023					

Schedule of City Contributions
PERA Public Employees Police and Fire Fund Pension Plan
December 31, 2020

Year Ended December 31	Statutorily Required Contribution (a)	Contributions in Relation to Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (d)	Contributions as a Percentage of Covered Payroll (b/d)
2014	\$ 135,648	\$ 135,648	\$	\$ 886,585	15.30%
2015	147,786	147,786		912,261	16.20%
2016	151,121	151,121		932,841	16.20%
2017	153,641	153,641		948,402	16.20%
2018	161,819	161,819		998,882	16.20%
2019	174,175	174,175		1,027,581	16.95%
2020	186,745	186,745		1,055,054	17.70%
2021					
2022					
2023					

Note: These schedules are intended to provide information for ten years. The City will include that information as it becomes available.

**CITY OF SPRING LAKE PARK, MINNESOTA
Schedule of Proportionate Share of Net Pension Liability
PERA General Employees Retirement Fund
December 31, 2020**

Fiscal Year Ended June 30	City's Proportionate (Percentage) of Net Pension Liability (Asset)	City's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	State's Proportionate Share (Amount) of the Net Pension Liability (Asset) Associated with the City (b)	City's Proportionate Share (Amount) of the Net Pension Liability (Asset) Associated with the City (a+b)	City's Covered Payroll (c)	City's Proportionate Share (Amount) of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll ((a+b)/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	0.0275%	\$ 1,291,812	\$	\$ 1,291,812	\$ 1,468,400	88.0%	78.7%
2015	0.0247%	1,280,082		1,280,082	1,442,177	88.8%	78.2%
2016	0.0239%	1,940,561	25,332	1,965,893	1,496,472	131.4%	68.9%
2017	0.0234%	1,493,841	18,793	1,512,634	1,529,713	98.9%	75.9%
2018	0.0228%	1,264,851	41,581	1,306,432	1,534,400	85.1%	79.5%
2019	0.0200%	1,105,755	34,332	1,140,087	1,413,001	80.7%	80.2%
2020	0.0184%	1,103,164	33,897	1,137,061	1,309,040	86.9%	79.1%
2021							
2022							
2023							

**Schedule of Proportionate Share of Net Pension Liability
PERA Public Employees Police and Fire Fund Pension Plan
December 31, 2020**

Fiscal Year Ended June 30	Proportionate (Percentage) of Net Pension Liability (Asset)	Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	City's Covered Payroll (b)	Proportionate Share (Amount) of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	0.1040%	\$ 1,123,243	\$ 886,585	126.7%	87.1%
2015	0.0960%	1,090,785	912,261	119.6%	86.6%
2016	0.0960%	3,852,647	932,841	413.0%	63.9%
2017	0.0920%	1,242,109	948,402	131.0%	85.4%
2018	0.0925%	985,955	975,104	101.1%	88.8%
2019	0.0955%	1,016,694	1,007,413	100.9%	89.3%
2020	0.0912%	1,202,114	1,029,857	116.7%	87.2%
2021					
2022					
2023					

Note: These schedules are intended to provide information for ten years. The City will include that information as it becomes available.

**CITY OF SPRING LAKE PARK
COMBINING AND INDIVIDUAL NONMAJOR
FUND STATEMENTS AND SCHEDULES**

December 31, 2020

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**CITY OF SPRING LAKE PARK
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**

December 31, 2020

	Special Revenue	Debt Service	Capital Projects	Total
ASSETS				
Cash and investments	\$ 1,465,141	\$ 554,071	\$ 1,807,518	\$ 3,826,730
Accounts receivable	203,956		20,758	224,714
Due from other funds	2,501			2,501
Due from other governmental units		26,818		26,818
Prepaid expenditures	500			500
TOTAL ASSETS	\$ 1,672,098	\$ 580,889	\$ 1,828,276	\$ 4,081,263
LIABILITIES , DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE				
LIABILITIES				
Accounts payable	\$ 9,407	\$	\$ 1,160	\$ 10,567
Due to other funds	11,352			11,352
Unearned revenue	10,380			10,380
Total liabilities	36,739		1,160	37,899
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue:				
Developer fees	111,500			111,500
FUND BALANCE (DEFICIT)				
Nonspendable	500			500
Restricted	76,295	589,511	874,539	1,540,345
Assigned	1,447,064		952,577	2,399,641
Unassigned		(8,622)		(8,622)
Total Fund Balance (Deficit)	1,523,859	580,889	1,827,116	3,931,864
TOTAL LIABILITIES , DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 1,672,098	\$ 580,889	\$ 1,828,276	\$ 4,081,263

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CITY OF SPRING LAKE PARK
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2020

	Special Revenue	Debt Service	Capital Projects	Total
REVENUES				
Property and franchise taxes	\$ 22,071	\$ 396,215	\$	\$ 418,286
Intergovernmental revenues	59,145		78,129	137,274
Charges for services	273,956	13,342	131,458	418,756
Fines and forfeitures	8,713			8,713
Investment income	29,868	8,119	79,681	117,668
Other revenues	105,463	221,119	142,702	469,284
TOTAL REVENUES	<u>499,216</u>	<u>638,795</u>	<u>431,970</u>	<u>1,569,981</u>
EXPENDITURES				
Current				
General government	82,646			82,646
Public safety	6,350			6,350
Public works	29,656		694,437	724,093
Recreation and parks	101,832		10,427	112,259
Development and other	199,954	96,511		296,465
Capital Outlay				
Public works			159,083	159,083
Recreation and parks	289,567		11,774	301,341
Debt Service				
Principal		506,642		506,642
Interest and other		51,624		51,624
TOTAL EXPENDITURES	<u>710,005</u>	<u>654,777</u>	<u>875,721</u>	<u>2,240,503</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(210,789)</u>	<u>(15,982)</u>	<u>(443,751)</u>	<u>(670,522)</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	14,735	348,230	228,000	590,965
Transfers to other funds	(67,500)	(3,000)		(70,500)
Sale of capital assets	841,970			841,970
Total other financing sources (uses)	<u>789,205</u>	<u>345,230</u>	<u>228,000</u>	<u>1,362,435</u>
Net change in fund balances	578,416	329,248	(215,751)	691,913
FUND BALANCES (DEFICIT), Beginning	<u>945,443</u>	<u>251,641</u>	<u>2,042,867</u>	<u>3,239,951</u>
FUND BALANCES (DEFICIT), Ending	<u>\$ 1,523,859</u>	<u>\$ 580,889</u>	<u>\$ 1,827,116</u>	<u>\$ 3,931,864</u>

**CITY OF SPRING LAKE PARK
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS**

December 31, 2020

	Recycling	Street Lighting	Cable
ASSETS			
Cash and investments	\$ 24,064	\$ 44,173	\$ 17,132
Accounts receivable	59,306	9,225	22,071
Prepaid expenditures			
Due from other funds	1,882	619	
TOTAL ASSETS	\$ 85,252	\$ 54,017	\$ 39,203
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ 7,783	\$	\$
Deposits and other liabilities			
Unearned revenue			
Total liabilities	7,783		11,352
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue:			
Developer fees			
FUND BALANCE			
Nonspendable			
Restricted			
Assigned	77,469	54,017	27,851
Total Fund Balance	77,469	54,017	27,851
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 85,252	\$ 54,017	\$ 39,203

<u>Police Forfeiture</u>	<u>Police Reserves</u>	<u>Recreation</u>	<u>HRA Reserve</u>
\$ 22,852	\$ 8,742	\$ 335,570	\$ 919,373
		6	113,348
		500	
<u>\$ 22,852</u>	<u>\$ 8,742</u>	<u>\$ 336,076</u>	<u>\$ 1,032,721</u>
\$	\$	\$ 1,624	\$ 5,600
		10,380	
		12,004	5,600
			111,500
		500	
22,852	8,742	323,572	915,621
<u>22,852</u>	<u>8,742</u>	<u>324,072</u>	<u>915,621</u>

**CITY OF SPRING LAKE PARK
 COMBINING BALANCE SHEET (CONTINUED)
 NONMAJOR SPECIAL REVENUE FUNDS
 December 31, 2020**

	Tower Days	Traffic Education	Emergency Management
ASSETS			
Cash and investments	\$ 17,397	\$ 50,156	\$ 11,990
Accounts receivable			
Prepaid expenditures			
Due from other funds			
TOTAL ASSETS	\$ 17,397	\$ 50,156	\$ 11,990
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$	\$	\$
Deposits and other liabilities			
Unearned revenue			
Total liabilities			
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue:			
Developer fees			
FUND BALANCE			
Nonspendable			
Restricted	17,397	50,156	
Assigned			11,990
Total Fund Balance	17,397	50,156	11,990
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 17,397	\$ 50,156	\$ 11,990

<u>Animal Control</u>	<u>Comprehensive Plan Update</u>	<u>Forestry</u>	<u>Total</u>
\$ 5,309	\$ 5,653	\$ 2,730	\$ 1,465,141
			203,956
			500
			2,501
<u>\$ 5,309</u>	<u>\$ 5,653</u>	<u>\$ 2,730</u>	<u>\$ 1,672,098</u>
\$	\$	\$	\$ 9,407
			5,600
			10,380
			36,739
			111,500
			500
			76,295
<u>5,309</u>	<u>5,653</u>	<u>2,730</u>	<u>1,447,064</u>
<u>5,309</u>	<u>5,653</u>	<u>2,730</u>	<u>1,523,859</u>
<u>\$ 5,309</u>	<u>\$ 5,653</u>	<u>\$ 2,730</u>	<u>\$ 1,672,098</u>

CITY OF SPRING LAKE PARK
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2020

	Recycling	Street Lighting	Cable
REVENUES			
Franchise taxes	\$	\$	\$ 22,071
Intergovernmental revenue	59,145		
Charges for services	133,591	37,966	
Fines and forfeitures			
Investment income	783	1,023	357
Other revenues			
TOTAL REVENUES	<u>193,519</u>	<u>38,989</u>	<u>22,428</u>
EXPENDITURES			
Current			
General government			16,748
Public safety			
Public works		29,656	
Development and other	199,180		
Recreation and parks			
Capital Outlay			
Recreation and parks			
TOTAL EXPENDITURES	<u>199,180</u>	<u>29,656</u>	<u>16,748</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,661)</u>	<u>9,333</u>	<u>5,680</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds			
Transfers to other funds	(5,000)		
Sale of capital assets			
Total other financing sources (uses)	<u>(5,000)</u>		
Net change in fund balances	(10,661)	9,333	5,680
FUND BALANCES, Beginning	<u>88,130</u>	<u>44,684</u>	<u>22,171</u>
FUND BALANCES, Ending	<u>\$ 77,469</u>	<u>\$ 54,017</u>	<u>\$ 27,851</u>

<u>Police Forfeiture</u>	<u>Police Reserves</u>	<u>Recreation</u>	<u>HRA Reserve</u>
\$	\$	\$	\$
		102,399	
8,713			
474	203	9,597	15,333
<u>1,704</u>			<u>100,469</u>
<u>10,891</u>	<u>203</u>	<u>111,996</u>	<u>115,802</u>
			58,206
3,178	2,024		
		101,032	
		1,640	287,927
<u>3,178</u>	<u>2,024</u>	<u>102,672</u>	<u>346,133</u>
<u>7,713</u>	<u>(1,821)</u>	<u>9,324</u>	<u>(230,331)</u>
	3,000		
		(62,500)	
			841,970
	<u>3,000</u>	<u>(62,500)</u>	<u>841,970</u>
7,713	1,179	(53,176)	611,639
<u>15,139</u>	<u>7,563</u>	<u>377,248</u>	<u>303,982</u>
<u>\$ 22,852</u>	<u>\$ 8,742</u>	<u>\$ 324,072</u>	<u>\$ 915,621</u>

CITY OF SPRING LAKE PARK
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2020

	<u>Tower Days</u>	<u>Traffic Education</u>	<u>Emergency Management</u>
REVENUES			
Franchise taxes	\$	\$	\$
Intergovernmental revenue			
Charges for services			
Fines and forfeitures			
Investment income	398	1,258	271
Other revenues	3,290		
	<u>3,688</u>	<u>1,258</u>	<u>271</u>
TOTAL REVENUES	<u>3,688</u>	<u>1,258</u>	<u>271</u>
EXPENDITURES			
Current			
General government		1,800	
Public safety			1,148
Public works			
Development and other	774		
Recreation and parks			
Capital Outlay			
Recreation and parks			
	<u>774</u>	<u>1,800</u>	<u>1,148</u>
TOTAL EXPENDITURES	<u>774</u>	<u>1,800</u>	<u>1,148</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,914</u>	<u>(542)</u>	<u>(877)</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds			3,157
Transfers to other funds			
Sale of capital assets			
			<u>3,157</u>
Total other financing sources (uses)			<u>3,157</u>
Net change in fund balances	2,914	(542)	2,280
FUND BALANCES, Beginning	<u>14,483</u>	<u>50,698</u>	<u>9,710</u>
FUND BALANCES, Ending	<u>\$ 17,397</u>	<u>\$ 50,156</u>	<u>\$ 11,990</u>

Animal Control	Comprehensive Plan Update	Forestry	Total
\$	\$	\$	\$ 22,071
			59,145
			273,956
			8,713
118		53	29,868
			105,463
<u>118</u>		<u>53</u>	<u>499,216</u>
	5,892		82,646
			6,350
			29,656
			199,954
		800	101,832
			289,567
	<u>5,892</u>	<u>800</u>	<u>710,005</u>
<u>118</u>	<u>(5,892)</u>	<u>(747)</u>	<u>(210,789)</u>
1,000	5,578	2,000	14,735
			(67,500)
			841,970
<u>1,000</u>	<u>5,578</u>	<u>2,000</u>	<u>789,205</u>
1,118	(314)	1,253	578,416
<u>4,191</u>	<u>5,967</u>	<u>1,477</u>	<u>945,443</u>
<u>\$ 5,309</u>	<u>\$ 5,653</u>	<u>\$ 2,730</u>	<u>\$ 1,523,859</u>

**CITY OF SPRING LAKE PARK
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS**

December 31, 2020

	2013A G.O. Capital Improvement Fire Bond	2016A North Metro Tele- communications
ASSETS		
Cash and investments	\$ (8,622)	\$ 322
Due from other governmental units		
TOTAL ASSETS	\$ (8,622)	\$ 322
FUND BALANCE (DEFICIT)		
Restricted		322
Unassigned	(8,622)	
TOTAL FUND BALANCE	\$ (8,622)	\$ 322

2013B G.O. Capital Improvement Bonds	Tax Increment Financing - Legends of SLP	2017A G.O. Equipment Certificates	2018A Blaine Fire Debt Service	2018A G.O. Equipment Certificates	Total
\$ 80,000	\$ 121,585 22,776	\$ 279,820	\$ 61,099	\$ 19,867 4,042	\$ 554,071 26,818
<u>\$ 80,000</u>	<u>\$ 144,361</u>	<u>\$ 279,820</u>	<u>\$ 61,099</u>	<u>\$ 23,909</u>	<u>\$ 580,889</u>
80,000	144,361	279,820	61,099	23,909	589,511 (8,622)
<u>\$ 80,000</u>	<u>\$ 144,361</u>	<u>\$ 279,820</u>	<u>\$ 61,099</u>	<u>\$ 23,909</u>	<u>\$ 580,889</u>

CITY OF SPRING LAKE PARK
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
For the Year Ended December 31, 2020

	2013A G.O. Capital Improvement Fire Bond	2016A North Metro Tele- communications
REVENUES		
Taxes	\$	\$
Charges for services		13,342
Investment earnings	1,153	8
Other revenue		
TOTAL REVENUES	<u>1,153</u>	<u>13,350</u>
EXPENDITURES		
Current		
Development and other		
Debt Service		
Principal	38,222	12,096
Interest and other charges	<u>4,857</u>	<u>1,246</u>
TOTAL EXPENDITURES	<u>43,079</u>	<u>13,342</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(41,926)</u>	<u>8</u>
OTHER FINANCING SOURCES		
Transfers from other funds	50,000	
Transfers to other funds		
Total other financing sources (uses)	<u>50,000</u>	
Net change in fund balances	8,074	8
FUND BALANCES (DEFICIT), Beginning	<u>(16,696)</u>	<u>314</u>
FUND BALANCES (DEFICIT), Ending	<u>\$ (8,622)</u>	<u>\$ 322</u>

2013B G.O. Capital Improvement Bonds	Tax Increment Financing - Legends of SLP	2017A G.O. Equipment Certificates	2018A Blaine Fire Debt Service	2018A G.O. Equipment Certificates	Total
\$	\$ 248,025	\$	\$	\$ 148,190	\$ 396,215
	1,459	4,711		788	13,342
		221,119			8,119
					221,119
	249,484	225,830		148,978	638,795
	96,511				96,511
70,000		210,000	16,324	160,000	506,642
8,645	990	23,400	2,616	9,870	51,624
78,645	97,501	233,400	18,940	169,870	654,777
(78,645)	151,983	(7,570)	(18,940)	(20,892)	(15,982)
158,645	(3,000)	59,553	80,032		348,230
					(3,000)
158,645	(3,000)	59,553	80,032		345,230
80,000	148,983	51,983	61,092	(20,892)	329,248
	(4,622)	227,837	7	44,801	251,641
\$ 80,000	\$ 144,361	\$ 279,820	\$ 61,099	\$ 23,909	\$ 580,889

**CITY OF SPRING LAKE PARK
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS**

December 31, 2020

	State Aid Street Fund	Street Sealcoating	Storm Water
ASSETS			
Cash and investments	\$ 169,481	\$ 41,776	\$ 39,709
Accounts receivable		20,758	
TOTAL ASSETS	\$ 169,481	\$ 62,534	\$ 39,709
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$	\$	\$
FUND BALANCE			
Restricted	169,481		
Assigned		62,534	39,709
Total Fund Balance	169,481	62,534	39,709
TOTAL LIABILITIES AND FUND BALANCE	\$ 169,481	\$ 62,534	\$ 39,709

<u>Capital Replacement</u>	<u>Right of Way</u>	<u>Building Maintenance</u>	<u>Public Safety Replacement</u>
\$ 437,809	\$ 2,024	\$ 139,241	\$ 57,482
<u>\$ 437,809</u>	<u>\$ 2,024</u>	<u>\$ 139,241</u>	<u>\$ 57,482</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
<u>437,809</u>	<u>2,024</u>	<u>139,241</u>	<u>57,482</u>
<u>437,809</u>	<u>2,024</u>	<u>139,241</u>	<u>57,482</u>
<u>\$ 437,809</u>	<u>\$ 2,024</u>	<u>\$ 139,241</u>	<u>\$ 57,482</u>

**CITY OF SPRING LAKE PARK
 COMBINING BALANCE SHEET (CONTINUED)
 NONMAJOR CAPITAL PROJECT FUNDS
 December 31, 2020**

	Park Special Projects	Park Acquisition and Improvement	Lakeside Lions Park Improvement
ASSETS			
Cash and investments	\$ 11,620	\$ 670,682	\$ 23,916
Accounts receivable			
TOTAL ASSETS	<u>\$ 11,620</u>	<u>\$ 670,682</u>	<u>\$ 23,916</u>
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ 1,160	\$	\$
FUND BALANCE			
Restricted	10,460	670,682	23,916
Assigned			
Total Fund Balance	<u>10,460</u>	<u>670,682</u>	<u>23,916</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 11,620</u>	<u>\$ 670,682</u>	<u>\$ 23,916</u>

<u>Small Equipment</u>	<u>Park Equipment and Improvement</u>	<u>2018A G.O. Equipment Certificates</u>	<u>2017A G.O. Equipment Certificates</u>	<u>Total</u>
\$ 15,534	\$ 18,241	\$ 172,732	\$ 7,271	\$ 1,807,518
				20,758
<u>\$ 15,534</u>	<u>\$ 18,241</u>	<u>\$ 172,732</u>	<u>\$ 7,271</u>	<u>\$ 1,828,276</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 1,160</u>
				874,539
<u>15,534</u>	<u>18,241</u>	<u>172,732</u>	<u>7,271</u>	<u>952,577</u>
<u>15,534</u>	<u>18,241</u>	<u>172,732</u>	<u>7,271</u>	<u>1,827,116</u>
<u>\$ 15,534</u>	<u>\$ 18,241</u>	<u>\$ 172,732</u>	<u>\$ 7,271</u>	<u>\$ 1,828,276</u>

**CITY OF SPRING LAKE PARK
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECT FUNDS**

For the Year Ended December 31, 2020

	State Aid Street Fund	Street Sealcoating	Storm Water
REVENUES			
Intergovernmental revenues	\$ 78,129	\$	\$
Charges for services		83,058	
Investment earnings	3,882	33,436	
Other revenues			133,573
TOTAL REVENUES	<u>82,011</u>	<u>116,494</u>	<u>133,573</u>
EXPENDITURES			
Current			
Public works	54,259	131,391	503,887
Recreation and parks			
Capital Outlay			
Public works			
Recreation and parks			
TOTAL EXPENDITURES	<u>54,259</u>	<u>131,391</u>	<u>503,887</u>
Excess (deficiency) of revenues over (under) expenditures	27,752	(14,897)	(370,314)
OTHER FINANCING SOURCES (USES)			
Transfers from other funds		50,000	150,000
Net change in fund balances	27,752	35,103	(220,314)
FUND BALANCES (DEFICIT), Beginning	<u>141,729</u>	<u>27,431</u>	<u>260,023</u>
FUND BALANCES (DEFICIT), Ending	<u><u>\$ 169,481</u></u>	<u><u>\$ 62,534</u></u>	<u><u>\$ 39,709</u></u>

<u>Capital Replacement</u>	<u>Right of Way</u>	<u>Building Maintenance</u>	<u>Public Safety Replacement</u>
\$	\$	\$	\$
10,845	50	3,381	1,187
		5,389	
<u>10,845</u>	<u>50</u>	<u>8,770</u>	<u>1,187</u>
4,900			
		10,842	
<u>4,900</u>		<u>10,842</u>	
5,945	50	(2,072)	1,187
		9,428	18,572
<u>5,945</u>	<u>50</u>	<u>7,356</u>	<u>19,759</u>
<u>431,864</u>	<u>1,974</u>	<u>131,885</u>	<u>37,723</u>
<u>\$ 437,809</u>	<u>\$ 2,024</u>	<u>\$ 139,241</u>	<u>\$ 57,482</u>

CITY OF SPRING LAKE PARK
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR CAPITAL PROJECT FUNDS
For the Year Ended December 31, 2020

	Park Special Projects	Park Acquisition and Improvement	Lakeside Lions Park Improvement
REVENUES			
Intergovernmental revenues	\$	\$	\$
Charges for services		48,400	
Investment earnings	421	15,970	589
Other revenues	250		
TOTAL REVENUES	<u>671</u>	<u>64,370</u>	<u>589</u>
EXPENDITURES			
Current			
Public works			
Recreation and parks	4,426		
Capital Outlay			
Public works			
Recreation and parks	3,679	3,603	
TOTAL EXPENDITURES	<u>8,105</u>	<u>3,603</u>	
Excess (deficiency) of revenues over (under) expenditures	(7,434)	60,767	589
OTHER FINANCING SOURCES (USES)			
Transfers from other funds			
Net change in fund balances	(7,434)	60,767	589
FUND BALANCES (DEFICIT), Beginning	<u>17,894</u>	<u>609,915</u>	<u>23,327</u>
FUND BALANCES (DEFICIT), Ending	<u>\$ 10,460</u>	<u>\$ 670,682</u>	<u>\$ 23,916</u>

Small Equipment	Park Equipment and Improvement	2018A G.O. Equipment Certificates	2017A G.O. Equipment Certificates	Total
\$	\$	\$	\$	\$
				78,129
				131,458
409	707	8,599	205	79,681
	3,490			142,702
409	4,197	8,599	205	431,970
				694,437
1,259	4,742			10,427
		148,241		159,083
889	3,603			11,774
2,148	8,345	148,241		875,721
(1,739)	(4,148)	(139,642)	205	(443,751)
				228,000
(1,739)	(4,148)	(139,642)	205	(215,751)
17,273	22,389	312,374	7,066	2,042,867
\$ 15,534	\$ 18,241	\$ 172,732	\$ 7,271	\$ 1,827,116

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CITY OF SPRING LAKE PARK

OTHER REPORT SECTION

December 31, 2020

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT
AUDITING STANDARDS**

To the Honorable Mayor and
Members of the City Council
City of Spring Lake Park, Minnesota

We have audited, 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, the financial statements of the governmental activities, the business-type activities and each major fund of the City of Spring Lake Park (the City) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City of Spring Lake Park's basic financial statements and have issued our report thereon dated June 16, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Spring Lake Park's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Spring Lake Park's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, we identified certain deficiencies in internal control over financial reporting described in the accompanying schedule of findings and responses that we consider to be material weaknesses: 2020-001 and 2020-002.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and responses as items 2020-001 and 2020-002 to be material weaknesses.

To the Honorable Mayor and
Members of the City Council
City of Spring Lake Park

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Governmental Auditing Standards*.

Minnesota Legal Compliance

In connection with our audit, nothing came to our attention that caused us to believe that the City of Spring Lake Park, Minnesota failed to comply with the provisions of the contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and tax increment financing sections of the *Minnesota Legal Compliance Audit Guide for Cities*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the above reference provisions, insofar as they relate to accounting matters.

City's Response to Findings

The City of Spring Lake Park's responses to the internal control findings identified in our audit have been included in the accompanying *Schedule of Findings and Responses*. The City of Spring Lake Park's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this 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. This 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. Accordingly, this communication is not suitable for any other purpose.

Minneapolis, Minnesota
June 16, 2021

**CITY OF SPRING LAKE PARK
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2020**

FINDINGS – FINANCIAL STATEMENT AUDIT

SIGNIFICANT DEFICIENCIES

**2013-001
2014-001
2015-001
2016-001
2017-001
2018-001
2019-001**

Limited Segregation of Duties

Condition: A limited number of personnel are primarily responsible for the accounting and financial duties relating to the revenue and receipt cycle and the purchase and disbursement cycle.

Criteria: The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) require that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations and program compliance requirements. An important element of internal accounting controls is an adequate segregation of duties that minimizes the opportunities for any one individual to be in a position to both perpetrate and conceal errors or irregularities in the normal course of business.

Effect: Because of the limited size of the City's administrative staff, there is not an adequate segregation of duties.

Cause: There is a limited number of administrative staff.

Recommendation: We recommend that the City continue to segregate duties as best it can within the limits of what the City considers to be cost beneficial.

CITY OF SPRING LAKE PARK
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)
YEAR ENDED DECEMBER 31, 2020

FINDINGS – FINANCIAL STATEMENT AUDIT

SIGNIFICANT DEFICIENCIES

2013-002
2014-002
2015-002
2016-002
2017-002
2018-002
2019-002

Material Audit Adjustments

Condition: The City's unaudited trial balance contained material misstatements.

Criteria: The City is required to report accurate financial information.

Effect: The material misstatements in the unaudited trial balance resulted in the need to record adjustments during the audit.

Cause: There is limited number of administrative staff and it would not be practical for the City to devote resources required to overcome this limitation.

Recommendation: We recommend management develop an accounting policy and procedures manual to assist with ensuring that all transactions are recorded consistently and that the information necessary to prepare an accurate unaudited trial balance is gathered in an organized and efficient manner and provided to the accountant.

CITY OF SPRING LAKE PARK
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2020

FINDINGS – FINANCIAL STATEMENT AUDIT

SIGNIFICANT DEFICIENCIES

2020-001 Limited Segregation of Duties

Condition: A limited number of personnel are primarily responsible for the accounting and financial duties relating to the revenue and receipt cycle and the purchase and disbursement cycle.

Criteria: The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) require that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations and program compliance requirements. An important element of internal accounting controls is an adequate segregation of duties that minimizes the opportunities for any one individual to be in a position to both perpetrate and conceal errors or irregularities in the normal course of business.

Effect: Because of the limited size of the City's administrative staff, there is not an adequate segregation of duties.

Cause: There is a limited number of administrative staff.

Recommendation: We recommend that the City continue to segregate duties as best it can within the limits of what the City considers to be cost beneficial.

CITY OF SPRING LAKE PARK
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
YEAR ENDED DECEMBER 31, 2020

FINDINGS – FINANCIAL STATEMENT AUDIT

SIGNIFICANT DEFICIENCIES

2020-002 **Material Audit Adjustments**

Condition: The City's unaudited trial balance contained material misstatements.

Criteria: The City is required to report accurate financial information.

Effect: The material misstatement in the unaudited trial balance resulted in the need to record adjustments during the audit.

Cause: There is limited number of administrative staff and it would not be practical for the City to devote resources required to overcome this limitation.

Recommendation: We recommend management develop an accounting policy and procedures manual to assist with ensuring that all transactions are recorded consistently and that the information necessary to prepare an accurate unaudited trial balance is gathered in an organized and efficient manner and provided to the accountant.



CORRECTIVE ACTION PLAN (CAP):

The City respectfully submits the following corrective action plan for the year ended December 31, 2020.

The findings from the schedule of findings and responses are discussed below. The findings are numbered consistently with the number assigned in the schedule.

RESPONSE: FINDING 2020-001

Explanation of Disagreement with Audit Finding:

There is no disagreement with the audit finding.

Actions Planned in Response to Finding:

Management agrees with our recommendation and will continue to attempt to segregate duties wherever possible.

Official Responsible for Ensuring CAP:

Daniel Buchholtz, City Administrator/Clerk-Treasurer, is the official responsible for ensuring the planned response.

Planned Completion Date for CAP:

Not applicable as the City is willing to accept this risk and will continue to evaluate the recommendation.

Plan to Monitor Completion of CAP:

Not applicable as the City is willing to accept the risk and will continue to evaluate the recommendation.



CORRECTIVE ACTION PLAN (CAP) (CONTINUED):

RESPONSE: FINDING 2020-002

Explanation of Disagreement with Audit Finding:

There is no disagreement with the audit finding.

Actions Planned in Response to Finding:

The management and accounting personnel review the drafted financial statements and notes. The City does not have the expertise to ensure all disclosures required by GAAP are included in the financial statements. Accordingly, the City will rely upon the auditors for completeness of the disclosures. However, the management and accounting personnel will review the notes for accuracy prior to issuance of the statements.

Official Responsible for Ensuring CAP:

Daniel Buchholtz, City Administrator/Clerk-Treasurer, is the official responsible for ensuring the planned response.

Planned Completion Date for CAP:

Not applicable as the City is willing to accept this risk and will continue to evaluate the recommendation.

Plan to Monitor Completion of CAP:

Not applicable as the City is willing to accept the risk and will continue to evaluate the recommendation.

Honorable Mayor and Common Council
City of Spring Lake Park
1301 - 81st Avenue NE
Spring Lake Park, Minnesota 55432

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Spring Lake Park, Minnesota for the year ended December 31, 2020, and have issued our report thereon dated June 16, 2021. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated December 15, 2020, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America and *Government Auditing Standards*. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of City of Spring Lake Park solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding significant control deficiencies over financial reporting and other matters noted during our audit in a separate letter to you dated June 16, 2021.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you in the engagement letter dated December 15, 2020.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, and our firm, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by City of Spring Lake Park is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year ended December 31, 2020. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive estimate(s) affecting the financial statements was:

Depreciation of Capital Assets

Management's estimate of the useful life of purchased, constructed or contributed capital assets is based on the estimated productive life of these assets. We evaluated the key factors and assumptions used in the estimated useful lives assigned to capital assets and determined that these lives were reasonable in relation to the financial statements taken as a whole.

Net Pension Liability and Net Pension Asset

Management's estimate of the net pension liability is actuarially determined. We have evaluated the estimates used in the study and determined they were reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

The financial statement disclosures are neutral, consistent, and clear.

Honorable Mayor and Common Council
City of Spring Lake Park
1301 - 81st Avenue NE
Spring Lake Park, Minnesota 55432
Page 4

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our accounting services and audit procedures. All material misstatements that we identified as a result of our accounting services and audit procedures were brought to the attention of, and were corrected by, management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant City of Spring Lake Park's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated June 16, 2021.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings or Issues

In the normal course of our professional association with City of Spring Lake Park we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as City of Spring Lake Park's auditors.

Honorable Mayor and Common Council
City of Spring Lake Park
1301 - 81st Avenue NE
Spring Lake Park, Minnesota 55432
Page 5

Other Matters

We applied certain limited procedures to Schedule of City Contributions and Schedule of Proportionate Share of Net Pension Liability, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

This report is intended solely for the information and use of the city council and management of City of Spring Lake Park and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Honorable Mayor and Members
of the City Council
City of Spring Lake Park, Minnesota

In planning and performing our audit of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of City of Spring Lake Park as of and for the year ended December 31, 2020, 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, we considered City of Spring Lake Park's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Spring Lake Park's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible*. The chance of the future event or events occurring is more than remote but less than likely.
- *Probable*. The future event or events are likely to occur.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in the City's internal control to be significant deficiencies:

Segregation of Duties

We noted that due to the nature and size of the City, proper segregation of duties is not always maintained. Management should attempt to segregate duties that are incompatible from an internal control standpoint (e.g. cash receipts, preparation of deposits, depositing cash to bank, receiving bank statements, reconciling bank accounts, reviewing reconciliations, disbursing cash, etc.) whenever possible. This will prevent any single individual access to control the entire cash process and help reduce the risk of fraud or embezzlement.

Material Audit Adjustments

The City currently relies upon its independent accountants to assist with adjustments to and preparation of the City's unaudited trial balance. Therefore, there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis by City personnel. Management should attempt to develop a financial accounting reporting staff and an accounting procedures manual to assist with ensuring that all information necessary to prepare an accurate unaudited trial balance is gathered in an organized and efficient manner. This will help ensure that any potential material misstatements are detected and corrected on a timely basis.

None of the identified deficiencies in internal control listed above are considered to be material weaknesses.

During our audit, we also became aware of the following other matters that are opportunities for strengthening internal controls and operating efficiency:

Credit Cards

To improve controls over credit cards issued to employees, the City should consider upgrading to credit cards with the following features:

- Daily adjustment of credit limits
- Limit credit card use to specific vendors/industry
- Limit purchase size by vendor/industry
- Prohibit credit card use at certain vendors/industries
- Limit credit card use to normal business hours
- Prohibit cash advances

These credit cards would allow the City to make credit available to employees only when necessary and restrict credit card use to approved vendors and industries during normal business hours.

Honorable Mayor and Members
of the City Council
City of Spring Lake Park, Minnesota
Page 3

This communication is intended solely for the information and use of the Honorable Mayor and Members of the City Council, and management of the City of Spring Lake Park, Minnesota, the Minnesota State Auditor's Office and federal awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

The purpose of this communication is solely to describe the scope of our testing of internal control over financial reporting and the results of that testing. This communication is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Spring Lake Park's internal control over financial reporting. Accordingly, this communication is not suitable for any other purpose.

Minneapolis, Minnesota
June 16, 2021



Memorandum

To: Mayor and Council

From: Director Antoine

Re: Records Management Technician (Full-time)

Date: June 14, 2021

The Police Records Management Technician- Full-time position testing process has been completed, with eleven applicants submitting applications. For those applicants meeting the minimum qualifications for the position, their scores from the interviews, typing test, Veteran's Preference and experience points were combined to achieve the final ranking. It is my recommendation that the top scoring applicant be appointed to the position of Records Management Technician (Full-time).

The highest scoring applicant was/is: "Kimberly Kiley".

I am seeking authorization from the Mayor and City Council to confirm my recommendation of the highest scoring applicant to the position of "Records Management Technician (Full-time), effective July 19, 2021 at Step (2) of the current pay scale (\$25.22) and pending a criminal background check.



City of Spring Lake Park
Engineer's Project Status Report

To: Council Members and Staff
From: Phil Gravel

Re: **Status Report for 06.21.21 Meeting**
File No.: R-18GEN

Note: Updated information is shown in *italics*.

2021 MS4 Permit and SWPPP Update (193805251). Annual Report and Public Meeting due by June 30th. Pond, structural BMP, and outfall inspections due by July 31st. Program analysis due in December. Coordination with CCWD related to TMDL information will happen as needed. *The application has been submitted to MPCA for their review. Annual Public Meeting will be on July 6, 2021. Peter Allen is working with Dan Buchholtz on ordinance updates.*

Risk and Resiliency Assessment (RRA) and Emergency Response Plan (ERP) – Water System (193805314). This is an assessment and evaluation of the water system based on requirements of the Environmental Protection Agency (EPA) and Department of Homeland Security (DHS). The RRA is due June 30, 2021. The ERP is due Dec. 30, 2021. *The RRA is largely done. DPW phone call last week Scheduled to be complete with the final by June 25th.*

Garfield Pond Improvements Project (193804750). Final 50% of RCWD reimbursement can be processed after final contractor payment. *Final contractor payment for release of \$20,747.78 retainage is ready to be processed. See separate letter.*

Utilities for 525 Osborn Road Project (193805012). This city project was for off-site utilities for 525 Osborne Rd. Construction was completed in 2020. *A punch-list inspection was completed on May 12th (contractor has completed turf establishment and irrigation system repair). Final Contractor payment will be processed one final close-out documents are received from Contractor.*

Suite Living Spring Lake Park (Hampton Cos. project at 525 Osborne). A project kick-off meeting was held with the developer and city staff on April 21, 2021. *The last that we heard, they plan to start construction sometime near the end of June. The developer has promised to contact adjacent property owners prior to starting construction.*

Stormwater Utility Plan (193804944). The city is considering a stormwater utility charge. *A report has been prepared. The Administrator has prepared a draft ordinance. Next steps are to process ordinance and work with billing department on implementation set-up.*

2021 Sewer Lining Project (193805204). This project included lining in the general area between Terrace and Monroe and south of 81st Avenue. Terry randall is watching this project. *Construction Contracts have been signed. Preconstruction Conference will be scheduled.*

2021 Street Seal Coat and Crack Repair Project (193805205). The 2021 street maintenance area will be the area south of 81st Avenue and west of Monroe Street. *Construction Contracts have been signed. Crack repair work has been completed. Seal coat work will occur in late June.*

Sidewalk Project: Possible sidewalk improvements in Triangle Park and at City Hall. *This work will likely be delayed until 2022 and may be combined with the 2022 Street Project.*

2021 Anoka County CSAH 35 (Central Ave.) and CSAH 32 (85th Ave. NE) Projects. City MSAS # 183-101-012. Anoka Co. will complete paving projects on these two roads in 2021. The County has prepared a Joint Powers Agreement to define the city's share of the costs.

From the County on 5/12/21: *CSAH 35 is scheduled to begin on June 21, 2021 and CSAH 32 is scheduled to begin on July 6, 2021. County website: <https://www.anokacounty.us/4067/2021-Projects>*

Street CIP Planning: Staff is working on a 10-year Capital Improvement Plan for future street maintenance. *It is anticipated that a paving project will be completed in the Garfield-Hayes neighborhood in 2022.*

2021 Storm Pond and Basin Inspections: *Staff has been inspecting storm water ponds in the area east of TH65 and north of 81st Avenue in 2021. Repair work on many of the city ponds has been completed. Letters will be sent to owners of private ponds to inform them of required maintenance.*

Cellular Antenna Installations on Water Towers:

- **2021 T-Mobile/Sprint antennae replacement on Arthur Street tower.** This is a new request based on a 12-30-20 email message from Shane Bagley of Begley Wireless Consultants to Dan Buchholtz. Construction Drawings (CDs) prepared by Fullerton Engineering Design (dated 12/15/20 and updated 5/25/21). *Updated 5/25/21 Construction Documents (CDs) need to be reviewed by engineering/public works. Lease negotiations continue as of 5/26/21. [Second Review memo was sent to applicant on 6/4/2021.](#)*
- **T-Mobile Antenna Maintenance on Able Street Tower (2020 Anchor).** This project includes antennae replacement. The contact person for the design is Tom Jemilo at insite inc. An escrow account has been established. Review of the Construction Drawings (CDs) for this project were approved on 9/29/20. The Second Amendment to T-Mobile Lease Agreement was approved in January 2021. Preconstruction Conference was held with Premise Electrical on 2/17/21. The Electrical portion of the work was done as of 4/5/21. *The antenna work has been completed, but the touch-up painting work has not been scheduled (as of 6/3/21). [Still no progress on this issue but should be able to be combined with Clearwire work below.](#)*
- **T-Mobile Utility Upgrade/Backup power (generator) - Able Street Tower (Network Hardening).** The contact people for this project are Tom Jemilo at insite inc. and Jason Bayer from JDR (contractor). Review of the drawings was completed in 2020. Precon was held on 1/13/21. Construction was substantially complete as of 2/9/21. Natural gas has been installed. Generator has been startup has been completed. *Restoration is an issue (5/12/21). [The turf restoration is not acceptable, and the fence has been broken. Photos have been sent to the Contractor.](#)*
- **2019-2021 Verizon on Arthur Street tower.** This is a new installation. The contact person is Michael Raia of TechScape. Revised Construction Drawings labeled Revision E were submitted in March 2019 and are considered approvable. Final Lease was approved by city council on October 21, 2019. *Construction may not occur until late 2021.*
- **2021 Clearwire equipment removal from Able Street tower (MS52XC144).** This is an equipment removal project (from Qualtek Wireless - fall of 2020). City Building Permit Number for this project is 2020-00449. Plans have been reviewed by engineering/public works - all equipment shall be removed (including ground equipment). A Preconstruction Conference was held at the site on March 20, 2021 (minutes sent to Qualtek on 4/2/21). Construction started on April 28, 2021. The removal work on the tank has been completed, but the work on the ground is not complete. *We still need to schedule inspection for site restoration and touch-up painting (6/3/21). [Mark Rolfs visited the site on 6/11/21. The work has not been finished yet. The slab is still on-site, and no restoration has taken place. Mark has been in contact with Tom Slack and has taken pictures of some of the touch-up work that needs to be completed. Slack plans to do the work by the end of June 2021.](#)*

Feel free to contact Harlan Olson, Phil Carlson, Jim Engfer, Mark Rolfs, Marc Janovec, Peter Allen, or me if you have any questions or require any additional information.

CORRESPONDENCE

North Metro TV

May 2021 Update

Program Production

In May, a total of 78 **new programs** were produced utilizing the North Metro facilities, funds, and services. This constitutes **84:00:00 hours of new programming**.

- 19 programs were produced by the public
- 50 programs were produced by NMTV staff
- 9 programs were produced by City staff



Van Shoots

The HD production truck was utilized for 46:00:00 hours of production in May. The following events were produced live and recorded for additional playback:

- Boys Volleyball: Blaine vs. Spring Lake Park
- Adapted Softball: Anoka-Hennepin vs. Centennial
- Baseball: Centennial vs. Spring Lake Park
- Boys Lacrosse: Blaine vs. Centennial
- Baseball: Centennial vs. Blaine
- Softball: Centennial vs. Blaine
- Girls Lacrosse: Blaine vs. Spring Lake Park
- Softball: Blaine vs. Spring Lake Park



vMix Live Streaming Shoots

The vMix single camera production system was utilized to record/transmit live four high school sporting events. The vMix system requires significantly fewer staff members, than the production truck. vMix crews are spread out over multiple locations and connected via the internet.

- Boys Volleyball: Centennial vs. Spring Lake Park
- Softball: Centennial vs. Spring Lake Park
- Girls Lacrosse: Centennial vs. Blaine
- Girls Lacrosse: Spring Lake Park vs. Centennial



Most Viewed YouTube Sporting Event

Baseball: Centennial vs. Blaine
539 Views

Live Workshops

Workshop	Instructor	Organization	Students
Live Lecture - Star Wars: Behind the Scenes of a Galaxy Far, Far Away	Eric Houston	Elk River Community Education (fee)	5
Live Lecture - Star Wars: Behind the Scenes of a Galaxy Far, Far Away	Eric Houston	Robbinsdale Community Education (fee)	7
2 Live Workshops			12 Students

VOD Workshop Views

Workshop	Type	# of Views	Hours Viewed
The Immortal Ingrid Pitt	Mini	39	1.5 hrs
The Oscars: 90 Years of the Academy Awards	Full	19	5.5 hrs
Tim Curry Horror Picture Show	Mini	12	.25 hrs
Back to the Eighties: The Decade's Biggest...	Full	12	4.5 hrs
James Bond: 50 Years of 007	Full	5	2.5 hrs
Eurovision: A Celebration	Mini	N/A	N/A
Yabba-Dabba-Do! The Fantastic World of Hanna...	Full	1236	128.75 hrs
Superman: The Man of Steel on the Silver Screen	Full	2	1.5 hrs
The Fantastic Four on the Silver Screen	Mini	9	.75 hrs
Christmas in Hollywood	Full	4	1 hr
TV's Greatest Christmas Specials	Full	11	.25 hrs
Chicago Christmas Classics	Mini	118	4 hrs
Let's Go Ghostbusters: Filmmation's Haunted Heroes	Mini	22	.75 hrs
Monster Movies of the 40s and 50s	Full	704	97 hrs
Monster Movies of the 20s and 30s	Full	251	48 hrs
The Presidency on Film JQA to JFK	Full	9	.25 hrs
Monstervision: The Legend of Joe Bob Briggs	Mini	54	4.5 hrs
The Cult of Caroline Munro	Mini	1747	73 hrs
The Marilyn Monroe Story	Full	323	56.5 hrs
Nick at Nite: A TV Viewer's Dream	Mini	81	2 hrs
The Birth of Animation: Mickey, Bugs, and Betty...	Full	11	1.75 hrs
Hollywood Goes to War: World War II	Full	21	5 hrs
Come on Down: Game Shows of the 70s and 80s	Full	41	5.5 hrs
The Quiz Show Scandals and Other Game Shows...	Full	102	27 hrs
The Three Stooges: Comedy's Heavy Hitters	Full	10	.25 hrs
The Marx Brothers: Groucho, Harpo, Chico...	Full	548	59.25 hrs
Mary Pickford: The World's First Movie Star	Full	20	5.75 hrs
Hollywood Goes to the Dogs: Lassie, Benji...	Full	11	1 hr
28 VOD Workshops		5,422 Total Views	587.5 Hours Viewed



Most Viewed YouTube Workshop

The Cult of Caroline Munro
1,747 Views

YouTube Stats

Month	Viewers	Videos Viewed	Hours Watched	New Subscribers	Total Impressions
January	23,800	38,487	3,620.2	132	532,400
February	21,198	34,307	3,201	103	507,655
March	26,738	46,359	5,147	145	668,404
April	20,378	28,623	1,653	84	462,844
May	26,205	39,801	4,364	141	559,725
TOTAL:	118,319	187,577	17,985.2	605	2,731,028

NMTV Website Stats

Month	Number of Users	Number of Views	Live Stream Views
January	6,103	20,923	1,324
February	5,860	16,285	1,692
March	5,347	14,476	2,182
April	4,313	9,558	599
May	3,534	8,928	845
TOTAL:	25,157	70,170	6,642

Home Movie Transfers

Home movie transfers have become one of our most popular services. Residents can transfer their family videos themselves for free, or pay NMTV to do it. NMTV can also transfer film, slides, and photos for a fee.

Month	Hours Transferred	Tapes	Film Reels	DVDs	Photos/ Slides	Fees Paid
January	387	74	136	3	516	\$1,927.20
February	358	77	101	15	1,097	\$688.06
March	587.50	153	76	73	850	\$3,007.08
April	429	134	52	92	860	\$1,550.12
May	302.5	92	83	0	300	\$1,916.48
TOTAL:	2,064	530	448	183	3,623	\$9,088.94

Production Highlights

NMTV News Highlights

Each week Danika Peterson and Rusty Ray create a news program that highlights events, people, issues, and information important to citizens of our Member Cities. Some May highlights include:

- Anoka Recycling Business Helps Donate to Haven for Heroes
- Blaine Families Honored for Efforts to Keep Storm Drains Clean
- Street Sweepings Reused as Often as Possible in Blaine



- Master Gardener: Planting MN Midget Cantaloupe in Pots
- Master Gardener: Planting Potatoes in Containers
- 3M Open Ready to Welcome Fans Back to PGA Tour Stop in Blaine
- Master Gardener: Compost Pile Update
- Anoka Ramsey Counties to Partner in Plans for Improved Freeway Interchange Near Lino Lakes
- Master Gardener: Seed Tape
- Centerville Extends Public Hearing Over Disputed Development Plans
- Restaurants Eager to Welcome Back Full Dining Rooms
- Anoka County Master Gardeners Spread Expertise Among Volunteer Projects
- Blaine Teenager Wins Acclaim for Science Project About COVID 19 Testing
- Lino Lakes Water Rates Could Increase in Next 5 Years
- Mary Ann Young Center Ready to Resume More Normal Activities
- Oprah Recognizes Blaine Teacher for Resilience
- Roosevelt Community Pool Ready for a Busy Summer in Blaine
- MnDot Asks Drivers to Keep an Eye Out for Work Zones
- Master Gardener: Apple Tree Planting in the Backyard
- Anoka County Teams With Providers to Get Residents Vaccinated
- Spring Lake Park Officially Welcomes HyVee
- Bunker Beach Open After More Than a Year

In addition to daily playbacks of North Metro TV News on the cable systems, there are 868 local stories archived for viewers on the NMTV YouTube channel. The channel can be accessed through the northmetrotv.com website.



Most Viewed YouTube News Story

Oprah Recognizes Blaine Teacher for Resilience
278 Views

Streaming Events for Schools

May was a popular month for live streaming school events. Blaine and Centennial High Schools hired NMTV to live stream six concerts, one play, and the Blaine High School Centers for Engineering, Mathematics, and Science class presentations. Because of copyright issues we do not put concerts or plays on NMTV channels, but we are happy to help schools stream their events on their own Youtube channels. Special Projects Coordinator, T.J. Tronson also helped Blaine staff with some editing and music insertion on a girls hockey awards ceremony recorded by the school. Although it was not school related, NMTV staff also streamed the Stepping Stones Live Gala from the Bunker Hills Event Center.



Drone Update

The drone was utilized for several productions, in May, including the longest distance flight conducted by UAS certified pilot, T.J. Tronson, with the Inspire drone. A great deal of wetland footage was recorded, which will be utilized by the City of Blaine and the NMTV news department for upcoming stories. T.J. was also able to secure MnDot certification and licensure for flying drones near highways.



Class Additions and Changes

Instructor, Eric Houston, worked with local partners, including Blaine Community Education, Spring Lake Park Community Education, and the Mary Ann Young Center to schedule in-person classes for this fall. Interest and comfort levels with in-person classes is on the rise, so Eric is working to get back to presenting all of his classes in-person. Several entities outside of our Member Cities are also scheduling classes for this fall. All classes provided for organizations outside of the Member Cities are done so for a fee.

“Thanks for offering such quality programs during the pandemic when people were looking for ways to stay interested and connected...thanks for presenting your creative, informative film clip presentations. They rock!”

-Shelley Johnson, Mary Ann Young Senior Center

Fun NMTV Website Facts

Each month, Danika Peterson puts together a report documenting NMTV’s website use and other statistics. Most of those numbers are incorporated throughout this report, but some don’t really have a place. So...

- ✓ Most popular video: **The Tail Gunner and the Navigator**. This is an Emmy Award winning documentary produced by previous NMTV staff member, Damian Kussian. It was produced about six years ago. It seemed to be most popular, this year, on Memorial Day. **It received 8,928 views.**
- ✓ Most popular live event: **The Blaine High School Orchestra Concert**. It received **1,103 views**, with **724 watching live.**
- ✓ 283 people live streamed the Lino Lakes city channel.

City Productions

In May, Municipal Producer, Trevor Scholl, completed five productions. The shows included a series of videos for the City of Blaine, a ribbon cutting ceremony, and a business profile. Programs completed include:

- Community Works With City to Plant Trees
- Blaine Police Department: Theft Awareness
- Blaine Property Markers Video
- Business Matters: Crunch Fitness
- STEM Builder Ribbon Cutting



New and ongoing projects include:

- Summer Mayor’s minutes
- Bonfire safety
- Business profiles
- Quad Area Chamber of Commerce video
- BPD hearing impaired relations
- Lino Lakes public works profile
- Lino Lakes fire recruitment updates
- Circle Pines virtual tour

Trevor touches base with contacts on a regular basis and also encourages Cities to contact him whenever they have an idea for a new show.

Public Access Programs

Title	Producer	Runtime
Rice Creek Watershed District Meeting	Theresa Stasica	01:19:53
Christ Lutheran Church (3 episodes)	Chance Amundson	02:54:06
Lovepower (6 episodes)	Rick Larson	06:00:00
The Power of Love (6 episodes)	Rick Larson	03:00:00
Oak Park Community Church (3 episodes)	David Turnidge	01:40:19
19 New Programs		14:54:18 New Hours

NMTV Staff Programs

Title	Producer	Runtime
Anoka County Board Meeting (5/11/21)	T.J. Tronson	00:51:10
Anoka County Board Meeting (5/25/21)	T.J. Tronson	00:54:39
NMTC Meeting (5/19/21)	T.J. Tronson	00:14:58
Blaine High School: Wizard of Oz (Live Stream)	T.J. Tronson	01:27:18
Blaine High School Spring Band Concert – Concert Band	T.J. Tronson	01:22:24
Blaine High School Spring Band Concert – Repertoire Band	T.J. Tronson	00:36:50
Blaine High School Spring Band Concert – Freshman Band	T.J. Tronson	00:39:16
Blaine High School – CEMS Presentations (Live Stream)	T.J. Tronson	01:38:19
Blaine Girls Hockey Awards	T.J. Tronson	01:34:18
NMTV News (4 episodes)	Danika Peterson/Rusty Ray	01:34:07
Business Matters: Crunch Fitness	Trevor Scholl	00:05:03
Tree Planting	Trevor Scholl	00:02:03
Blaine Police Department: Theft Awareness	Trevor Scholl	00:14:00
Blaine Property Markers	Trevor Scholl	00:10:00
STEM Builder Ribbon Cutting	Trevor Scholl	00:01:00
Boys Volleyball: Blaine/Spring Lake Park	Kenton Kipp/J. Millington	01:19:07
Adapted Softball: Anoka-Hennepin/Centennial	Kenton Kipp/J. Millington	01:23:49
Baseball: Centennial/Spring Lake Park	Kenton Kipp/J. Millington	01:46:07
Boys Lacrosse: Blaine/Centennial	Kenton Kipp/J. Millington	01:36:04
Baseball: Centennial/Blaine	Kenton Kipp/J. Millington	02:07:59
Softball: Centennial/Blaine	Kenton Kipp/J. Millington	01:45:07
Girls Lacrosse: Blaine/Spring Lake Park	Kenton Kipp/J. Millington	01:18:30
Softball: Blaine/Spring Lake Park	Kenton Kipp/J. Millington	01:47:54
Boys Volleyball: Centennial/Spring Lake Park	Kenton Kipp/J. Millington	01:54:48
Softball: Centennial/Spring Lake Park	Kenton Kipp/J. Millington	02:08:17
Girls Lacrosse: Centennial/Blaine	Kenton Kipp/J. Millington	01:17:08
Girls Lacrosse: Spring Lake Park/Centennial	Kenton Kipp/J. Millington	01:16:29
Centennial High School Choir Cabaret Night (School Youtube channel)	Kenton Kipp/J. Millington	01:18:10
Centennial High School Encore Choir Concert (School Youtube channel)	Kenton Kipp/J. Millington	02:15:59
Sports Den Winter Wrap: Blaine Girls Basketball	Kenton Kipp/J. Millington	00:13:37
Sports Den Winter Wrap: Centennial Boys Hockey	Kenton Kipp/J. Millington	00:05:32
34 New Programs		35:00:02 New Hours

City Meetings

Title	Producer	Runtime
Blaine City Council Meeting (5/3/21)	T.J. Tronson	01:23:47
Blaine Traffic Commission Meeting (5/4/21)	T.J. Tronson	01:37:29
Blaine Planning Commission Meeting (5/11/21)	T.J. Tronson	01:06:19
Blaine City Council Meeting (5/17/21)	Trevor Scholl	01:28:47

Blaine Park Board Meeting (5/25/21)	Trevor Scholl	01:11:58
Centerville Planning & Zoning Commission Meeting (5/4/21)	Centerville Staff	02:22:11
Centerville Special City Council Meeting (5/4/21)	Centerville Staff	00:54:11
Centerville Park & Rec Meeting (5/5/21)	Centerville Staff	02:07:17
Centerville City Council Meeting (5/12/21)	Centerville Staff	05:11:49
Centerville EDA Meeting (5/19/21)	Centerville Staff	02:34:54
Centerville City Council Meeting (5/26/21)	Centerville Staff	02:45:51
Circle Pines Park Board Meeting (5/4/21)	Patrick Willson	00:39:59
Circle Pines City Council Meeting (5/11/21)	Trevor Scholl	01:15:08
Circle Pines Utility Commission Meeting (5/19/21)	Eric Houston	00:58:25
Circle Pines City Council Meeting (5/25/21)	Patrick Willson	01:15:32
Ham Lake City Council Meeting (5/3/21)	Patrick Willson	00:34:11
Ham Lake City Council Meeting (5/17/21)	T.J. Tronson	00:05:42
Ham Lake Planning Commission Meeting (5/24/21)	Patrick Wilson	01:06:17
Lexington City Council Meeting (5/6/21)	Lexington Staff	00:23:34
Lexington City Council Meeting (5/20/21)	Lexington Staff	00:25:55
Lino Lakes City Council Meeting (5/10/21)	Anne Serwe	00:55:32
Lino Lakes Planning & Zoning Meeting (5/12/21)	Lino Lakes Staff	01:23:09
Lino Lakes City Council Meeting (5/24/21)	Anne Serwe	00:20:45
Spring Lake Park City Council Meeting (5/3/21)	Isaac Quick	00:52:01
Spring Lake Park City Council Meeting (5/24/21)	Isaac Quick	00:58:30
25 New Programs		33:59:13 New Hours

If you have any questions or comments regarding this monthly report please contact Heidi Arnson at 763.231.2801 or harnson@northmetrotv.com.

Video Production



Municipal Producer, Trevor Scholl, completed five productions in May. The shows included a series of videos for the City of Blaine, a ribbon cutting ceremony, and a business profile. Programs were also produced by T.J. Tronson for the city channels. Trevor reaches out to city officials and department contacts, every month, regarding potential programming for the channels. City staff and elected officials are encouraged to contact Trevor with any ideas or requests for programming.

▪ May Completed Videos/Playing on City Cable Channels & Streaming

Title	Producer	Runtime
Business Matters: Crunch Fitness	Trevor Scholl	00:05:03
Community Helps With Tree Planting	Trevor Scholl	00:02:03
Blaine Police Department: Theft Awareness	Trevor Scholl	00:14:00
Blaine Property Markers	Trevor Scholl	00:10:00
STEM Builder Ribbon Cutting	Trevor Scholl	00:01:00
NMTC Meeting (5/19/21)	T.J. Tronson	00:14:58
Anoka County Board Meeting (5/11/21)	T.J. Tronson	00:51:10
Anoka County Board Meeting (5/25/21)	T.J. Tronson	00:54:39

Some projects that Trevor is working on or is scheduled to produce include:

- Summer Mayor's minutes
- Bonfire safety
- Business profiles
- Quad Area Chamber of Commerce video
- BPD hearing impaired relations
- Lino Lakes public works profile
- Lino Lakes fire recruitment updates
- Circle Pines virtual tour

Equipment Consulting/Technical Support



Blaine

- No assistance required.

Centerville

- 5.11.21: Trained NMTV staff to utilize new control room.
- 5.11.21: Tested system and tri-caster. Presentation signal was not getting back to the Newtek system. Don't have drawings yet so had to call Z Systems. Was then able to find piece of equipment that needed to be power cycled.
- 5.11.21: Talked with Mark Statz about setting system up for hybrid meetings. Problems include no speakers in chambers and no program signal in chambers.
- 5.13.21: Talked with Mark Statz about running an Ethernet cable. Have contacted Z Systems to do so, per Mark's request.
- 5.27.21: Ordered a TV for control room to monitor signals during live meetings. Contacted Comcast to test the cable .

Circle Pines

- 5.24.21: Blackbox receiver problem. Had ordered a replacement that finally arrived. Went to replace it, but the new box did not work either. Thinking it might be a network problem. Contact Z Systems to discuss.

Ham Lake

- 5.7.21: More problems with the document camera. Sent Denise a quote for a new camera, but also figured out a way to get the old one to respond to controls.

Lexington

- No assistance required.

Lino Lakes

- No assistance required.

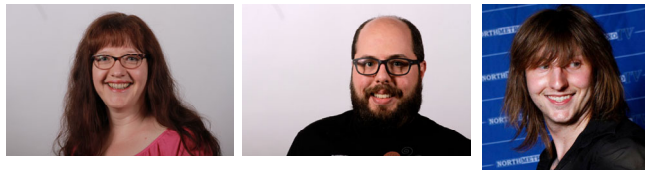
Spring Lake Park

- No assistance required.

All Cities

- No assistance required.

Channel Management



Programming Coordinator, Michele Silvester, along with help from Eric Houston, and Trevor Scholl, is responsible for processing and scheduling the programming on the City channels. There are three categories of programs that are scheduled on the City channels; live and replayed meetings, NMTV staff created video content, and informational graphics pages. All categories of programming must be encoded, scheduled, and entered into the Tightrope playback system or entered into the Carousel video files. As each live meeting is being recorded at City Hall, it is routed to the North Metro TV head-end and then sent out over the cable system live. At the same time it is also encoded on a server for future playbacks. The following meetings were processed in May:

Title	Producer	Runtime
Blaine City Council Meeting (5/3/21)	T.J. Tronson	01:23:47
Blaine Traffic Commission Meeting (5/4/21)	T.J. Tronson	01:37:29
Blaine Planning Commission Meeting	T.J. Tronson	01:06:19

(5/11/21)		
Blaine City Council Meeting (5/17/21)	Trevor Scholl	01:28:47
Blaine Park Board Meeting (5/25/21)	Trevor Scholl	01:11:58
Centerville Planning & Zoning Commission Meeting (5/4/21)	Centerville Staff	02:22:11
Centerville Special City Council Meeting (5/4/21)	Centerville Staff	00:54:11
Centerville Park & Rec Meeting (5/5/21)	Centerville Staff	02:07:17
Centerville City Council Meeting (5/12/21)	Centerville Staff	05:11:49
Centerville EDA Meeting (5/19/21)	Centerville Staff	02:34:54
Centerville City Council Meeting (5/26/21)	Centerville Staff	02:45:51
Circle Pines Park Board Meeting (5/4/21)	Patrick Willson	00:39:59
Circle Pines City Council Meeting (5/11/21)	Trevor Scholl	01:15:08
Circle Pines Utility Commission Meeting (5/19/21)	Eric Houston	00:58:25
Circle Pines City Council Meeting (5/25/21)	Patrick Willson	01:15:32
Ham Lake City Council Meeting (5/3/21)	Patrick Willson	00:34:11
Ham Lake City Council Meeting (5/17/21)	T.J. Tronson	00:05:42
Ham Lake Planning Commission Meeting (5/24/21)	Patrick Wilson	01:06:17
Lexington City Council Meeting (5/6/21)	Lexington Staff	00:23:34
Lexington City Council Meeting (5/20/21)	Lexington Staff	00:25:55
Lino Lakes City Council Meeting (5/10/21)	Anne Serwe	00:55:32
Lino Lakes Planning & Zoning Meeting (5/12/21)	Lino Lakes Staff	01:23:09
Lino Lakes City Council Meeting (5/24/21)	Anne Serwe	00:20:45
Spring Lake Park City Council Meeting (5/3/21)	Isaac Quick	00:52:01
Spring Lake Park City Council Meeting (5/24/21)	Isaac Quick	00:58:30
25 New Programs		33:59:13 New Hours

Meetings are scheduled for replay based on schedules requested by each City. Additional longer-length video programming, produced by NMTV staff, is also scheduled on the channels. With the arrival of the Carousel units, shorter-length videos and promos are loaded onto those devices, rather than being scheduled as separate playbacks. The short videos cycle through, with graphics pages, and play on the channels whenever a scheduled program is not playing. Depending on whether a City selected the split screen or full screen Carousel option, the shorter videos are cycling 24 hours a day. The table below outlines how many times a longer-length video program was entered into the Tightrope system, and played back on each City channel.

City	Number of Times Programs Played	Hours Programmed on Channel
Blaine	174	251:10:26
Centerville	73	240:27:50
Circle Pines	165	190:55:02
Ham Lake	67	57:05:10
Lexington	101	49:40:34
Lino Lakes	77	73:35:54
Spring Lake Park	95	89:50:10
Totals:	852 Program Playbacks	952:45:06 Hours of Video Programming on Channels

The last category of programming on City channels consists of bulletin board, or graphics pages, that display information about the City or about events and issues of interest to citizens. With the installation of the Carousel units, Eric Houston has assumed responsibility for updating the information on all seven channels. He works closely with each City's representative to ensure that all requested data slides are created and posted to the satisfaction of the City. Even though Eric is doing the work of creating the data pages, the Cities maintain editorial control. In addition to the graphics pages, the Carousel units play video. Trevor Scholl is responsible for encoding any short videos that are displayed. The following work was done for City Carousel units in May:

Blaine

- Transcoded and uploaded 2 videos to Carousel.

Centerville

- Transcoded and uploaded 0 videos to Carousel.
- Followed up with city staff after zoom bombing incident

Circle Pines

- Transcoded and uploaded 0 videos to Carousel.

Ham Lake

- Transcoded and uploaded 0 videos to Carousel.

Lexington

- Transcoded and uploaded 0 videos to Carousel.
- Emailed copies of all slides currently running on Lexington Carousel.

Lino Lakes

- Transcoded and uploaded 0 videos to Carousel.

Spring Lake Park

- Transcoded and uploaded 0 videos to Carousel.
- Created 5 new data pages for Carousel.

Meetings on Demand



NMTV has created a video on demand service, with line-item bookmarking, for our Cities' meetings. In order to accomplish this, each encoded meeting has to undergo several steps. The meeting must first be transferred and transcoded from the playback server to the video on demand server. Once that is done, a staff member must go through

the meeting entering a bookmark at the start of each meeting line-item, and enter the corresponding line-item information. Next, the meeting is linked to the NMTV website's city meeting page for video on demand. The following number of meetings were bookmarked and/or placed on VOD for the Cities in May:

- **Blaine**
 - 5 meetings bookmarked and placed on VOD.
- **Centerville**
 - 6 meetings bookmarked and placed on VOD.
- **Circle Pines**
 - 4 meetings bookmarked and placed on VOD.
- **Ham Lake**
 - 3 meetings bookmarked and placed on VOD.
- **Lexington**
 - 2 meeting placed on VOD.
- **Lino Lakes**
 - 3 meetings bookmarked and placed on VOD.
- **Spring Lake Park**
 - 2 meetings bookmarked and placed on VOD



Administrative

The issues dealt with in May included monitoring activity regarding the FCC's 621 Order, finalizing and sending a draft franchise document to Comcast, and preparing the 2022 NMTC budget, .

- **FCC 621 Order**
 - The Sixth Circuit Court of Appeals reached a decision regarding the FCC's Third Report and Order on May 26th.
 - Read the summary of the decision prepared by Legal Counsel.
 - Prepared discussion items for Operations Committee and Executive Committee regarding decision and possible impact on the 2022 budget.
- **Budget**
 - Worked with Daniell Krawczyk of Municipal Captioning Inc. to obtain quote for introducing closed captioning to NMTV system.
 - Asked Operations Committee for anticipated 2022 COLA increase and benefits package values.
 - Worked with NMTV staff to determine equipment needs.
 - Prepared 2022 budget, including budget reduction options, for decision makers.
 - Sent budget materials to Operations Committee and Executive Committee.
- **Franchise Renewal**
 - Approved final franchise draft document.
 - Document sent to Comcast.
- **Miscellaneous**
 - Reviewed 2021 NMTC audit.
 - Responded to Julie Jeppson's budget questions.
 - Sent channel info to Teresa at Centerville City Hall.
 - Monitored cable box issue/discussion between Comcast, NMTV staff, and Centerville City staff.
 - Worked with production staff regarding Centerville system training.

- Emailed Columbia Heights staff re any continued interest in joining Commission.
They want to wait to see how their finances work out.
- Attended MACTA Local Franchising Authority conference call.
- Mediated Blaine subscriber complaint with Comcast.
- Read industry articles.

ILHAN OMAR
MEMBER OF CONGRESS
5TH DISTRICT, MINNESOTA

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House of Representatives
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COMMITTEE ON
EDUCATION AND LABOR
SUBCOMMITTEES ON
HIGHER EDUCATION AND WORKFORCE
INVESTMENT
WORKFORCE PROTECTIONS
HOUSE COMMITTEE
ON FOREIGN AFFAIRS
SUBCOMMITTEES ON
AFRICA, GLOBAL HEALTH, AND GLOBAL HUMAN
RIGHTS
INTERNATIONAL DEVELOPMENT, INTERNATIONAL
ORGANIZATIONS, AND GLOBAL CORPORATE
SOCIAL IMPACT

June 8, 2021

The Honorable Merrick Garland
Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530-0001

Dear Attorney General Garland:

Congratulations on your appointment and confirmation as Attorney General. It is a pleasure to be able to write to you in this capacity.

On April 21, 2021 the Department of Justice (DOJ) announced you will conduct an investigation into the Minneapolis Police Department (MPD) and their patterns and practices. I write to ask you to consider opening additional investigations of patterns and practices to include the Minnesota Bureau of Criminal Apprehension (BCA), Minnesota State Patrol (SP), Hennepin County Sheriff's Office (HCSO), the Brooklyn Center Police Department (BCPD), the Richfield Police Department (RPD), the Edina Police Department (EPD) and the St. Anthony Police Department (SAPD).

The May 2020 murder of George Floyd under the knee of MPD officer Derek Chauvin showed millions of people around the world how MPD policed – and continues to police – Black, Indigenous, and people of color in our community. However, recent years of similar law enforcement actions in Minnesota show that the murder of Mr. Floyd is not unique – it is a pattern among many Minnesota law enforcement agencies. When Philando Castile was killed in 2017¹ by SAPD officer Jeronimo Yanez at a routine traffic stop, media outlets reported his long history of being pulled over repeatedly over a decade for minor – if any – violations.² Since the SAPD began publishing demographic data on traffic stops, the “share of Black people its officers pulled over has increased each year.”³ In Richfield, officers from the EPD and RPD killed Brian Quinones in September 2019, after an investigation the officers involved faced no legal consequences.⁴ The most recent police killing in Minnesota of Daunte Wright by BCPD officer

¹ German Lopez, "Philando Castile Minnesota Police Shooting: Officer Cleared of Manslaughter Charge." (Vox Media, 2017)

² Eyder Peralta and Cheryl Corley "The Driving Life And Death Of Philando Castile." (NPR, 2016)

³ Solomon Gustavo. "Four Years After Philando Castile, St. Anthony Police Continue to Pull Over Black Motorists at Disproportionate Rates." (MinnPost, 2020)

⁴ Brandt Williams. "Richfield, Edina Officers not Charged in Shooting Death of Brian

Kim Potter – a 26-year veteran of the force⁵ – illustrates that this is not an issue of training or fear. It is a pattern that repeats among many law enforcement agencies throughout the Twin Cities metro. Across the state, Black Minnesotans are disproportionately arrested for low-level crimes⁶ and are disproportionately likely to experience violence at the hands of police.⁷

The law enforcement response to the mass movement that has arisen in opposition to police killings and violent over-policing of BIPOC communities has also been met with extreme and unnecessary force. In preparation for the trial of Derek Chauvin, the State of Minnesota created a joint-command response called Operation Safety Net (OSN).⁸ Rather than keep residents safe, community members and elected officials highlighted that this “response” obscured the chain of command and resulted in excessive violence to community members without accountability.⁹ Law enforcement used “less-lethal” munitions and chemical weapons indiscriminately, even targeting journalists¹⁰ before a federal judge issued a Temporary Restraining Order against law enforcement entities.¹¹ The entities present during these protests – HCSO, SP, MPD, BCPD, and other agencies – should not be allowed to let a “partnership” such as OSN obscure their responsibility to uphold civil and human rights. Local medical professionals have researched the long-term medical consequences of this egregious militarized violence, finding that dozens of people are facing permanently disabling injuries following police escalation at protests over the last year.¹² Indeed, as soon as OSN partners stopped approaching protestors with violence, there was no longer violence at the protests.¹³

The MPD practices that led to Mr. Floyd’s death are not unique among Minnesota law enforcement. These issues are visible both in proactive law enforcement settings like traffic stops and arrests, but also in the law enforcement response to protests shining a light on these injustices. Minnesota has some of the nation’s worst and most persistent racial disparities¹⁴, and the DOJ’s investigation of systemic issues in Minnesota law enforcement would be an important

Quinones." (Minnesota Public Radio, 2020)

⁵Joshua Rashaad McFadden. "What to Know About the Death of Daunte Wright. (New York City: The New York Times Company, 2021)

⁶Lynette Kalsnes "Black People Five Times More Likely to Get Arrested for Marijuana in Minnesota." (ACLU of Minnesota, 2020)

⁷ Ricardo Lopez "Minnesota's Decades-Long Failure to Confront Police Abuse."(New York City: Condé Nast, 2020)

⁸“Operation Safety Net - About” accessed at <https://safetynet.mn.gov/Pages/about.asp> (MN Gov, 2021)

⁹ Kyle Brown and Tom Hauser "Operation Safety Net Ramps Up as Local Officials, Organizations Call for its Curtailment." (KSTP-TV, 2021)

¹⁰ Adrianna Rodriguez "Police in Minnesota Round Up Journalists Covering Protest Force Them on the Ground and Take Pictures of Their Faces." (USA Today, 2021)

¹¹ Todd Richmond “Journalists Allege Police Harassment at Minnesota Protests” (Associated Press 2021)

¹² Kaske and Cramer “Injuries from Less-Lethal Weapons during the George Floyd Protests in Minneapolis” (Massachusetts Medical Society, 2021)

¹³ MPR News Staff “Seventh Night of Protests in Brooklyn Center Ends Without Confrontation.” (Minnesota Public Radio, 2021)

¹⁴ Eyder Peralta and Cheryl Corley "The Driving Life And Death Of Philando Castile." (NPR, 15 July 2016)

step toward addressing our state's racial inequities. It is for these reasons that we request the DOJ consider additional investigations of other law enforcement entities that also contribute to this environment of racial violence and injustice.

Thank you for prompt attention to this matter.

Sincerely,



Ilhan Omar
Member of Congress

Addition signees:



Senator Chris Eaton – District 40



Senator Omar Fateh – District 62



Senator Mary Kunesh – District 41



Senator Patricia Torres Ray – District 63



Representative Esther Agbaje – District 59B



Representative Sandra Feist – District 41B



Representative Aisha Gomez – District 62B



Representative Sydney Jordan – District 60A



Representative Fue Lee – District 59A



Commissioner Angela Conley – District 4



Commissioner Irene Fernando – District 2



Commissioner Marion Greene – District 3



Council Member Jeremiah Ellison – Ward 5

Steve Fletcher

Council Member Steve Fletcher – Ward 3



Council Member Cam Gordon – Ward 2



Council Member Andrea Jenkins – Ward 8



Council Member Andrew Johnson – Ward 12



Council Member Jeremy Schroder – Ward 11



Brooklyn Center Council Member Marquita Butler



North Metro Mayors Minute for May 2021 Board Meeting

Does Kevin Bacon have a connection to Fridley?

Our hybrid meeting at Fridley this month reminded me of Kevin Bacon and the six degrees of separation game. A surprising number of people had ties to Fridley. Thank you to the City of Fridley for hosting us and giving us a chance to find new ways we're connected.

Also in the small world category, our guest speaker was former Ramsey mayor and now MN Department of Natural Resources Commissioner Sarah Strommen.

The great outdoors was a winner in the pandemic. Commissioner Strommen said, "Minnesotans turned to the outdoors!" Sales were up for licenses to fish or camp. About 100,000 inquiry calls were managed in 2020—double a typical year.

The DNR continues to grow the community of nature enthusiasts. They have a social media campaign going, called #MyMNOOutdoorAdventure. The goal is to highlight diverse people enjoying activities and destinations. Learn more about the direction the DNR is taking here: <https://www.dnr.state.mn.us/ortf/index.html>

Stay tuned for legislative updates and news from an expected special session.



Fridley Councilman Tom Tillberry welcomes us to Fridley. Ramsey Mayor Mark Kuzma is one of many members and legislators joining via Zoom.

In the room, we had representatives from Mille Lacs Band, Spring Lake Park,

Anoka Hennepin Schools Foundation, Champlain, New Hope, Coon Rapids, Anoka, Twin Cities North Chamber of Commerce, and Fridley. Thank you for attending online or in person.





Stay safe this holiday weekend, the unofficial start of summer. Feel free to contact me with ideas and questions. Thanks.

Jill Brown
Executive Director
Cell: 612-889-2611
Email: JillCBrown@msn.com

North Metro Telecommunications Commission Meeting Talking Points

June 16, 2021

- ▶ North Metro TV's production schedule has returned to normal. Summer events such as graduations, parades, USA Cup Soccer and safety camp are back in production. The first in-person, video production class series in over a year has been scheduled for mid-July.
- ▶ The proposed 2022 North Metro Telecommunications Commission was approved. There are some variables regarding income in 2022 so options were considered regarding capital purchases and whether to include a COLA increase for staff. 2022 should bring more clarity regarding income, and it was determined that budget reductions could take place, if necessary, when income questions are answered. The Operating budget would increase by \$14, 617 over the 2021 budget. The budget must be received by the Member Cities by August 1.
- ▶ The Sixth Circuit Court of Appeals reached a decision regarding the appeal of the FCC's 621 Order concerning franchise fees. The Court upheld the Order, meaning that some services, which were previously provided at no cost to the Commission, will now have a cost. Originally the Order stated that cable companies could charge market rates for these services, but the Court ruled that only "marginal cost" could be recovered. That was a win for the Commission. Comcast must contact the Commission to determine what services we would like to continue receiving. Deductions from franchise fees should not happen until those decisions are made.

PLEASE encourage your council members to call me if they have any questions you can't answer. I would be happy to answer any questions they may have. Heidi Arnson at NMTV. Direct line is 763-231-2801. Email is harnson@northmetrotv.com.

U.S. Municipal Bond Market

Violent Crime as a Credit and Political Challenge

- Regarding ESG factors, we believe the “S” or Social themes already rank highly with “E” and “G” factors, particularly where cities and city life are concerned.
- Rising violent crime has the potential to negatively impact municipal credit quality. This is especially true for the medium-sized and larger cities.
- There is still uncertainty about how tax policy, work arrangements, and other influences could very well make city living less attractive than it was before Covid. These might not be factors that individually drive people away, but together they could have impactful negative fiscal consequences. Policies that reduce police funding, which can make cities less attractive to residents and potential residents, have not worked.

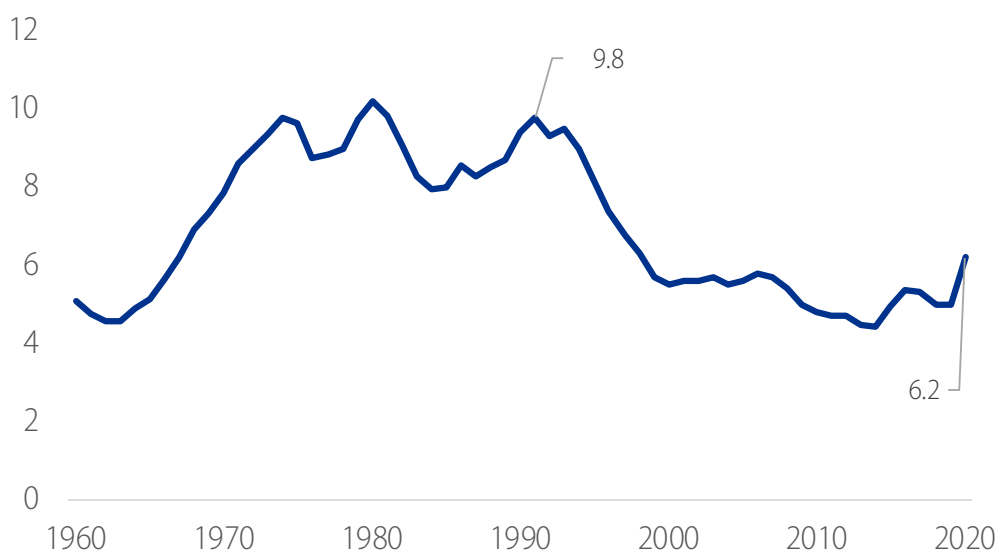
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Recent Policy Failure Related to “S” Factors

Sustainable and responsible investing themes have been central drivers amongst some investors in recent years. A record net \$51 billion was invested in Environmental, Social, and Governance (ESG) motivated funds in 2020, more than double the year before according to Morningstar data. Typically, investors and rating agencies have been able to apply more quantitative measures to the Environmental, and Governance themes when making capital allocation decisions. The “S” or Social part of the ESG acronym began to gain attention amid widespread demonstrations in support of the Black Lives Matter (BLM) movement in the summer of 2020. The BLM movement was fueled in part due to the horrific May 25 murder of George Floyd.

Rising violent crime has the potential to negatively impact municipal credit quality. This is especially true for the medium-sized and larger cities.

U.S. Murder Rate per 100k People, With an Estimated Rise in 2020



Source: FBI, 2020 Estimate (New York Times), and HilltopSecurities.

Fast moving events caused lawmakers to consider, and some did follow-through in response to pressures to Defund the Police. In some instances, police funding was

repurposed and in some cities police funding was even reduced. The [graphic from Bloomberg](#) below shows 18 cities that cut police spending, including New York, Minneapolis, Seattle, Chicago and Boston. The Bloomberg graphic also shows that 24 cities increased police spending.

The business community responded in an almost unprecedented way as the BLM movement gained new momentum. S&P Global reported that 217 of S&P 500 companies pledged financial support, issued some other type of organizational response, or responded via the media. The corporate sectors that led in this outreach include companies in the consumer staples, consumer discretionary, financial and utility sectors. S&P indicated they believe Social factors may soon be as important for companies as the Environmental and Governance factors. The report indicated:

The next step could be the elevation of social factors to the same level as the environment and governance. Only time will tell how social factors, such as racism and inequality, will affect companies' futures. However, failure to address them could have an impact on their ESG performance and, ultimately, on credit quality if loss of customers reduces profitability.

We think "S" or social-related themes already rank in the forefront with the "E" and "G" factors in the public finance sector, and this is especially true where cities and city life are concerned. We illustrate with commentary based on developing violent crime data.

Murder Incorporated

Until seven years ago, violent crimes and murders specifically were falling in U.S. cities. Policy, technology, and policing techniques helped contribute to why the U.S. was the safest it had been in years toward the middle of last decade. The murder rate dropped by more than half from 9.8 murders per 100k people in 1991 to just 4.4 in 2014. A Princeton sociologist recently rejected that the U.S. crime decline has ended, arguing however that it has, "very clearly paused." But, available data suggests

The business community responded in an almost unprecedented way as the BLM movement gained new momentum. S&P Global reported that 217 of S&P 500 companies pledged financial support, issued some other type of organizational response, or responded via the media.

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National Murder Update for 2020, Select Cities

City	Murder (# of) in 2020	Murder (# of) in 2019	YoY Change (%)
Atlanta	150	95	58%
Austin	45	29	55%
Boston	57	37	54%
Chicago	748	481	56%
Los Angeles	343	257	33%
Minneapolis	81	47	72%
New York	437	314	39%
Seattle	47	27	74%

YoY increase among 57 city police agencies 36.7%

Source: Jeff Asher from Crimealytics and HilltopSecurities.

The murder rate dropped by more than half from 9.8 murders per 100k people in 1991 to just 4.4 in 2014.

otherwise. The number of murders has risen since 2014, and experts and the FBI expect a rise in 2020 year over year of somewhere between 25% and 37%. Even more striking is the analysis from Jeff Asher of Crimalytics showing that for the first three months of 2021, murders were up another 18% compared to 2020. Criminologist Joseph Giacalone predicts they will rise more this year too. In other words, it is unlikely that data from the summer of 2020 is only going to be an inconsistency.

Jeff Asher of Crimalytics showed that for the first three months of 2021, murders were up another 18% compared to 2020. In other words, it is unlikely that data from the summer of 2020 is only going to be an inconsistency.

Whether the violent crime decline has ended or merely paused is of concern for U.S. cities, and whether shifts in policing and criminal justice reform contributed to a year-over-year rise in murders matters for several reasons. Lawmakers and residents are finding that potential policy solutions for policing and criminal justice reform are complicated. The leadership choices of some reformers are being questioned. The Economist accurately assessed the recent transition in the landscape when it recently wrote, "In other cities mayors and prosecutors who thought they would be rewarded for championing reform in the name of racial justice are finding that voters prize safety more."

Some mayors who found themselves at the height of their popularity--or at least at the height of press attention last summer--are now considering not running for office again. The topic of crime is already shaping up as an important subject leading up to the 2022 mid-term elections. Democratic strategist James Carville recently tried to get a jump start on the issue at the end of May when he penned, Democrats Are the Anticrime Party. Carville was of course criticized in following days; please see Was that a Parody by James Carville on Crime and the Democrats.

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Will the Rising Murder Rate Impact Municipal Credit?

Effective law enforcement policy intervention will need to simultaneously prioritize safety while taking potential reforms seriously. Almost three out of four U.S. adults favor at least the same amount of police presence. The same Gallup poll results from the end of the summer of 2020 shows that 86% of U.S. adults want police to spend more (19%), or the same (67%) amount of time in their area. About 14% of U.S. adults want the police to spend less time in their area.

Experts and lawmakers have tried for decades to get the correct mix of policy in order to bring down violent crime. While lowering police budgets last year may not have been the only reason violent crime rose in some cities, it certainly did not help.

Coming to a consensus on near-term policy adjustments will be a difficult task to navigate. So far, some cities have failed to do this. Police budgets should not be slashed. This is strongly supported by the year-over-year data and reinforced by the idea that violent crime is expected to continue to rise this year. In fact, quick and decisive action is needed to regain public trust in safety. If lawmakers do not regain citizen's trust, there is likely to continue to be swift political and fiscal consequences.

Experts and lawmakers have tried for decades to get the correct mix of policy in order to bring down violent crime. While lowering police budgets last year may not have been the only reason violent crime rose in some cities, it certainly did not help.

Preference for Amount of Time Police Spend in Your Area

Would you rather the police spend more time, the same amount of time, or less time than they current spend in your area?

	More Time (%)	Same Amount of Time (%)	Less Time (%)
Asian Americans	9	63	28
Black Americans	20	61	19
Hispanic Americans	24	59	17
White Americans	17	71	12
U.S. Adults	19	67	14

Source: Gallup (August 2020) and HilltopSecurities.

We believe that rising violent crime has the potential to negatively impact municipal credit quality, and this is especially true for the medium and larger cities.

The Perception and the Reality of Rising Crime Could be Impactful

We believe that rising violent crime has the potential to negatively impact municipal credit quality, and this is especially true for the medium and larger cities. This possibility is already compounded by the uncertainty surrounding a post-Covid normal

There is still uncertainty about how tax policy, work arrangements, and other influences could very well make city living less attractive than it was before Covid. These might not be factors that individually drive people away, but together they could have impactful negative fiscal consequences. Policies that reduce police funding, which can make cities less attractive to residents and potential residents, have not worked. Wall Street Journal columnist Peggy Noonan wrote in [The Old New York Won't Come Back](#) about the intersection of rising taxes and crime indicating how much a New Yorker, for example, is likely to put up with:

If you tax the rich a little higher, most will stay: There's a lot of loyalty to New York, a lot of psychic and financial investment in it. But if you tax them higher for the privilege of being attacked on the street by a homeless man in a psychotic episode, they will leave. Because, you know, they're human.

It will not be enough to make arguments over crime data details. Concern about crime is [rising, according to recent Gallup surveys](#). Gallup found that from 2014 to 2019, 60% to 74% of those surveyed thought crime was rising. Even if all types of crime rates are not rising, the perception of a rise in crime matters. This perception is enough to have political and fiscal consequences.

We are concerned about both a real rise in violent crime, as well as the perception of a rise in crime. Under either scenario individuals may choose to relocate from the cities in which they live. If this occurs in force, it could add to other potential strains state and local credit may experience in the post-Covid normal.

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Recent HilltopSecurities Municipal Commentary

- [Public Opinion Weakening on Economy, Could Impact Legislative Outcomes Including Infrastructure, May 28, 2021](#)
- [A Non-Fiction Look at State Government Revenues One Year After COVID-19, May 20, 2021](#)
- [Treasury Issues Relief Guidance for State, Local, and Tribal Governments, May 11, 2021](#)
- [A Boom is Coming. Are Governments Ready?, May 7, 2021](#)
- [100 Days and \\$6 Trillion – We Analyze the Possibility of an Infrastructure Agreement, April 30, 2021](#)

Readers may view all of the HilltopSecurities Municipal Commentary [here](#).

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10065 – 3rd Street NE
Blaine, MN 55434

June 8, 2021

Daniel Buchholtz
City Administrator
City of Spring Lake Park
1301 81st Ave NE
Spring Lake Park, MN 55432

Dear Daniel,

Alexandra House respectfully requests that the City of Spring Lake Park allocate funds to support services provided to Spring Lake Park residents by our Community Programs. Alexandra House responds 24/7 to calls from the Spring Lake Park Police Department, Anoka County Sheriff's Office and Mercy Hospital-Unity Campus as part of your community's public safety and public health infrastructure. In addition, our Youth Services Program offers school-based advocacy, support groups, and prevention education at high schools throughout the Spring Lake Park School District, including at Spring Lake Park High School.

Each year, we assist victims/survivors of domestic and sexual violence from the City of Spring Lake Park and beyond and we are the only agency providing these services in Anoka County. Our advocates assist Spring Lake Park residents to address their immediate crisis and safety needs and support them in moving beyond the violence to achieve long-term safety and independence.

We know that the pandemic has had a significant impact on victims of domestic and sexual violence with increased rates, severity and isolation. As crisis intervention professionals, Alexandra House continues to provide support and services around the clock to survivors and their children.

While our services are free to those we serve, they are not without costs. The attached/enclosed budget details services provided to Spring Lake Park residents in 2020, the cost to provide these services, and the unsecured revenue we need to fully fund those services. Your support means so much to us, now more than ever.

We are grateful for your continued support of our work. We could not do it without you! Please do not hesitate to contact me with any questions. I would welcome the opportunity to attend a city council meeting to discuss this funding request and respond to any questions you may have.

Thank you very much for your consideration.

Connie Moore
Executive Director

ALEXANDRA HOUSE, INC.	
City of Spring Lake Park	
Services Provided	Services Provided in 2020
Protection Order Filings	1
Civil Court Hearings	1
Civil Legal Information & Advocacy	15
Arrest/Non-Arrest Victim Follow up	2
Lethality Assessment Follow Up	11
Criminal Court Hearings, Information & Advocacy	63
Anoka County Family Violence Waiver	56
Child Care	1
Crisis Line	34
Crisis Intervention/Safety Planning	42
Sexual/Domestic Violence Information & Support	27
Food Shelf	1
Education/Employment/Benefits	1
Youth Services - One on One Teen Advocacy	4
Youth Services - Lino Lakes Juvenile Shelter Groups	2
Youth Services - Classroom Presentations (15)	273
TOTAL	534
2022 Budget	Amount
Cost of Services Provided to City of Spring Lake Park	\$ 33,176
Revenue allocated from other sources	\$ 19,906
Unsecured Revenue	\$ 13,270