

# CITY OF NEW BRIGHTON MINNESOTA



## Comprehensive Annual Financial Report for the Year Ended December 31, 2015

Prepared by the  
Finance Department

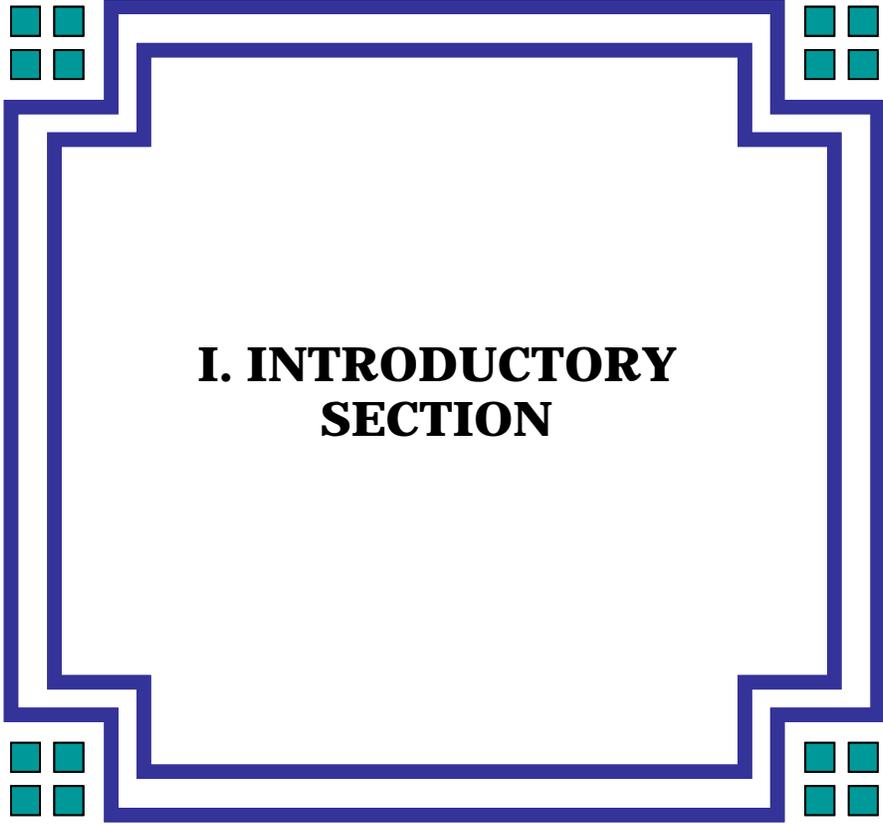


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**I. INTRODUCTORY  
SECTION**





May 24, 2016

To the Honorable Mayor, Members of the City Council, and Citizens of the City of New Brighton, Minnesota:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2015.

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

Bergan KDV, Certified Public Accountants, have issued an unmodified opinion on the City of New Brighton's financial statements for the year ended December 31, 2015. The independent auditor's report is located at the front of the financial section of this report.

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

### **Profile of the City**

The City of New Brighton, incorporated in 1887, is located in northwestern Ramsey County, and is a first ring northern suburb of the Minneapolis-St. Paul metropolitan area. The City encompasses an area of 4,464 acres or eight square miles and serves a population of 22,084 (per 2015 Met Council estimate).

The City's eastern boundary is generally defined by Interstate 35W, with Interstate 694 traversing the City approximately midway between its northern and southern boundaries. The City is located 10 minutes north of downtown Minneapolis and 15 minutes northwest of downtown St. Paul. City residents and businesses have easy access to all parts of the Minneapolis-St. Paul metropolitan area.

The City is served by two school districts: Independent School District (ISD) #282 (St. Anthony), which has a 2015/2016 estimated enrollment of 1,769 and ISD #621 (Mounds View), which has a 2015/2016 enrollment of 10,880. ISD # 282 has one school each for elementary, middle and high school. ISD # 621 has six elementary schools, three middle schools and two high schools. The majority of the City is served by ISD # 621.

In 1964, the Council-Manager form of government was adopted. Policy-making and legislative authority are vested in the City Council consisting of the mayor and four council members. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City Manager. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments. The council is elected on a non-partisan basis. Council members serve four-year staggered terms, with two council members elected every two years. The mayor is elected to serve a two-year term.

The City of New Brighton provides a full range of services including elections; license bureau; police services; fire suppression and prevention; construction, reconstruction and maintenance of streets and other infrastructure; water distribution, sanitary sewer collection, and stormwater systems; parks and forestry maintenance; recycling; and recreational activities, including the New Brighton Community Center and Brightwood Hills Golf Course.

The New Brighton Firefighters' Relief Association is a separate legal entity, and accordingly is excluded from this report. Additional information on this legally separate entity can be found in Note 4C in the notes to the financial statements.

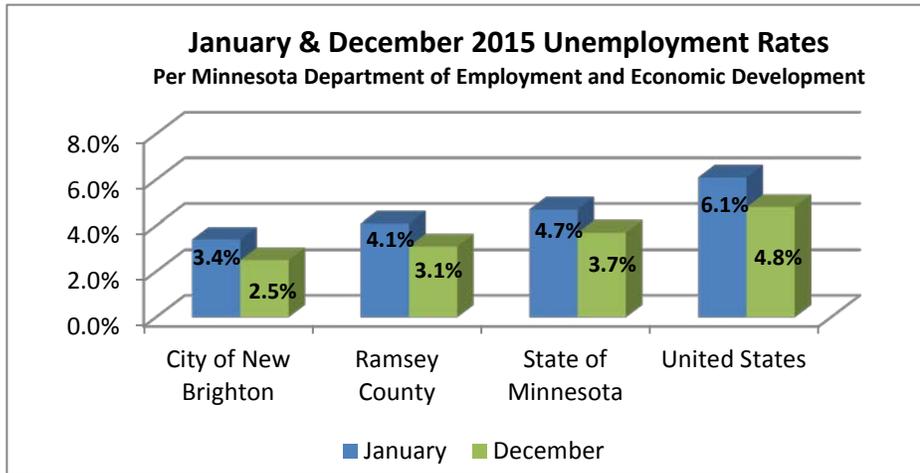
The annual budget serves as the foundation for the City of New Brighton's financial planning and control. All departments of the City of New Brighton submit requests for appropriations to the City Manager in late spring of each year. The City Manager uses these requests as the starting point for developing his recommended budget. The City Manager then presents the recommended budget to the City Council for review. The City will adopt a proposed preliminary tax levy prior to September 15. According to Minnesota State Statutes, this proposed preliminary tax levy can be subsequently decreased but not increased (the State does allow a few exceptions) when it is adopted as a final tax levy in December. The City Council is required to hold public hearings on the proposed budget and to adopt a final budget by December 31, the close of the City of New Brighton's fiscal year.

The appropriated budget is prepared for the General Fund by function (e.g., public safety), and department (e.g., police). Department heads may make transfers of appropriations within the fund, with the approval of the City Manager. Budget-to-actual comparisons are provided on Statement 7.

### **Factors Affecting Financial Condition**

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

**Local economy.** The City of New Brighton, as with the rest of the nation, ended 2015 with many uncertainties regarding the economy. Nonetheless, the Minneapolis-St. Paul metropolitan area is weathering the global slowdown reasonably well, which is a reflection of its large and diverse economic base. Job growth has remained widespread, with recent gains in healthcare, construction, retail trade, and financial activities. Local and national unemployment rates have decreased over this past year as evidenced by the non-seasonally adjusted unemployment rates listed in the following graph.



The market place for local products and services remains strong. Even though New Brighton is a fully development city, long term growth is anticipated as New Brighton continues to aggressively pursue redevelopment opportunities. This is shown with New Brighton issuing 1,094 more building permits in 2015 than 2014 which consisted of 64 new single family homes, 1 new multiple family building, and 21 new commercial/industrial building permits.

**Long-term financial planning.** The 2016-2025 Capital Improvement Plan (CIP) for the City of New Brighton coordinates the financing and timing of major equipment purchases and construction projects. Some major goals for the City during this 10 year period are a \$26.8 million design and construction of the water treatment plant for DX treatment, \$1.9 million in replacing the City’s water meters along with an Advanced Metering Infrastructure system, and \$1.6 million for a new park, and \$27 million in street reconstruction projects.

The City also undertakes an annual rate study of its Water, Sanitary Sewer, and Storm Water rates. As part of this process, the City projects fund balances and capital improvements to each of the systems for the next 20 years, and the projected user and connection rates needed for each fund for that same time period.

The City maintains four internal service funds for the replacement of various capital assets. The capitalization threshold for capital assets is having a value of \$5,000 or more and a useful life of at least two years. The capitalization threshold for easements is \$50,000. Each of these funds has projected fund balances for the next 15 years. The Fleet Capital Replacement Fund maintains reserves for the replacement of the City’s fleet including all vehicles and heavy equipment. The Non-Fleet Capital Replacement Fund has been established for the replacement of non-fleet capital items including miscellaneous equipment and furnishings. The Pavement

Management Fund was established to replace parking lots, trails, tennis courts and hard courts. The Information Technology Fund has been established to account for the operations of the city-wide computer network system and the replacement of capital items such as computers, telephone systems, copiers, printers, and various technology related items.

**Relevant Financial Policies.** The City of New Brighton has a Fund Balance Policy requiring the fund balance of the General Fund to have a designated amount for cash flows for the subsequent year's operating budget. The targeted designated amount is equal to 50% of the subsequent year's General Fund property tax levy, less any debt service portion included, and 50% of State aid revenues anticipated in the ensuing year's operating budget.

The City's Investment Policy states that the foremost investment objective is to preserve capital. Secondary considerations are liquidity and lastly yield. Accordingly, deposits are either insured by federal depository insurance or collateralized. All temporary cash surpluses during the year are invested in various securities permitted by Minnesota Statutes. The City's policy is to invest all available monies at competitive interest rates in accordance with the City's over-all fiscal plan coordinated with operating needs and programs projected over the ensuing 12 months. The yield on the City's investments was 1.181% in 2015.

The City's accounting system was developed and is continually evaluated to ensure the adequacy of internal controls. Internal accounting controls are designed to provide reasonable but not absolute assurance in the areas of: (1) safeguarding assets against loss from unauthorized use or disposition; and (2) reliability of financial records and convenience of access for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance adopted by the City of New Brighton recognizes that: (1) the evaluation of cost and benefits requires estimates and judgments by management; and (2) the cost of a control should not exceed the benefits likely to be derived. All internal controls are evaluated against the above criteria. It is our belief that the City's internal accounting controls adequately safeguard the City's assets and also provide reasonable assurance of properly recording financial transactions.

An employee wellness program has been made available to all employees. The implementation of this risk management program aids in preventing worksite accidents and injuries, and in reducing medical expenses and other costs related to lost workdays, replacement workers, etc. The City has been actively working to limit its liability risk and insurance costs. A safety committee consisting of employees from every department meets periodically throughout the year to discuss safety related items, to review accident reports and to provide recommendations to reduce the City's exposure. The City maintains a Risk Management Fund with current cash reserves of \$1,379,577. The financing of this fund is from departmental user charges, insurance premium rebates, and investment earnings. The City's general liability insurance is with the League of Minnesota Cities Insurance Trust. In order to reduce the cost of insurance, a \$100,000 per occurrence deductible and \$200,000 aggregate deductible is maintained and funded by the Risk Management Fund.

**Major Initiatives.** Significant progress was made in the City's New Brighton Exchange redevelopment project in 2015. In summary, nearly 38 acres were sold for the development of 125 housing units and a 170,000 SF office space.

In June of 2014, ten acres were sold to Cardiovascular Systems, Inc. (CSI) where a 125,000 SF building was completed by March of 2015.

Pulte Homes purchased 26 acres of land in late 2014 from the City to build 89 single family homes and 36 town homes. Interest has been high for both the single family homes and townhomes with 69 units selling within 1.5 years. Pulte is contractually obligated to finish 125 units by the end of 2019.

The APi Group, Inc. purchased two acres of land from the City in late 2014 and completed building their "APi Training Center and Office Building" in December. The land sale included a deal which includes an additional two acres of option land that could result in construction of a third 35,000 SF building for APi. This deal will expire at the end of 2016.

The Pulte development, APi's Training Center and Office Building, along with d CSI are projected to create almost \$60 million of additional market value to the City's tax base.

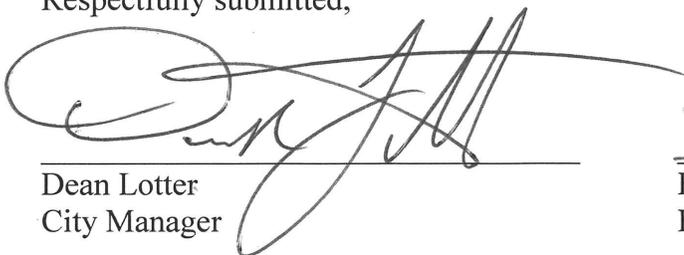
### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of New Brighton for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2014. This was the twenty-third consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

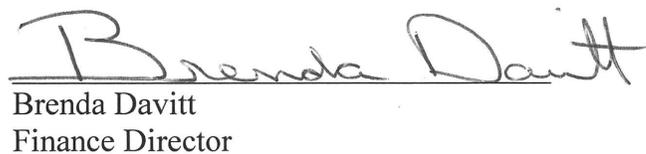
A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the department for their assistance and contributions to the preparation of this report. Credit also must be given to the Mayor and the City Council for their support for maintaining the highest standard of professionalism in the management of the City of New Brighton's finances.

Respectfully submitted,



\_\_\_\_\_  
Dean Lotter  
City Manager



\_\_\_\_\_  
Brenda Davitt  
Finance Director



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

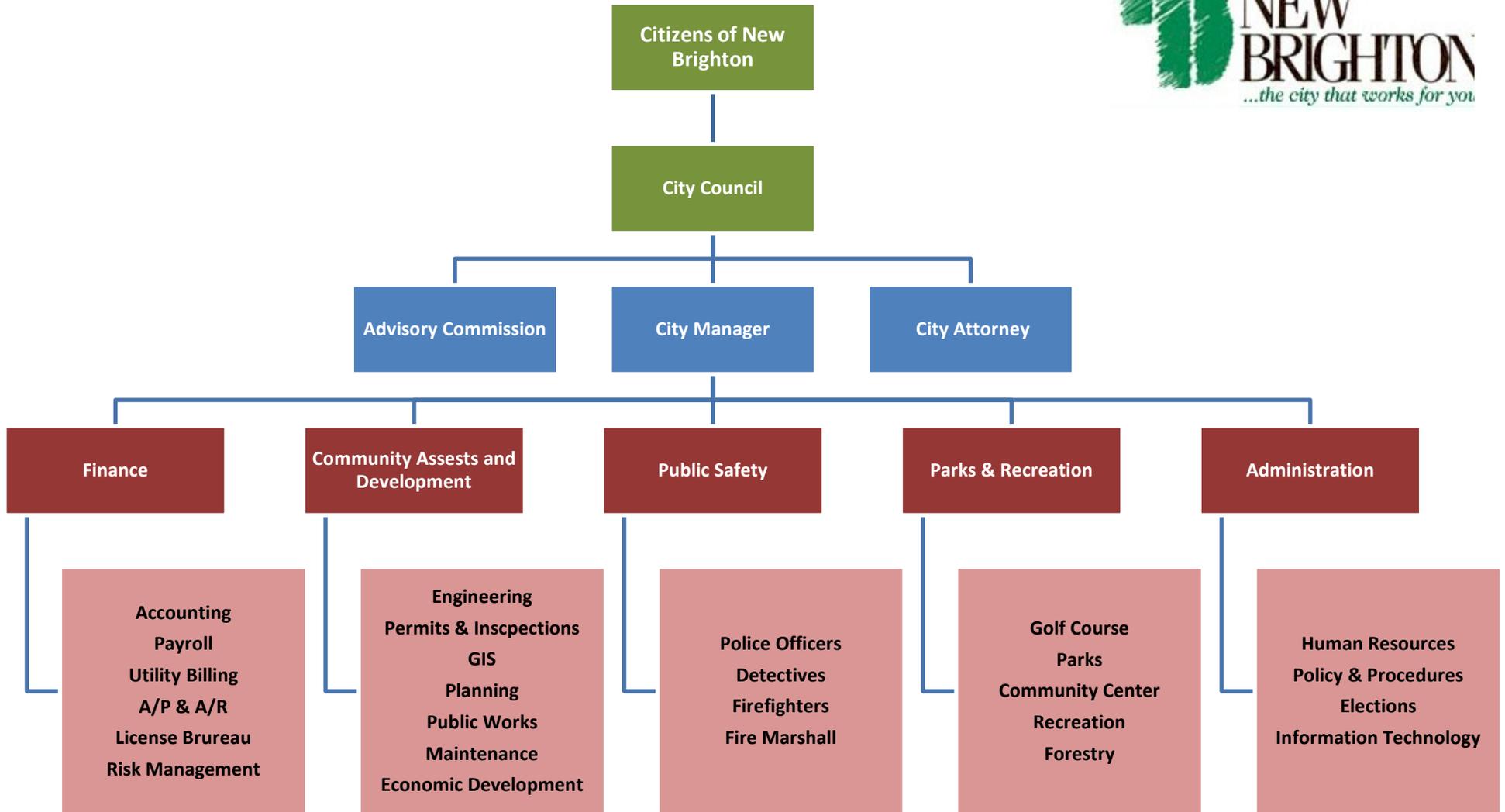
**City of New Brighton  
Minnesota**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2014**

Executive Director/CEO

# 2015 Organizational Structure



**CITY COUNCIL**

VALERIE JOHNSON, MAYOR  
Term Expires December 31, 2018

MARY BURG, COUNCIL MEMBER  
Term Expires December 31, 2018

PAUL JACOBSON, COUNCIL MEMBER  
Term Expires December 31, 2018

GINA BAUMAN, COUNCIL MEMBER  
Term Expires December 31, 2016

BRIAN STRUB, COUNCIL MEMBER  
Term Expires December 31, 2016

**CITY MANAGERIAL STAFF**

<b><u>Position</u></b>		<b><u>Date Appointed</u></b>
City Manager	Dean Lotter	February 1, 2007
Public Safety Director	Robert Jacobsen	December 24, 2000
Finance Director	Brenda Davitt	September 8, 2014
Parks and Recreation Director	Sandy Breuer	July 24, 2006
Director of Community Assets & Development	Craig Schlichting	December 1, 2014



**II. FINANCIAL  
SECTION**



## Independent Auditor's Report

Honorable Mayor and Members  
of the City Council  
City of New Brighton  
New Brighton, Minnesota

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of New Brighton, Minnesota, as of and for the year ended December 31, 2015, and the related notes to financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

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bergankdv.com



## **Opinions**

In our opinion, the financial statements referred to 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 New Brighton, Minnesota, as of December 31, 2015, 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.

## **Implementation of GASB 68 and GASB 71**

As discussed in Note 3.J. to the financial statements, the City has adopted the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of New Brighton's basic financial statements. The introductory section, combining and individual fund statements and schedules, supplementary financial information and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.



## **Other Matters (Continued)**

### *Other Information (Continued)*

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

The Introductory Section and Statistical Section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated May 13, 2016, on our consideration of the City of New Brighton's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and results of that testing, and not to provide an opinion on 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 New Brighton's internal control over financial reporting and compliance.

*Bergan KDV, Ltd.*

St. Cloud, Minnesota  
May 13, 2016



As management of the City of New Brighton, we offer readers of the City of New Brighton's financial statements this narrative overview and analysis of the financial activities of the City of New Brighton for the fiscal year ended December 31, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the Introductory Section of this report.

### Financial Highlights

- The assets of the City of New Brighton exceeded its liabilities at the close of the most recent fiscal year by \$60,454,577 (*net position*). Of this amount, \$2,270,131 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$445,661.
- As of the close of the current fiscal year, the City of New Brighton's governmental funds reported combined ending fund balances of \$48,814,960, an increase of \$16,522,745 in comparison with the prior year. Approximately 59% of this total amount, \$28,794,507, is *available for spending* at the government's discretion.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$6,263,521, or 50% of total General Fund expenditures.
- The City of New Brighton's total bonded debt increased by \$16,419,554 (41%) during the current fiscal year due to the issuance of \$17,385,000 in a tax increment advance crossover refunding bond and \$1,695,000 in general obligation bonds.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of New Brighton's basic financial statements. The City of New Brighton's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The *statement of net position* presents information on all of the City of New Brighton's assets and deferred outflows of resources, 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 New Brighton is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City of New Brighton 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 New Brighton include general government, community development, parks and recreation, public safety, and public works. The business-type activities of the City of New Brighton include the operation of water, sewer, stormwater utilities, and a street light system.

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

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

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

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

The City of New Brighton maintains seven individual major 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, one special revenue fund, two debt service funds, and three capital funds, all of which are considered to be major funds. Data from the other four governmental funds are combined into a single, aggregate presentation. Individual data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of New Brighton adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on Statements 3 and 5 of this report.

**Proprietary funds.** The City of New Brighton maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of New Brighton uses enterprise funds to account for its water, sewer, stormwater, and street light system. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City of New Brighton's various functions. The City of New Brighton uses internal service funds to account for its risk management programs, compensated absences, replacement program for its fleet of vehicles, replacement program for its non-fleet capital items such as equipment and furnishings, pavement management program for parking lots, trails, and hard courts, and for its information technology systems. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, sewer, stormwater, and street light system, which are considered to be major funds of the City of New Brighton. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The basic proprietary fund financial statements can be found on Statements 8 through 10 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City of New Brighton's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found on Statement 11 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found following Statement 11 of this report.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on Statements 18 through 23 of this report.

**CITY OF NEW BRIGHTON, MINNESOTA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
December 31, 2015

**Government-wide Financial Analysis**

The analysis of the City's financial position begins with a review of the *Statement of Net Position* and the *Statement of Changes in Net Position*. These two statements report the City's net position and changes therein. It should be noted that the financial position can also be affected by non-financial factors, including economic conditions, population growth and new regulations. Net position may serve over time as a useful indicator of a government's financial position. In the case of the City of New Brighton, assets exceeded liabilities by \$60,454,577 at the close of the most recent fiscal year. This represents an increase of \$445,661 from the previous year.

By far the largest portion of the City of New Brighton's net position (94%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that are still outstanding. This increased by \$1,301,071 in 2015 to \$56,985,642. A majority of this increase is due to \$2,009,600 of street reconstruction projects. The City of New Brighton uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of New Brighton's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**City of New Brighton's Net Position**

	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$ 124,733,613	\$ 50,939,348	\$ 2,686,318	\$ 2,945,027	\$ 127,419,931	\$ 53,884,375
Capital assets	48,733,151	46,522,892	11,631,546	12,296,679	60,364,697	58,819,571
Total assets	<u>\$ 173,466,764</u>	<u>\$ 97,462,240</u>	<u>\$ 14,317,864</u>	<u>\$ 15,241,706</u>	<u>\$ 187,784,628</u>	<u>\$ 112,703,946</u>
Deferred outflows of resources	1,522,346	-	98,091	-	1,620,437	-
Long-term liabilities						
outstanding	\$ 61,655,944	\$ 38,406,877	\$ 772,079	\$ 37,869	\$ 62,428,023	\$ 38,444,746
Other liabilities	63,214,175	8,418,519	241,912	227,271	63,456,087	8,645,790
Total liabilities	<u>\$ 124,870,119</u>	<u>\$ 46,825,396</u>	<u>\$ 1,013,991</u>	<u>\$ 265,140</u>	<u>\$ 125,884,110</u>	<u>\$ 47,090,536</u>
Deferred inflows of resources	\$ 2,989,089	\$ -	\$ 77,289	\$ -	3,066,378	-
Net position:						
Net investment in capital assets	\$ 45,354,096	\$ 43,387,892	\$ 11,631,546	\$ 12,296,679	\$ 56,985,642	\$ 55,684,571
Restricted	1,198,804	1,444,849	-	-	1,198,804	1,444,849
Unrestricted	577,002	5,804,103	1,693,129	2,679,887	2,270,131	8,483,990
Total net position	<u>\$ 47,129,902</u>	<u>\$ 50,636,844</u>	<u>\$ 13,324,675</u>	<u>\$ 14,976,566</u>	<u>\$ 60,454,577</u>	<u>\$ 65,613,410</u>

An additional portion of the City of New Brighton's net position (\$1,198,804) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$2,270,131) may be used to meet the government's ongoing obligations to citizens and creditors.

**CITY OF NEW BRIGHTON, MINNESOTA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
December 31, 2015

At the end of the current fiscal year and after the implementation of a \$6,824,964 net pension liability for GASB 68, the City of New Brighton is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

**Analysis of the City's Operations**

**Governmental activities.** Governmental activities increased the City of New Brighton's net position by \$435,366. Business-type activities increased New Brighton's net position by \$10,295, for an overall increase of \$445,661 during the 2015 fiscal year. Key elements of this increase are as follows:

**City of New Brighton's Changes in Net Position**

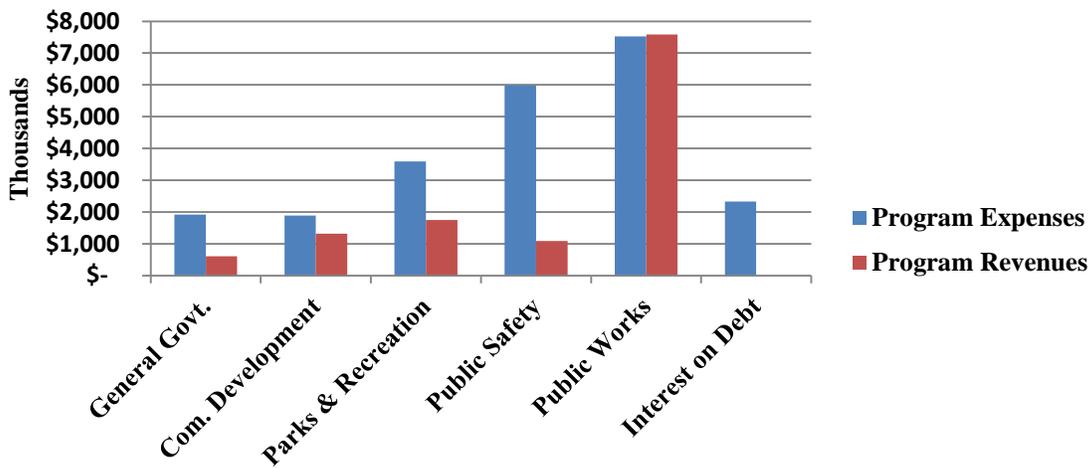
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for service	\$ 9,441,855	\$ 9,317,353	\$ 5,713,887	\$ 5,507,868	\$ 15,155,742	\$ 14,825,221
Operating grants and contributions	927,899	742,034	-	-	927,899	742,034
Capital grants and contributions	1,970,627	1,413,933	-	-	1,970,627	1,413,933
General revenues:						
Property taxes	6,853,344	6,936,603	5,850	4,475	6,859,194	6,941,078
Other taxes	3,186,152	2,980,823	-	-	3,186,152	2,980,823
Grants and contributions not restricted to specific programs	554,412	496,215	-	-	554,412	496,215
Investment earnings	417,380	1,988,225	8,271	80,090	425,651	2,068,315
Gain on sale of capital asset	-	343,586	-	-	-	343,586
<b>Total Revenues</b>	<b>23,351,669</b>	<b>24,218,772</b>	<b>5,728,008</b>	<b>5,592,433</b>	<b>29,079,677</b>	<b>29,811,205</b>
Expenses:						
General government	1,915,089	1,957,766	-	-	1,915,089	1,957,766
Community development	1,890,214	6,875,181	-	-	1,890,214	6,875,181
Parks and recreation	3,588,558	3,013,969	-	-	3,588,558	3,013,969
Public safety	5,986,989	5,500,940	-	-	5,986,989	5,500,940
Public works	7,527,468	7,563,176	-	-	7,527,468	7,563,176
Interest on debt	2,331,218	1,680,389	-	-	2,331,218	1,680,389
Water	-	-	1,874,022	1,606,114	1,874,022	1,606,114
Sewer	-	-	2,737,021	2,588,947	2,737,021	2,588,947
Stormwater	-	-	611,290	610,347	611,290	610,347
Street lights	-	-	172,147	180,786	172,147	180,786
Golf course	-	-	-	314,317	-	314,317
<b>Total expenses</b>	<b>23,239,536</b>	<b>26,591,421</b>	<b>5,394,480</b>	<b>5,300,511</b>	<b>28,634,016</b>	<b>31,891,932</b>
Increase (decrease) in net position before transfers	112,133	(2,372,649)	333,528	291,922	445,661	(2,080,727)
Transfers	323,233	(622,870)	(323,233)	622,870	-	-
<b>Increase (decrease) in net position</b>	<b>435,366</b>	<b>(2,995,519)</b>	<b>10,295</b>	<b>914,792</b>	<b>445,661</b>	<b>(2,080,727)</b>
Net position-January 1 *	46,694,536	53,632,363	13,314,380	14,061,774	60,008,916	67,694,137
<b>Net position-December 31</b>	<b>\$ 47,129,902</b>	<b>\$ 50,636,844</b>	<b>\$ 13,324,675</b>	<b>\$ 14,976,566</b>	<b>\$ 60,454,577</b>	<b>\$ 65,613,410</b>

\*GASB Statement No. 68 was implemented for the year ended December 2015 and required a \$5,604,494 restatement of beginning net position. Prior year amounts were not restated causing a variance in ending net position at December 31, 2014 and beginning net position on January 1, 2015. See Note 3.J.

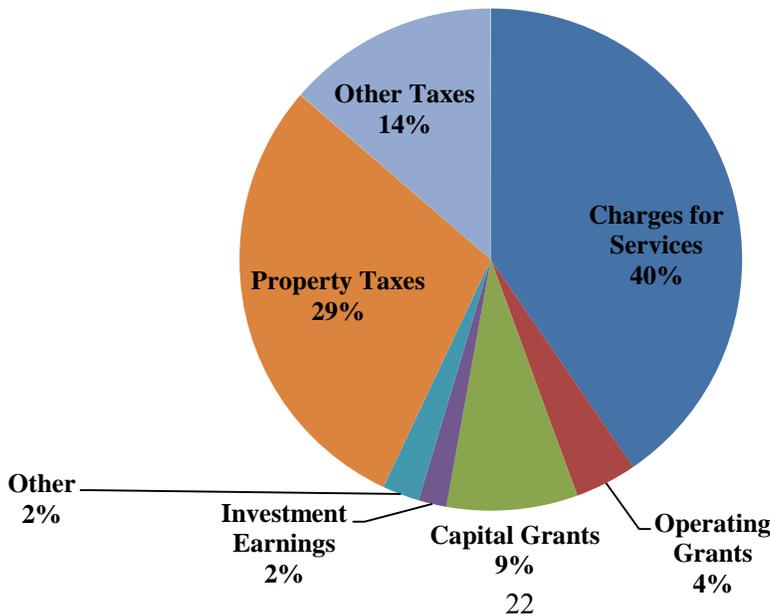
The increase in net position reflects a general strategy of cost containment and the commitment to properly fund the internal service funds which are designed to accumulated resources to replace general government assets. Tax increases were also implemented to offset declining interest earnings and non-tax revenue sources.

Below are specific graphs which provide comparisons of the governmental activities revenues and expenses for the last fiscal year.

**Governmental Activities-  
 Program Revenues and Expenses**

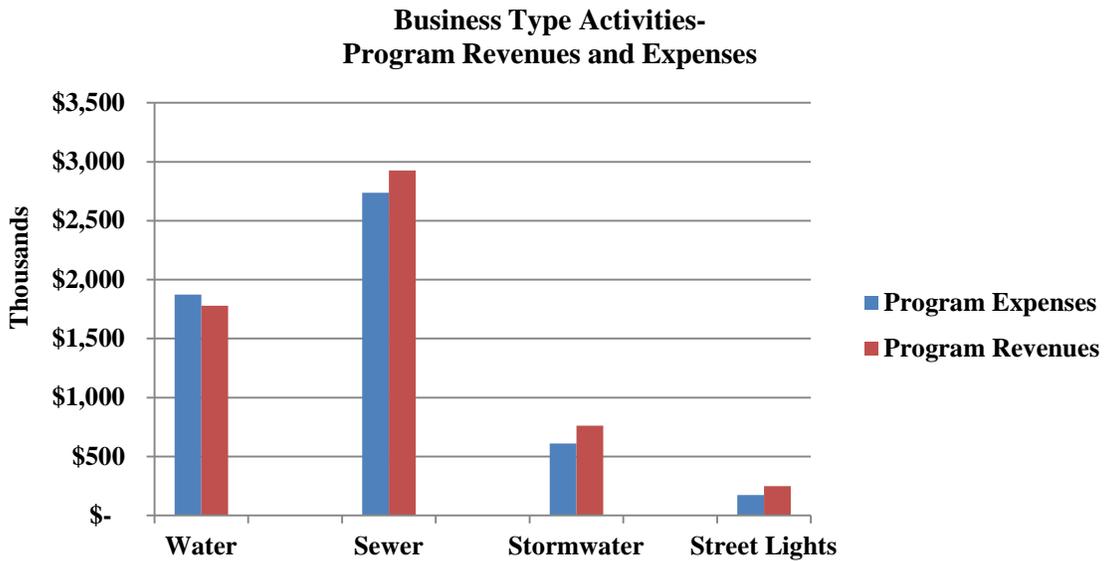


**Governmental Activities-  
 Revenue Sources**

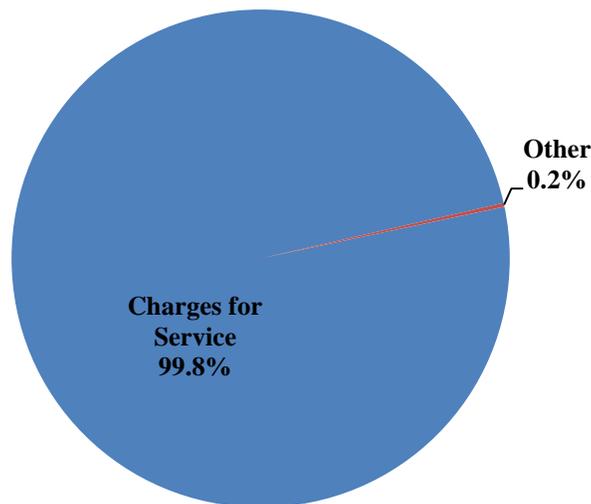


**Business-type Activities.** Like the governmental activities, the increase in net position for business-type activities reflects improved cost containment. Utility rate increases were implemented to offset declining water consumption and increased capital needs.

Below are graphs showing the business-type activities revenue and expense comparisons for the past fiscal year.



**Business Type Activities-  
Revenue Sources**



## Financial Analysis of the Government's Funds

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

**Governmental funds.** The focus of the City of New Brighton'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 New Brighton's financing requirements. In particular, *spendable 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 New Brighton's governmental funds reported combined ending fund balances of \$48,814,960, an increase of \$16,522,745 in comparison with the prior year. Approximately 59% of this total amount (\$28,794,507) constitutes *spendable unrestricted, fund balance*, which is available for spending at the government's discretion. The amount of \$19,952,840 is restricted for 1) park dedication (\$716,741), 2) public safety forfeitures (\$66,497) and 3) debt retirement (\$19,169,602). The remainder of fund balance is *nonspendable* to indicate that it is not available for spending because it is not in spendable form, (prepaid items totaling \$67,613).

The General Fund is the chief operating fund of the City of New Brighton. At the end of the current fiscal year, the nonspendable fund balance of the General Fund was \$9,234; the unassigned fund balance was \$6,263,521; the restricted fund balance was \$66,497; the committed fund balance was \$44,348; the assigned fund balance was \$144,734 for a total fund balance of \$6,528,334. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 50% of total General Fund expenditures and total fund balance represents 52% of that same amount.

The Municipal Development Fund accounts for municipal money dedicated to community development and initial project costs. The fund's balance increased by \$587,989, primarily because of interest on investments and interfund loans.

The Tax Increment Districts Fund accounts for the activities in the City's Tax Increment Financing (TIF) Districts. The fund's balance decreased by \$2,154,993 due to redevelopment expenditures, interest on interfund loans, and transfers out to debt service funds.

The Street Improvements fund accounts for street reconstruction and improvement projects. This fund's balance increased by \$271,237 mainly due to the issuance of debt for prior year's street reconstruction projects.

G.O. Improvement Debt decreased by \$66,310 as a result of principal and interest debt service payments on existing debt. The entire fund balance of \$1,109,626 is restricted for repayment of the City's bonded debt.

Tax Increment Debt increased by \$18,059,976 as a result of an advance crossover refunding debt issuance. The entire fund balance of \$18,059,976 is restricted for the refunding of tax increment bonded debt.

The non-major governmental funds overall decreased by \$260,687. The Community Reinvestment Fund decreased by \$60,629 due to a transfer to the G.O. Improvement Bonds for the payment of principle and interest. The Closed Bond fund saw a decrease of \$257,057 due mainly to a transfer to the G.O. Improvement Bonds for an advance payment of outstanding debt. The Parks Improvements Fund increased by \$57,006 due to the receipt of park dedication funds for land purchased in the New Brighton Exchange.

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

Unrestricted net position of the water, sewer, stormwater, and street light system operations at the end of the year amounted to \$1,368,981. The change in net position for each fund was: Water Utility decreased \$389,144, Sewer Utility increased \$228,156; Stormwater Management Utility increased \$86,109; and Street Light System increased \$77,241. Other factors concerning the finances of these funds have already been addressed in the discussion of the City of New Brighton's business-type activities.

### **General Fund Budgetary Highlights**

The General Fund balance increased by \$85,533 in 2015, which is extraordinary since it was budgeted to decrease by \$564,700. Some elements which contributed to the \$650,233 difference are:

- Permit revenues were greater than budgeted by \$439,950 due to the development of the New Brighton Exchange and related storm events.
- Intergovernmental revenue was greater than budgeted by \$227,222 due to \$81,047 from a new joint powers agreement for building inspections; \$122,493 in public safety grants; and \$24,750 in State Aids.
- Charges for service were less than budgeted by \$208,810 due to a decrease of \$115,000 for tax increment administrative charge limits set by state statute; and \$225,000 of engineering services not charged for street reconstruction projects. These decreases were offset by an increase of \$143,800 in the usage of the community center and participation in recreation programs.
- Public Safety donations exceeded budgeted revenues by \$39,970.
- The actual turnover ratio savings realized by vacant positions exceeded the budgeted amount by \$86,455.

Aside from the above, revenues and expenditures were generally as expected.

### **Capital Asset and Debt Administration**

**Capital assets.** The City of New Brighton's investment in capital assets for its governmental and business type activities as of December 31, 2015, amounts to \$60,364,697 (net of accumulated depreciation). This investment in capital assets includes land, buildings and structures, improvements, machinery and equipment, park facilities, roads, highways, and infrastructure. The total increase in the

**CITY OF NEW BRIGHTON, MINNESOTA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
December 31, 2015

City of New Brighton's investment in capital assets for the current fiscal year was 2.6% (a 2.5% increase for governmental activities and a 3% increase for business-type activities).

Major capital asset events during 2015 included the following: reconstruction of City streets, replacement of machinery and equipment, remodeling of the New Brighton Community Center and replacement of portions of the water distribution, sanitary sewer collection and stormwater systems.

**City of New Brighton's Capital Assets**  
(net of depreciation)

	Governmental Activities		Business-type Activities		Totals	
	Restated		Restated		Restated	
	2015	2014	2015	2014	2015	2014
Land	\$ 8,947,186	\$ 8,947,186	\$ 372,776	\$ 372,776	\$ 9,319,962	\$ 9,319,962
Buildings and structures	14,337,453	14,420,357	2,874,083	2,942,693	17,211,536	17,363,050
Machinery and equipment	5,140,306	4,909,336	225,261	218,686	5,365,567	5,128,022
Infrastructure	14,261,763	14,847,175	7,526,723	7,274,047	21,788,486	22,121,222
Other improvements	3,318,558	3,536,329	-	-	3,318,558	3,536,329
Construction in progress	2,727,885	870,441	632,703	480,546	3,360,588	1,350,987
Net capital assets	<u>\$ 48,733,151</u>	<u>\$ 47,530,824</u>	<u>\$ 11,631,546</u>	<u>\$ 11,288,748</u>	<u>\$ 60,364,697</u>	<u>\$ 58,819,572</u>

Additional information on the City of New Brighton's capital assets can be found in Note 3-D.

**Long-term debt.** At the end of the current fiscal year, the City of New Brighton had total bonded debt outstanding of \$56,394,554. Of this amount, \$51,945,000 comprises debt backed by the full faith and credit of the government and \$3,325,000 is G.O. improvement debt for which the government is liable in the event of default by the property owners subject to special assessment and \$1,124,554 in unamortized premium. In addition, the City also has long-term liabilities in the amount of \$938,933 for compensated absences, \$1,471,000 for pollution remediation obligation, and \$6,824,964 for net pension liability.

**City of New Brighton's Outstanding Debt**  
**General Obligation Improvement Bonds and Tax Increment Bonds**

	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
General obligation bonds:						
G.O. Improvement bonds	\$ 3,325,000	\$ 3,135,000	\$ -	\$ -	\$ 3,325,000	\$ 3,135,000
Tax increment bonds	51,945,000	36,840,000	-	-	51,945,000	36,840,000
Unamortized Premium	1,124,554	-	-	-	1,124,554	-
Total bonded debt	<u>\$ 56,394,554</u>	<u>\$ 39,975,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,394,554</u>	<u>\$ 39,975,000</u>

The City of New Brighton's total bonded debt increased by a net amount of \$16,419,554 (41%) during 2015. The total increase is due to the issuance of \$1,695,000 in G.O. Improvement bonds and \$17,385,000 in advance crossover refunding Tax Increment Bonds.

The City of New Brighton maintains an "AA" rating from Standard & Poor's for general obligation debt.

State statutes limit the amount of general obligation debt the City may issue to 3% of its total market value. The current debt limitation for the City of New Brighton is \$55,169,373. Only \$815,000 of the City's debt is counted against the statutory limitation as the debt is wholly financed by a general tax levy.

Additional information on the City of New Brighton's long-term debt can be found in Note 3-F.

### **Economic Factors and Next Year's Budgets and Rates**

- According to the Minnesota Department of Employment and Economic Development, the City of New Brighton's unemployment rate as of December, 2015, was 2.5%; Ramsey County was 3.1%; the State of Minnesota was 3.7%.
- Maintaining acceptable service levels while being sensitive to increases in property taxes remains the most significant challenge during a time of revenue reductions, followed by a long-term plan to reinvest into the City's capital assets.
- The 2016 total tax levy is \$7,192,000, an increase of \$267,000 from 2015.

These factors were considered in preparing the City of New Brighton's budget for the 2016 fiscal year.

The utility rates for 2016 were increased. The increases were 35% for water, 4% for sanitary sewer, 6% for stormwater and 6% for street lights.

### **Requests for Information**

This financial report is designed to provide a general overview of the City of New Brighton's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, City of New Brighton, 803 Old Highway 8 NW, New Brighton, Minnesota, 55112-2792.



**BASIC FINANCIAL  
STATEMENTS**

CITY OF NEW BRIGHTON, MINNESOTA  
STATEMENT OF NET POSITION  
December 31, 2015

Statement 1

	Primary Government		Totals
	Governmental Activities	Business-Type Activities	
Assets:			
Cash and investments	\$ 39,900,640	\$ 1,554,430	\$ 41,455,070
Restricted cash and investments	57,203,811	-	57,203,811
Cash with fiscal agent	18,059,976	-	18,059,976
Accrued interest receivable	262,589	4,592	267,181
Due from other governmental units	946,412	109	946,521
Internal balances	172,938	(172,938)	-
Accounts receivable-net	156,860	1,288,762	1,445,622
Taxes receivable:			
Delinquent	128,277	-	128,277
Due from county	140,519	-	140,519
Special assessments receivable	302,046	11,363	313,409
Prepaid items	69,500	-	69,500
Net pension asset	291,745	-	291,745
Assets held for resale	7,098,300	-	7,098,300
Capital assets (net of accumulated depreciation):			
Land	8,947,186	372,776	9,319,962
Buildings and structures	14,337,453	2,874,083	17,211,536
Machinery and equipment	5,140,306	225,261	5,365,567
Infrastructure	14,261,763	7,526,723	21,788,486
Other improvements	3,318,558	-	3,318,558
Construction in progress	2,727,885	632,703	3,360,588
Total assets	<u>173,466,764</u>	<u>14,317,864</u>	<u>187,784,628</u>
Deferred outflows of Resources:			
Deferred outflows of resources related to pension	1,522,346	98,091	1,620,437
Liabilities:			
Accounts payable	1,052,525	130,285	1,182,810
Salaries payable	274,737	27,099	301,836
Deposits payable	139,124	-	139,124
Due to other governmental units	9,812	-	9,812
Contracts payable	197,494	-	197,494
IBNR payable	110,000	-	110,000
Unearned revenue	57,224,892	-	57,224,892
Accrued interest payable	932,158	-	932,158
Compensated absences:			
Due within one year	559,433	84,528	643,961
Due in more than one year	379,500	72,005	451,505
Bonds payable:			
Due within one year	2,675,000	-	2,675,000
Due in more than one year	53,719,554	-	53,719,554
Pollution remediation obligation			
Due within one year	39,000	-	39,000
Due in more than one year	1,432,000	-	1,432,000
Net pension liability - due in more than one year	6,124,890	700,074	6,824,964
Total liabilities	<u>124,870,119</u>	<u>1,013,991</u>	<u>125,884,110</u>
Deferred inflows of resources:			
Deferred inflows of resources related to pension	837,942	77,289	915,231
State aid received for subsequent years	2,151,147	-	2,151,147
Total deferred inflows of resources	<u>2,989,089</u>	<u>77,289</u>	<u>3,066,378</u>
Net Position:			
Net investment in capital assets	45,354,096	11,631,546	56,985,642
Restricted for:			
Debt service	415,566	-	415,566
Capital improvements	716,741	-	716,741
Other	66,497	-	66,497
Unrestricted	577,002	1,693,129	2,270,131
Total net position	<u>\$ 47,129,902</u>	<u>\$ 13,324,675</u>	<u>\$ 60,454,577</u>

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

CITY OF NEW BRIGHTON, MINNESOTA  
STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2015

Statement 2

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Totals
					Governmental Activities	Business-type Activities	
Government activities:							
General government	\$ 1,915,089	\$ 542,005	\$ 17,595	\$ 44,267	\$ (1,311,222)	\$ -	\$ (1,311,222)
Community development	1,890,214	1,257,167	61,458	-	(571,589)	-	(571,589)
Parks and recreation	3,588,558	1,661,638	1,688	84,280	(1,840,952)	-	(1,840,952)
Public safety	5,986,989	253,174	818,486	10,500	(4,904,829)	-	(4,904,829)
Public works	7,527,468	5,727,871	28,672	1,831,580	60,655	-	60,655
Interest on long-term debt	2,331,218	-	-	-	(2,331,218)	-	(2,331,218)
Total government activities	23,239,536	9,441,855	927,899	1,970,627	(10,899,155)	-	(10,899,155)
Business-type activities:							
Water	1,874,022	1,778,546	-	-	-	(95,476)	(95,476)
Sewer	2,737,021	2,924,951	-	-	-	187,930	187,930
Stormwater	611,290	760,865	-	-	-	149,575	149,575
Street lights	172,147	249,525	-	-	-	77,378	77,378
Total business-type activities	5,394,480	5,713,887	-	-	-	319,407	319,407
Total primary government	\$ 28,634,016	\$ 15,155,742	\$ 927,899	\$ 1,970,627	(10,899,155)	319,407	(10,579,748)
General revenues:							
Property taxes					6,853,344	5,850	6,859,194
Tax increment					3,186,152	-	3,186,152
Grants and contributions not restricted to specific programs					554,412	-	554,412
Unrestricted investment earnings					417,380	8,271	425,651
Transfers					323,233	(323,233)	-
Total general revenues and transfers					11,334,521	(309,112)	11,025,409
Change in net position					435,366	10,295	445,661
Net position - beginning, restated					46,694,536	13,314,380	60,008,916
Net position - ending					\$ 47,129,902	\$ 13,324,675	\$ 60,454,577

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

**CITY OF NEW BRIGHTON, MINNESOTA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
December 31, 2015

	General	Special Revenue	Capital Projects	
		Water Treatment Plant No. 1	Municipal Development	Tax Increment Districts
<b>Assets:</b>				
Cash and investments	\$ 7,046,202	\$ -	\$ 7,219,294	\$ 1,760,392
Restricted cash and investments	-	57,203,811	-	-
Cash with fiscal agent	-	-	-	-
Accrued interest receivable	3,236	143,875	64,193	19,398
Due from other governmental units	72,706	-	-	-
Accounts receivable	154,371	-	2,149	-
Interfund receivable	-	-	-	-
Taxes receivable:				
Delinquent	104,271	-	-	23,029
Due from county	112,232	-	-	23,513
Special assessments receivable	3,393	-	-	-
Interfund loan receivable	-	-	14,703,469	-
Prepaid items	9,234	-	-	58,269
Assets held for resale	-	-	-	7,098,300
<b>Total assets</b>	<b>\$ 7,505,645</b>	<b>\$ 57,347,686</b>	<b>\$ 21,989,105</b>	<b>\$ 8,982,901</b>
<b>Liabilities:</b>				
Accounts payable	\$ 224,770	\$ 355,519	\$ -	\$ 74,518
Salaries payable	266,614	-	-	-
Deposits payable	139,124	-	-	-
Due to other governmental units	9,807	-	-	5
Contracts payable	-	-	-	-
Interfund loan payable	-	-	-	14,703,469
Unearned revenue	232,725	56,992,167	-	-
<b>Total liabilities</b>	<b>873,040</b>	<b>57,347,686</b>	<b>-</b>	<b>14,777,992</b>
<b>Deferred inflows of resources:</b>				
Unavailable revenue - delinquent taxes	104,271	-	-	23,029
State aid received for subsequent years	-	-	-	-
Unavailable revenue - special assessments	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>104,271</b>	<b>-</b>	<b>-</b>	<b>23,029</b>
<b>Fund balance (deficit):</b>				
Non-spendable	9,234	-	-	58,269
Restricted	66,497	-	-	-
Committed	44,348	-	21,989,105	-
Assigned	144,734	-	-	-
Unassigned	6,263,521	-	-	(5,876,389)
<b>Total fund balance (deficit)</b>	<b>6,528,334</b>	<b>-</b>	<b>21,989,105</b>	<b>(5,818,120)</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 7,505,645</b>	<b>\$ 57,347,686</b>	<b>\$ 21,989,105</b>	<b>\$ 8,982,901</b>

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

Statement 3

Capital Projects	Debt Service				
Street Improvements	G.O. Improvement Bonds	Tax Increment Bonds	Other Governmental Funds	Totals	
\$ 687,172	\$ 1,097,681	\$ -	\$ 7,266,493	\$	25,077,234
-	-	-	-		57,203,811
-	-	18,059,976	-		18,059,976
-	1,826	-	26,358		258,886
872,113	-	-	-		944,819
276	-	-	64		156,860
-	-	-	497,086		497,086
-	-	-	977		128,277
-	-	-	4,774		140,519
-	248,374	-	50,279		302,046
-	-	-	-		14,703,469
-	-	-	110		67,613
-	-	-	-		7,098,300
<u>\$ 1,559,561</u>	<u>\$ 1,347,881</u>	<u>\$ 18,059,976</u>	<u>\$ 7,846,141</u>	<u>\$</u>	<u>124,638,896</u>
\$ 47,370	\$ 157	\$ -	\$ 11,762	\$	714,096
-	-	-	2,904		269,518
-	-	-	-		139,124
-	-	-	-		9,812
197,494	-	-	-		197,494
-	-	-	-		14,703,469
-	-	-	-		57,224,892
<u>244,864</u>	<u>157</u>	<u>-</u>	<u>14,666</u>	<u>\$</u>	<u>73,258,405</u>
-	-	-	977		128,277
2,151,147	-	-	-		2,151,147
-	238,098	-	48,009		286,107
<u>2,151,147</u>	<u>238,098</u>	<u>-</u>	<u>48,986</u>	<u>\$</u>	<u>2,565,531</u>
-	-	-	110		67,613
-	1,109,626	18,059,976	716,741		19,952,840
-	-	-	3,380,861		25,414,314
-	-	-	3,687,205		3,831,939
<u>(836,450)</u>	<u>-</u>	<u>-</u>	<u>(2,428)</u>	<u>\$</u>	<u>(451,746)</u>
<u>(836,450)</u>	<u>1,109,626</u>	<u>18,059,976</u>	<u>7,782,489</u>	<u>\$</u>	<u>48,814,960</u>
<u>\$ 1,559,561</u>	<u>\$ 1,347,881</u>	<u>\$ 18,059,976</u>	<u>\$ 7,846,141</u>	<u>\$</u>	<u>124,638,896</u>

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



**CITY OF NEW BRIGHTON, MINNESOTA**  
**RECONCILIATION OF THE BALANCE SHEET TO**  
**THE STATEMENT OF NET POSITION - GOVERNMENTAL FUNDS**  
December 31, 2015

**Statement 4**

Total Fund Balances - Governmental Funds	\$ 48,814,960
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore, are not reported as net position in governmental funds.	
Cost of capital assets	85,879,468
Less accumulated depreciation	(43,713,713)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.	
Long-term liabilities at year-end consist of:	
Bond principal payable	(55,270,000)
Unamortized Bond Premium	(1,124,554)
Net Pension Liability	(6,011,742)
Net Pension Asset	291,745
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	
Property taxes	128,277
Special assessments	286,107
Deferred outflows of resources and deferred inflows of resources are created as a result of various differences related to pensions that are not recognized in the governmental funds.	
Deferred inflows of resources related to pensions	(825,450)
Deferred outflows of resources related to pensions	1,506,492
Governmental funds do not report a liability for accrued interest due and payable.	(932,158)
Internal service funds are used by management to charge the cost of compensated absences, fleet and non-fleet capital asset replacement, information technology and risk management services to individual funds. The assets and liabilities of the Internal Service Funds are included in governmental activities in the Statement of Net Position.	
	19,571,470
Pollution Remediation obligation is not due and payable in the current year and is not reported in the funds.	<u>(1,471,000)</u>
Total	<u>\$ 47,129,902</u>

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

**CITY OF NEW BRIGHTON, MINNESOTA**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
For The Year Ended December 31, 2015

	General	Special Revenue	Capital Projects	
		Water Treatment Plant No. 1	Municipal Development	Tax Increment Districts
<b>Revenues:</b>				
General property taxes	\$ 6,931,549	\$ -	\$ -	\$ -
Tax increment	-	-	-	3,186,152
Licenses and permits	1,066,742	-	-	-
Intergovernmental	1,498,022	-	-	-
Charges for services	3,785,890	3,810,927	27,603	-
Special assessments	-	-	-	-
Fines and forfeits	80,322	-	-	-
<b>Investment income:</b>				
Interest on investments	42,546	341,142	52,609	(3,641)
Change in fair value of investments	(10,819)	(97,858)	(14,507)	1,286
Interest on interfund loans	-	-	522,783	-
Rents	317,186	-	-	-
Miscellaneous Revenue	7,707	-	-	2,862
Contributions and donations	43,938	-	-	-
Park dedication charge	-	-	-	-
Total revenues	<u>13,763,083</u>	<u>4,054,211</u>	<u>588,488</u>	<u>3,186,659</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	1,757,833	-	-	-
Community development	983,628	-	499	955,445
Parks and recreation	3,072,345	-	-	-
Public safety	5,487,201	-	-	-
Public works	1,190,552	3,387,127	-	-
<b>Capital outlay:</b>				
Parks and recreation	1,875	-	-	-
Public safety	49,403	-	-	-
Public works	-	662,400	-	-
<b>Debt service:</b>				
Principal retirement	-	-	-	-
Interest and paying agent fees	-	-	-	-
Interest on interfund loans	-	-	-	522,782
Total expenditures	<u>12,542,837</u>	<u>4,049,527</u>	<u>499</u>	<u>1,478,227</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,220,246</u>	<u>4,684</u>	<u>587,989</u>	<u>1,708,432</u>
<b>Other financing sources (uses):</b>				
G.O. improvement debt issued	-	-	-	-
Tax increment refunding debt issued	-	-	-	-
Premium (discount) on debt issued	-	-	-	-
Transfers in	27,256	1,904	-	-
Transfers out	(1,162,419)	(6,588)	-	(3,863,425)
Sale of assets	450	-	-	-
Total other financing sources (uses)	<u>(1,134,713)</u>	<u>(4,684)</u>	<u>-</u>	<u>(3,863,425)</u>
Net increase (decrease) in fund balance	<u>85,533</u>	<u>-</u>	<u>587,989</u>	<u>(2,154,993)</u>
Fund balance - (deficit) - January 1, restated	<u>6,442,801</u>	<u>-</u>	<u>21,401,116</u>	<u>(3,663,127)</u>
Fund balance (deficit) - December 31	<u>\$ 6,528,334</u>	<u>\$ -</u>	<u>\$ 21,989,105</u>	<u>\$ (5,818,120)</u>

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

Statement 5

Capital Projects	Debt Service				
Street Improvements	G.O. Improvement Bonds	Tax Increment Bonds	Other Governmental Funds	Totals	
\$ -	\$ -	\$ -	\$ 83,715	\$	7,015,264
-	-	-	-		3,186,152
-	-	-	-		1,066,742
823,568	-	-	-		2,321,590
795	-	-	261,697		7,886,912
-	116,274	-	16,521		132,795
-	-	-	-		80,322
6,213	872	41,788	35,531		517,060
(1,638)	(257)	(31,100)	(13,872)		(168,765)
-	-	-	12,678		535,461
-	-	-	-		317,186
872,113	-	-	926		883,608
-	-	-	-		43,938
-	-	-	84,280		84,280
1,701,051	116,889	10,688	481,476		23,902,545
-	-	-	5,910		1,763,743
-	-	-	-		1,939,572
-	-	-	321,434		3,393,779
-	-	-	-		5,487,201
469,673	3,771	-	-		5,051,123
-	-	-	-		1,875
-	-	-	-		49,403
3,685,937	-	-	-		4,348,337
-	1,505,000	2,280,000	-		3,785,000
48,361	75,910	2,039,524	-		2,163,795
-	-	-	-		522,782
4,203,971	1,584,681	4,319,524	327,344		28,506,610
(2,502,920)	(1,467,792)	(4,308,836)	154,132		(4,604,065)
1,695,000	-	-	-		1,695,000
-	-	17,385,000	-		17,385,000
57,712	-	1,120,419	-		1,178,131
1,071,445	1,424,678	3,863,393	497,240		6,885,916
(50,000)	(23,196)	-	(912,059)		(6,017,687)
-	-	-	-		450
2,774,157	1,401,482	22,368,812	(414,819)		21,126,810
271,237	(66,310)	18,059,976	(260,687)		16,522,745
(1,107,687)	1,175,936	-	8,043,176		32,292,215
\$ (836,450)	\$ 1,109,626	\$ 18,059,976	\$ 7,782,489	\$	48,814,960

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

**CITY OF NEW BRIGHTON, MINNESOTA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES,**  
**EXPENDITURES AND CHANGES IN FUND BALANCES OF**  
**GOVERNMENTAL FUNDS**  
For the Year Ended December 31, 2015

**Statement 6**

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

Net changes in fund balances - total governmental funds (statement 5)	\$ 16,522,745
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p>	
Capital outlays	3,483,837
Assets transferred to enterprise funds	(766,996)
Depreciation expense	(2,337,921)
Disposal of assets	(58,721)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(160,538)
<p>Principal payments on long-term debt are recognized as expenditures in the governmental funds but as an increase in the net position in the statement of activities.</p>	
Bond principal payments	3,785,000
Proceeds from long-term debt are recognized as an other financing source in the governmental funds but have no impact on net position in the statement of activities.	(19,080,000)
Governmental funds report the effects of bond premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities	(1,124,554)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(233,679)
Governmental funds recognize pension contributions as expenditures at the time of payment whereas the statement of activities factors in items related to pension on full accrual perspective.	
Pension expense	(158,331)
Internal service funds are used by management to charge the cost of compensated absences, fleet and non-fleet capital asset replacement, information technology and risk management services to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	503,524
Pollution remediation expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	61,000
Change in net position of governmental activities (statement 2)	<u>\$ 435,366</u>

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

**CITY OF NEW BRIGHTON, MINNESOTA**  
**GENERAL FUND - STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
For The Year Ended December 31, 2015

**Statement 7**

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
<b>Revenues:</b>				
General property taxes	\$ 6,925,000	\$ 6,925,000	\$ 6,931,549	\$ 6,549
Licenses and permits	622,400	622,400	1,066,742	444,342
Intergovernmental	1,270,800	1,270,800	1,498,022	227,222
Charges for services	3,994,700	3,994,700	3,785,890	(208,810)
Fines and forfeits	65,000	65,000	80,322	15,322
Investment income:				
Interest on investments	55,000	55,000	42,546	(12,454)
Change in fair value of investments	-	-	(10,819)	(10,819)
Rents	281,100	281,100	317,186	36,086
Miscellaneous Revenue	2,500	2,500	7,707	5,207
Contributions and donations	5,000	5,000	43,938	38,938
<b>Total revenues</b>	<b>13,221,500</b>	<b>13,221,500</b>	<b>13,763,083</b>	<b>541,583</b>
<b>Expenditures:</b>				
<b>Current</b>				
General government	1,786,500	1,786,500	1,757,833	(28,667)
Community development	1,047,900	1,047,900	983,628	(64,272)
Parks and recreation	3,166,700	3,166,700	3,072,345	(94,355)
Public safety	5,426,400	5,426,400	5,487,201	60,801
Public works	1,226,900	1,226,900	1,190,552	(36,348)
<b>Capital outlay</b>				
Parks and recreation	-	-	1,875	1,875
Public safety	-	-	49,403	49,403
<b>Total expenditures</b>	<b>12,654,400</b>	<b>12,654,400</b>	<b>12,542,837</b>	<b>(111,563)</b>
<b>Excess of revenues over expenditures</b>	<b>567,100</b>	<b>567,100</b>	<b>1,220,246</b>	<b>653,146</b>
<b>Other financing sources (uses):</b>				
Transfers in	30,600	30,600	27,256	(3,344)
Transfers out	(892,900)	(1,162,400)	(1,162,419)	(19)
Sale of assets	-	-	450	450
<b>Total other financing sources (uses)</b>	<b>(862,300)</b>	<b>(1,131,800)</b>	<b>(1,134,713)</b>	<b>(2,913)</b>
<b>Net increase (decrease) in fund balance</b>	<b>\$ (295,200)</b>	<b>\$ (564,700)</b>	<b>85,533</b>	<b>\$ 650,233</b>
Fund balance - January 1			6,442,801	
Fund balance - December 31			<u>\$ 6,528,334</u>	

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

**CITY OF NEW BRIGHTON, MINNESOTA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
December 31, 2015

	<u>Business-Type Activities - Enterprise Funds</u>	
	<u>Water Utility</u>	<u>Sewer Utility</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 210,805	\$ 592,514
Accrued interest receivable	3,016	1,576
Due from other governmental units	-	109
Accounts receivable:		
Customer - unbilled	129,356	254,932
Customer - billed	93,913	383,259
Customer - certified to county	-	236,478
Special assessments receivable:		
Due from county	-	11,363
Prepaid items	-	-
Total current assets	<u>437,090</u>	<u>1,480,231</u>
Noncurrent assets:		
Capital assets:		
Land	365,800	600
Buildings	4,699,672	333,018
Equipment	30,200	245,974
Distribution and collection systems	8,386,564	9,134,177
Other improvements	-	-
Construction in progress	176,256	145,277
Less accumulated depreciation	<u>(7,366,394)</u>	<u>(7,967,954)</u>
Net capital assets	<u>6,292,098</u>	<u>1,891,092</u>
Total noncurrent assets	<u>6,292,098</u>	<u>1,891,092</u>
Total assets	<u>6,729,188</u>	<u>3,371,323</u>
Deferred Outflows of Resources:		
Deferred outflows of resources related to pensions	<u>48,796</u>	<u>37,553</u>
Liabilities		
Current liabilities:		
Accounts payable	52,809	54,475
Salaries payable	13,129	10,760
Interfund payable	-	-
IBNR	-	-
Compensated absences payable - current	51,297	26,444
Total current liabilities	<u>117,235</u>	<u>91,679</u>
Noncurrent liabilities:		
Net Pension Liability	348,256	268,018
Compensated absences payable	43,697	22,526
Total noncurrent liabilities	<u>391,953</u>	<u>290,544</u>
Total liabilities	<u>509,188</u>	<u>382,223</u>
Deferred Inflows of Resources:		
Deferred inflows of resources related to pensions	<u>38,448</u>	<u>29,589</u>
Net position:		
Investment in capital assets	6,292,098	1,891,092
Unrestricted	<u>(61,750)</u>	<u>1,105,972</u>
Total net position	<u>\$ 6,230,348</u>	<u>\$ 2,997,064</u>

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

Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds	
Stormwater Management	Street Light System	Totals	Totals	
\$ 699,396	\$ 51,715	\$ 1,554,430	14,823,406	
-	-	4,592	3,703	
-	-	109	1,593	
64,043	17,890	466,221	-	
80,621	28,270	586,063	-	
-	-	236,478	-	
-	-	11,363	-	
-	-	-	1,887	
<u>844,060</u>	<u>97,875</u>	<u>2,859,256</u>	<u>14,830,589</u>	
6,376	-	372,776	-	
-	-	5,032,690	1,476,618	
-	-	276,174	9,560,531	
4,705,580	-	22,226,321	-	
-	-	-	1,063,927	
311,170	-	632,703	148,166	
(1,574,770)	-	(16,909,118)	(5,681,846)	
<u>3,448,356</u>	<u>-</u>	<u>11,631,546</u>	<u>6,567,396</u>	
<u>3,448,356</u>	<u>-</u>	<u>11,631,546</u>	<u>6,567,396</u>	
<u>4,292,416</u>	<u>97,875</u>	<u>14,490,802</u>	<u>21,397,985</u>	
11,742	-	98,091	15,854	
6,760	16,241	130,285	338,429	
3,210	-	27,099	5,219	
497,086	-	497,086	-	
-	-	-	110,000	
6,787	-	84,528	559,433	
<u>513,843</u>	<u>16,241</u>	<u>738,998</u>	<u>1,013,081</u>	
83,800	-	700,074	12,492	
5,782	-	72,005	379,500	
89,582	-	772,079	391,992	
<u>603,425</u>	<u>16,241</u>	<u>1,511,077</u>	<u>1,405,073</u>	
9,252	-	77,289	12,492	
3,448,356	-	11,631,546	6,567,396	
243,125	81,634	1,368,981	13,328,222	
<u>\$ 3,691,481</u>	<u>\$ 81,634</u>	<u>13,000,527</u>	<u>\$ 19,895,618</u>	
Adjustment to reflect the consolidation of internal service activities related to enterprise funds		324,148		
Net position of business-type activities		<u>\$ 13,324,675</u>		

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

**CITY OF NEW BRIGHTON, MINNESOTA**  
**STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN NET POSITION - PROPRIETARY FUNDS**  
For The Year Ended December 31, 2015

	Business-Type Activities - Enterprise Funds	
	Water Utility	Sewer Utility
Operating revenues:		
Customer charges	\$ 1,481,426	\$ 2,704,136
Late charges	34,508	75,194
Other charges	34,127	26,065
Total operating revenues	<u>1,550,061</u>	<u>2,805,395</u>
Operating expenses:		
Personnel services	615,315	486,499
Materials and supplies	173,486	15,574
Contractual services	873,563	2,148,402
Professional services	-	-
Depreciation	214,419	89,185
Total operating expenses	<u>1,876,783</u>	<u>2,739,660</u>
Operating income (loss)	<u>(326,722)</u>	<u>65,735</u>
Nonoperating revenues (expenses):		
Investment income:		
Interest on investments	2,248	3,462
Change in fair value of investments	(612)	(957)
Property taxes	-	-
Interest on assessments	-	16,351
Interest on interfund loan	-	-
In-house engineering and administrative charges	221,190	103,205
Gain (loss) on disposal of capital assets	-	-
Miscellaneous Revenue	7,295	-
Total nonoperating revenues (expenses)	<u>230,121</u>	<u>122,061</u>
Income (loss) before contributions and transfers	<u>(96,601)</u>	<u>187,796</u>
Capital contributions	230,956	137,499
School district grant	-	-
Transfers:		
Transfers in	6,588	-
Transfers out	(530,087)	(97,139)
Total transfers	<u>(523,499)</u>	<u>(97,139)</u>
Change in net position	(389,144)	228,156
Net position - January 1, restated	<u>6,619,492</u>	<u>2,768,908</u>
Net position - December 31	<u>\$ 6,230,348</u>	<u>\$ 2,997,064</u>

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

Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds	
Stormwater Management Utility	Street Light System	Totals	Totals	
\$ 703,788	\$ 246,640	\$ 5,135,990	\$	1,989,985
-	-	109,702		-
-	-	60,192		-
<u>703,788</u>	<u>246,640</u>	<u>5,305,884</u>		<u>1,989,985</u>
164,410	-	1,266,224		313,307
19,078	-	208,138		30,961
266,487	172,316	3,460,768		660,532
-	-	-		178,514
150,793	-	454,397		684,707
<u>600,768</u>	<u>172,316</u>	<u>5,389,527</u>		<u>1,868,021</u>
<u>103,020</u>	<u>74,324</u>	<u>(83,643)</u>		<u>121,964</u>
5,647	52	11,409		95,628
(1,549)	(20)	(3,138)		(26,543)
5,850	-	5,850		-
7	-	16,358		-
(12,886)	-	(12,886)		-
57,070	-	381,465		-
-	-	-		22,372
-	2,885	10,180		21,271
<u>54,139</u>	<u>2,917</u>	<u>409,238</u>		<u>112,728</u>
<u>157,159</u>	<u>77,241</u>	<u>325,595</u>		<u>234,692</u>
398,541	-	766,996		44,267
-	-	-		10,500
-	-	6,588		222,000
(469,591)	-	(1,096,817)		-
<u>(469,591)</u>	<u>-</u>	<u>(1,090,229)</u>		<u>222,000</u>
86,109	77,241	2,362		500,959
<u>3,605,372</u>	<u>4,393</u>			<u>19,384,159</u>
<u>\$ 3,691,481</u>	<u>\$ 81,634</u>		<u>\$</u>	<u>19,885,118</u>

Transfers in of capital assets from governmental activities	766,996
Governmental activities contribution revenue reported above	(766,996)
Adjustment to reflect the consolidation of internal service activities related to enterprise funds	7,933
Change in net position of business-type activities	<u>\$ 10,295</u>

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

CITY OF NEW BRIGHTON, MINNESOTA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended December 31, 2015

	<u>Business-Type Activities - Enterprise Funds</u>	
	<u>Water Utility</u>	<u>Sewer Utility</u>
Cash flows - operating activities:		
Receipts from customers and users	\$ 1,571,119	\$ 2,720,605
Receipts from interfund services provided	-	-
Payments to employees	(615,137)	(474,174)
Payments to suppliers for goods and services	(526,733)	(1,576,801)
Payments for interfund services used	(482,700)	(550,900)
Miscellaneous Revenue	7,295	-
Net cash flows - operating activities	<u>(46,156)</u>	<u>118,730</u>
Cash flows - noncapital financing activities:		
General property taxes	-	-
Cash flows - capital and related financing activities:		
Acquisition of capital assets	(30,200)	-
In-house engineering and administrative charges	221,190	103,205
Interfund Interest	-	-
Interest on assessments	-	16,351
Principal on interfund loan	-	-
School District Grant	-	-
Transfer in	6,588	-
Transfer out	(530,087)	(97,139)
Proceeds from sale of capital assets	-	-
Net cash flows - capital and related financing activities	<u>(332,509)</u>	<u>22,417</u>
Cash flows - investing activities:		
Investment income:		
Interest on investments	1,645	2,518
Change in fair value of investments	(612)	(957)
Net cash flows - investing activities	<u>1,033</u>	<u>1,561</u>
Net change in cash and cash equivalents	(377,632)	142,708
Cash and cash equivalents - January 1	<u>588,437</u>	<u>449,806</u>
Cash and cash equivalents - December 31	<u>\$ 210,805</u>	<u>\$ 592,514</u>
Reconciliation of operating income (loss) to net cash flows - operating activities:		
Operating income (loss)	(326,722)	65,735
Adjustments to reconcile operating income (loss) to net cash flows - operating activities:		
Refunds and reimbursements	7,295	-
Depreciation	214,419	89,185
Changes in assets and liabilities:		
Pension expense	8,604	6,622
Decrease (increase) in prepaids	-	-
Decrease (increase) in receivables	21,058	(84,790)
Increase (decrease) in payables	37,616	36,275
Salaries and compensated absences payable	(8,426)	5,703
Total adjustments	<u>280,566</u>	<u>52,995</u>
Net cash flows - operating activities	<u>\$ (46,156)</u>	<u>\$ 118,730</u>
Noncash investing, capital and financing activities:		
Capital contributions	\$ 230,956	\$ 137,499

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

Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds	
Stormwater Management	Street Light System	Totals	Totals	
\$ 668,564	\$ 218,410	\$ 5,178,698	\$ -	-
-	-	-	1,989,900	-
(163,562)	-	(1,252,873)	(268,660)	-
(71,469)	(146,642)	(2,321,645)	(910,707)	-
(222,500)	(25,600)	(1,281,700)	-	-
-	2,885	10,180	19,764	-
<u>211,033</u>	<u>49,053</u>	<u>332,660</u>	<u>830,297</u>	-
5,850	-	5,850	-	-
-	-	(30,200)	(1,627,977)	-
57,070	-	381,465	-	-
(12,886)	-	(12,886)	-	-
7	-	16,358	-	-
(57,161)	-	(57,161)	-	-
-	-	-	10,500	-
-	-	6,588	222,000	-
(469,591)	-	(1,096,817)	-	-
-	-	-	35,267	-
<u>(482,561)</u>	<u>-</u>	<u>(792,653)</u>	<u>(1,360,210)</u>	-
4,121	52	8,336	69,462	-
(1,549)	(20)	(3,138)	(26,543)	-
<u>2,572</u>	<u>32</u>	<u>5,198</u>	<u>42,919</u>	-
(263,106)	49,085	(448,945)	(486,994)	-
<u>962,502</u>	<u>2,630</u>	<u>2,003,375</u>	<u>15,310,400</u>	-
<u>\$ 699,396</u>	<u>\$ 51,715</u>	<u>\$ 1,554,430</u>	<u>\$ 14,823,406</u>	-
103,020	74,324	(83,643)	121,964	-
-	2,885	10,180	19,764	-
150,793	-	454,397	684,707	-
2,070	-	17,296	2,796	-
-	-	-	(1,887)	-
(35,224)	(28,230)	(127,186)	(85)	-
(8,404)	74	65,561	3,038	-
(1,222)	-	(3,945)	-	-
<u>108,013</u>	<u>(25,271)</u>	<u>416,303</u>	<u>708,333</u>	-
<u>\$ 211,033</u>	<u>\$ 49,053</u>	<u>\$ 332,660</u>	<u>\$ 830,297</u>	-
\$ 398,541	\$ -	\$ 766,996	\$ 44,267	-

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

**CITY OF NEW BRIGHTON, MINNESOTA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
December 31, 2015

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**Statement 11**

	<u>Hazardous Materials Program</u>
Assets:	
Cash and investments	\$ 11,277
Due from other governmental units	<u>2,147</u>
Total assets	<u><u>\$ 13,424</u></u>
Liabilities:	
Accounts payable	\$ 873
Due to other governmental units	<u>12,551</u>
Total liabilities	<u><u>\$ 13,424</u></u>

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

## NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of New Brighton was incorporated in 1887 and operates under the State of Minnesota Statutory Plan B form of government. The governing body consists of a 5 member council elected by voters of the City.

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

### A. Financial Reporting Entity

In accordance with GASB pronouncements and generally accepted accounting principles, the financial statements of the reporting entity include those of the City of New Brighton (the primary government) and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government.

#### Component Unit

The City is considered financially accountable for a component unit if it appoints a voting majority of the organization's government body and it is able to impose its will on the organization by significantly influencing the programs, projects, activities or level of services performed or provided by the organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City.

As a result of applying the component unit definition criteria above, it has been determined the City has no component units.

### B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component unit. For the most part, the effect of inter-fund 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 to external parties for support.

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

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

### C. Measurement focus, basis of accounting and financial statement presentation

The government-wide 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. The City's only fiduciary fund is an agency fund. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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

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

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Measurement focus, basis of accounting and financial statement presentation (Continued)**

The government reports the following major governmental funds:

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

The *Water Treatment Plant No. 1 Special Revenue Fund* was established pursuant to the long-term LitSAGIA Implementing Agreement to account for all financial matters relating to the operation and maintenance of the New Brighton Contaminated Ground Water Recovery System. Its revenue is derived from interest income and the recognition of the portion of the U.S. Army advance funding that reimburses the Fund for its water treatment costs.

The *Municipal Development Capital Projects Fund* accounts for municipal money dedicated to community development and initial project costs.

The *Tax Increment Districts Capital Projects Fund* accounts for development costs for projects which are financed with tax increments.

The *Street Improvement Capital Projects Fund* – accounts for street reconstruction and improvement projects some of which are financed by bond issues and some by non-bond sources.

The *G.O. Improvement Bonds Debt Service Funds* account for resources accumulated and payments for principal and interest on long-term general obligation debt related to street improvements.

The *Tax Increment Bonds Debt Service Funds* account for resources accumulated and payments for principal and interest on long-term general obligation debt related to development.

The government reports the following major proprietary funds:

The *Water Utility Fund* accounts for activities related to the operation of a water distribution system.

The *Sewer Utility Fund* accounts for activities related to the operation of a sanitary collection system.

The *Stormwater Management Fund* accounts for activities related to the operation of a surface water collection system.

The *Street Light System Fund* accounts for the activities related to the operation of a city-wide street lighting system.

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Measurement focus, basis of accounting and financial statement presentation (Continued)**

Additionally, the government reports the following fund types:

*Internal Service Funds* account for compensated absences, fleet and non-fleet capital asset replacement, information technology, pavement management, and risk management services provided to other departments or agencies of the City or to other governments, on a cost-reimbursement basis.

The *Agency Fund* accounts for assets held by the City as an agent for the joint powers Hazardous Materials Response Team. Members of the Response Team are the Cities of New Brighton, Falcon Heights, Vadnais Heights and the Lake Johanna Fire Department.

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

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

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* 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 water utility, sewer utility, stormwater management, and street light system enterprise funds and the City's internal service funds are charges to customers for sales and services. Operating expenses for the enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Budgetary information**

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for the General Fund. No budgets are prepared for other governmental funds which include special revenue, debt service, and capital projects. All annual appropriations lapse at fiscal year-end. The legal level of budgetary control is at the fund level.

Legal compliance budgets

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

1. The City Manager submits to the City Council, a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. The City Council reviews the proposed budget and makes appropriate changes.
3. Public hearings are conducted to obtain taxpayer comments.
4. The budget is prepared by department and legally enacted through passage of a resolution on a fund basis.
5. The City Manager is authorized to transfer appropriations within and between any departmental budgets without Council approval. Additional appropriations and deletions are authorized by Council with fund (contingency) reserves or additional revenues.
6. Formal budgetary integration is employed as a management control device during the year for the General Fund. The General Fund is the only fund with a legally adopted annual budget.
7. Legal debt obligation indentures determine the appropriation level and debt service tax levies for the debt service funds. Supplementary budgets are adopted for the proprietary funds to determine and calculate user charges. These debt service and budget amounts represent general obligation bond indenture provisions and net income for operation and capital maintenance and are not reflected in the financial statements.
8. A capital improvement program is reviewed annually by the City Council for the Capital Project Funds. However, appropriations for major projects are not adopted until the actual bid award of the improvement. The appropriations are not reflected in the financial statements.
9. Expenditures may not legally exceed budgeted appropriations at the total fund level. Monitoring of budgets for the General Fund is maintained at the function level.

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, liabilities, deferred inflows of resources, and net position/fund balance**

1. Deposits and investments

Cash and cash equivalents consist of available cash, cash deposits and highly liquid investments with an original maturity date at the time of purchase of three months or less. In accordance with *Minnesota Statutes*, the City maintains deposits at those depository banks authorized by the City Council, all of which are members of the Federal Reserve System.

*Minnesota Statutes* require that all City 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 bonds (140% in the case of mortgage notes pledged).

Authorized collateral includes the legal investments described below, as well as certain first mortgage notes, and certain other state or local government obligations. *Minnesota Statutes* require that securities pledged as collateral be held in safekeeping by the City Treasurer or in a financial institution other than that furnishing the collateral.

*Minnesota Statutes* authorize the City to invest in the following:

- a) Direct obligations or obligations guaranteed by the United States or its agencies, its instrumentalities, or organizations created by an act of congress, excluding mortgage-backed securities defined as high risk.
- 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, general obligation tax-exempt securities or repurchase or reverse repurchase agreements.
- c) Municipal general obligations rated "A" or better
- d) Municipal revenue obligations rated "AA" or better
- e) General obligations of the Minnesota Housing Finance Agency rated "A" or better.
- f) Bankers acceptance of United States banks eligible for purchase by the Federal Reserve System.
- g) Commercial paper issued by United States corporations or their Canadian subsidiaries, of the highest quality, and maturing in 270 days or less.
- h) Guaranteed Investment Contract guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, and with a credit quality in one of the top two highest categories.
- i) Repurchase or reverse repurchase agreements and securities lending agreements with financial institutions qualifies as a "depository" by the City entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$ 10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York or certain Minnesota securities broker-dealers or a bank qualified as a depositor.

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, liabilities, deferred inflows of resources, and net position/fund balance (Continued)**

Investments for the government are reported at fair value. The City participates in an external investment pool sponsored by the League of Minnesota Cities. The pool is established in accordance with *Minnesota Statutes*, Section 471.59. Only municipalities as defined by statute are permitted to open accounts and become participants in the fund. As of December 31, 2015, the fair value of the City's position in the pool is the same as the value of the pool shares.

2. Receivables and payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. Short-term inter-fund loans are classified as "inter-fund receivable" or "inter-fund payable". All short-term inter-fund receivables and payables at December 31, 2015 are planned to be eliminated in 2016. Long-term inter-fund loans are classified as "inter-fund loan receivable/payable". Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

All utility and property tax receivables are shown at a gross amount, since both taxes and utility receivables are assessable to the property taxes and are collectible upon the sale of the assessed property.

Property taxes are submitted to the County Auditor by December 28 of each year, to be levied on January 1 on property values assessed as of the same date. The tax levy notice is mailed in March with the first half payment due on May 15 and the second half payment is due on October 15.

3. Inventories and prepaid items

The original cost of materials and supplies has been recorded as expenditures at the time of purchase. The City does not maintain material amounts of inventories of goods and supplies.

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

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, liabilities, deferred inflows of resources, and net position/fund balance (Continued)**

4. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and intangible assets such as easements and computer software, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$ 5,000 (amount not rounded) (except for easements which is \$50,000) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

In the case of the initial capitalization of general infrastructure assets, the City chose to include all such items regardless of their acquisition date or amount. These assets are reported at historical cost or estimated historical cost, using the 1987 base highway construction price trend, when historical costs were unavailable.

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 of business-type activities is included as part of the capitalized value of the assets constructed. For the year ended December 31, 2014, no interest was capitalized in connection with construction in progress.

Capital assets of the primary government, as well as the component unit, are depreciated/amortized using the straight-line method over the estimated useful lives of assets, as follows:

<u>Assets</u>	<u>Useful Lives</u>
Buildings and Structures	15-100 years
Machinery, Equipment and Furnishings	5-25 years
Other Improvements	10-40 years
Fleet (Vehicles)	3-25 years
Water Lines	40-50 years
Sewer Lines	40 years
Stormwater	30 years
Street Lights	30 years
Sidewalks and Curbs	70 years
Streets	30 years
Temporary easements	2-15 years

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, liabilities, deferred inflows of resources, and net position/fund balance (Continued)**

5. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element 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 item that qualifies for reporting in this category. The City presents deferred outflows of resources on the Statement(s) of Net Position for deferred outflows of resources related to pensions. Deferred outflows of resources related to pensions results from the net effect of the change in proportionate share, the difference between projected and actual investment earnings, and employer contributions paid to PERA and the Fire Relief subsequent to the measurement date.

In addition to liabilities, the statement of financial position and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has four types of items that qualify for reporting in this category. Three of the items reported only arise under the modified accrual basis of accounting and are reported only in the governmental funds balance sheet as unavailable revenue. The governmental funds report unavailable revenues from three sources; property taxes, special assessments, and municipal State aid. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City presents deferred inflows of resources on the statement of net position for deferred inflows of resources related to pensions. Deferred inflows of resources related to pensions results from the difference between expected and actual economic experience and changes in proportionate share.

6. Compensated absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred in the government-wide, proprietary and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. In accordance with the provisions of Statement of Government Accounting Standards No. 16, *Accounting for Compensated Absences*, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that is vested as severance pay.

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, liabilities, deferred inflows of resources, and net position/fund balance (Continued)**

7. Long-term obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

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 capital project expenditures.

8. Fund balance classifications

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

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

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

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

*Assigned* – consists of internally imposed constraints. These constraints reflect the specific purpose for which it is the City's intended use. The City Council has adopted a fund balance policy that authorizes the Finance Director to determine the assigned fund balances.

*Unassigned* – is the residual classification for the General Fund and also reflects negative residual amounts in other funds.

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

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

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, liabilities, deferred inflows of resources, and net position/fund balance (Continued)**

9. Minimum fund balance policy

The City Council has formally adopted a fund balance policy for the General Fund. The policy establishes a year-end target fund balance amount for cash-flow timing needs (working capital) and contingencies.

At December 31, 2015, the targeted unassigned fund balance for the General Fund was as follows:

Working capital	\$ 3,944,300
Contingencies	<u>1,397,910</u>
Total	<u>\$ 5,342,210</u>

10. Restricted assets

Assets of the Water Treatment Plant No. 1 fund are classified as restricted cash and investments assets in the Balance Sheet, because their use is limited to the operation and maintenance of the New Brighton Contaminated Ground Water Recovery System pursuant to the long-term LitSAGIA Implementing Agreement.

11. Cash with Fiscal Agent

On March 25, 2015 the City issued \$17,385,000 of G.O. Tax increment Refunding Bonds. The net proceeds were deposited into a Crossover Escrow Fund with an escrow agent to provide payment of the principal maturities and interest of the refunded bonds on the call date of February 1, 2017. The balance at December 31, 2015 was \$18,059,976.

12. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in the government-wide financial statements. Net investment in capital assets consists of capital assets, net of accumulation depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net position is reported as restricted in the government-wide financial statements when there are limitations on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, liabilities, deferred inflows of resources, and net position/fund balance (Continued)**

13. 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 the Fire Relief Association (FRA) and additions to/deductions from PERA’s fiduciary and the FRA’s net position have been determined on the same basis as they are reported by PERA and the FRA except that PERA’s fiscal year end is June 30. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Deficit fund equity**

The City has deficit fund balances or net position at December 31, 2015 as follows:

<u>Fund</u>	<u>Amount</u>
Tax increment districts	\$ 5,818,120
Street Improvements	836,450
Golf course	2,318
Compensated absences	<u>66,065</u>
Total	<u><u>\$ 6,722,953</u></u>

It is anticipated future tax increments and sale of assets held for resale will eliminate the deficits in the Tax Increment Districts. Future Municipal State Aid street fund revenues will reimburse the street improvements fund and eliminate its deficit. Due to the reclassification of the golf course to a special revenue fund, deficits will be included in future tax levies. Due to the long-term nature of the liability in the compensated absences fund it is anticipated that we will continue to carry a deficit balance.

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

1. Components of Cash and Investments

Summary of cash deposits and investments as of December 31, 2015:

Petty cash	\$	4,534
Deposits		1,536,947
Investments		<u>115,188,653</u>
Total	\$	<u><u>116,730,134</u></u>

Cash and investments are presented in the financial statements as follows:

Statement of Net Positions - Government Wide

Cash and cash equivalents - Primary Government	\$	41,455,070
Cash with fiscal agent - Primary Government		18,059,976
Restricted investments - Primary Government		57,203,811
Cash and cash equivalents - Fiduciary Funds		<u>11,277</u>
Total	\$	<u><u>116,730,134</u></u>

Custodial credit risk – deposits: Custodial credit risk is the risk that in the event of a bank failure, the City’s deposits may be lost. Minnesota statutes require that all City deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by federal deposit insurance or corporate surety bonds. Authorized collateral includes treasury bills, notes, and bonds; issues of U.S. government agencies; general obligations rated “A” or better; revenue obligations rated “AA” or better; irrevocable standard letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota Statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The City’s investment policy has no additional deposit policies addressing custodial credit risk.

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**A. Deposits and Investments (Continued)**

2. Investments

Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	Credit Risk		Maturity Duration in Years				Total
	Rating	Agency	< 5	5 to 10	10 to 15	15 to 30	
Brokered Certificates of Deposit	NR	N/A	\$ 24,315,421	\$ -	\$ -	\$ -	\$ 24,315,421
Federal Agency Securities:	AAA/AA+	Moody's/S&P	30,837,596	500,800	-	-	31,338,396
	N/A/AA+	Moody's/S&P	247,918	-	-	-	247,918
	N/A/AAA	Moody's/S&P	81,547	-	-	-	81,547
	N/A	Moody's/S&P	4,330,762	603,356	1,311,511	2,590,737	8,836,366
	WR/AA+	Moody's/S&P	500,490	-	-	-	500,490
Bankers Acceptance	NA	N/A	2,199,253	-	-	-	2,199,253
Municipal Bonds:	AAA/NR	Moody's/S&P	1,228,322	494,355	-	-	1,722,677
	NR/AA+	Moody's/S&P	249,153	253,276	-	-	502,429
	NR/AAA	Moody's/S&P	531,520	-	-	-	531,520
	NR/AA-	Moody's/S&P	208,462	-	-	-	208,462
	AA3/AA-	Moody's/S&P	1,258,645	-	-	-	1,258,645
	AA3/AA	Moody's/S&P	306,903	776,175	-	-	1,083,078
	AA1/AA-	Moody's/S&P	1,113,258	-	-	-	1,113,258
	AA1/NR	Moody's/S&P	1,222,012	-	-	-	1,222,012
	AA2/AA+	Moody's/S&P	2,580,124	-	-	-	2,580,124
	AA2/AA-	Moody's/S&P	292,074	-	-	-	292,074
	AA2/AA	Moody's/S&P	999,200	-	-	-	999,200
	AA2/NR	Moody's/S&P	1,247,846	242,695	-	-	1,490,540
	A1/AA-	Moody's/S&P	1,098,932	-	-	-	1,098,932
United States Treasuries	AAA/N/A	Moody's/S&P	27,023,935	3,876,228	-	-	30,900,162
Commercial Paper	A1+/P1	Moody's/S&P	2,455,721	-	-	-	2,455,721
Money Market	NR	N/A	210,429	-	-	-	210,429
<b>Total</b>			<b>104,539,521</b>	<b>6,746,885</b>	<b>1,311,511</b>	<b>2,590,737</b>	<b>115,188,653</b>

NR - Not Rated    N/A - Not Applicable    WR - Withdrawn

*Custodial credit risk* - investments, this is the risk that in the event of a failure of the counterparty to any investment transaction (typically a broker-dealer) the City would not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The City addresses this risk within its investment policy and limits its exposure by holding the majority of investments in a trust account with a major bank's corporate trust department. Under this scenario, investments are delivered to the City's Trust Account and then payment is released to the broker-dealer.

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**A. Deposits and Investments (Continued)**

**2. Investments (Continued)**

*Credit risk*-This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Minnesota Statutes limit the City’s investments to direct obligations or obligations guaranteed by the United States or its agencies; shares of investment companies registered under the Federal Investment Company Act of 1940 that receive the highest credit rating, are rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of thirteen months or less; general obligations rated “A” or better; revenue obligations rated “AA” or better; general obligations of the Minnesota Housing Finance Agency rated “A” or better; bankers’ acceptances of United States banks eligible for purchase by the Federal Reserve System; commercial paper issued by United States corporations or their Canadian subsidiaries, rated of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less; Guaranteed Investment Contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, and with the credit quality in the one of the top two highest categories; repurchase or reverse purchase agreements and securities lending agreements with financial institutions qualified as a “depository” by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, that are a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities brokers-dealers. The City’s investment policies addresses credit risk through statutory regulations as mentioned above and through the diversifying of the City’s investment portfolio.

*Concentration risk* -This is the risk associated with investing a significant portion of the City’s investment (considered 5 percent or more) in the securities of a single issuer, excluding U.S. explicitly guaranteed investments (such as Treasuries), investment pools, and mutual funds. The City’s investment policy states that no more than 50% of the entity’s total investment portfolio will be invested in a single security type or with a single financial institution. No more than 5% of the overall portfolio may be invested in the securities of a single issuer, except for securities of the U.S. Government and its agencies or an external investment pool.

Investments in any one issuer that represent 5% or more of the City’s total investments are as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Amount Reported</u>	<u>% of Portfolio</u>
Federal Home Loan Bank	Federal agency security	\$ 22,139,572	19%
Federal Farm Credit Bank	Federal agency security	\$ 6,515,077	6%

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**A. Deposits and Investments (Continued)**

2. Investments (Continued)

*Interest rate risk* - This is the risk of potential variability in the fair value of fixed rate investments resulting from changes in interest rates (the longer the period for which an interest rate is fixed, the greater the risk). The City's investment policy allows for a majority of the City's reserve funds to be invested in securities maturing in 5 years or less, with no more than 10% of the City's reserve funds being invested in securities maturing 10 years or more.

**B. Receivables**

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered available to liquidate liabilities of the current period. Governmental funds also defer recognition in connection with resources that are not yet available.

Governmental funds defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

	<u>Unearned</u>
Recreation fees received but unearned (General Fund)	\$ 96,206
Contributions contingent on eligible expenses: (Dedicated Treatment Plant #1 Financing Fund)	56,992,167
Permit fee received but unearned (General Fund)	666
Liquor licenses received but unearned (General Fund)	960
Miscellaneous fees received but unearned (General Fund)	1,220
Antenna leases received but unearned (General Fund)	<u>133,673</u>
Total unearned revenue for governmental funds	<u>\$ 57,224,892</u>

**C. Construction Commitments**

At December 31, 2015, the City had construction project contracts in progress. The commitments related to the remaining contract balances are summarized as follows:

<u>Project</u>	<u>Contract Amount</u>	<u>Expended To Date</u>	<u>Remaining Commitment</u>
Granular Activated Carbon - TP#1	1,694,200	1,311,681	382,519
2015 Street Reconstruction	<u>3,727,756</u>	<u>3,434,354</u>	<u>293,402</u>
Total	<u>\$ 5,421,956</u>	<u>\$ 4,746,035</u>	<u>\$ 675,921</u>

**CITY OF NEW BRIGHTON, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2015

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital assets**

Capital asset activity for the year ended December 31, 2015 was as follows:

	Beginning Balance, restated	Additions	Reductions	Ending Balance
Governmental Activities:				
Capital Assets not being Depreciated:				
Land	\$ 8,947,186	\$ -	\$ -	\$ 8,947,186
Construction in Progress	870,441	2,699,442	841,998	2,727,885
Total Capital Assets not being Depreciated	<u>9,817,627</u>	<u>2,699,442</u>	<u>841,998</u>	<u>11,675,071</u>
Capital Assets being Depreciated:				
Infrastructure	29,713,773	268,690	8,543	29,973,920
Buildings	37,386,484	1,070,856	106,050	38,351,290
Improvements	6,376,505	61,226	56,594	6,381,137
Machinery and Equipment	11,471,525	1,086,175	810,409	11,747,291
Total Capital Assets being Depreciated	<u>84,948,287</u>	<u>2,486,947</u>	<u>981,596</u>	<u>86,453,638</u>
Less Accumulated Depreciation for:				
Infrastructure	14,866,598	845,559	-	15,712,157
Buildings	22,966,126	1,186,926	139,215	24,013,837
Improvements	2,840,176	261,123	38,720	3,062,579
Machinery and Equipment	6,562,188	729,021	684,224	6,606,985
Total Accumulated Depreciation	<u>47,235,088</u>	<u>3,022,629</u>	<u>862,159</u>	<u>49,395,558</u>
Total Capital Assets being Depreciated, Net	<u>37,713,199</u>	<u>(535,682)</u>	<u>119,437</u>	<u>37,058,080</u>
Governmental Activities Capital Assets, Net	<u>\$ 47,530,826</u>	<u>\$ 2,163,760</u>	<u>\$ 961,435</u>	<u>\$ 48,733,151</u>

**CITY OF NEW BRIGHTON, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2015

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital assets (Continued)**

	Beginning Balance, restated	Additions	Reductions	Ending Balance
Business-Type Activities:				
Capital Assets not being Depreciated:				
Land	\$ 372,776	\$ -	\$ -	\$ 372,776
Construction in Progress	480,546	632,703	480,546	632,703
Total Capital Assets not being Depreciated	<u>853,322</u>	<u>632,703</u>	<u>480,546</u>	<u>1,005,479</u>
Capital Assets being Depreciated:				
Buildings and structures	5,032,690	-	-	5,032,690
Machinery and equipment	245,974	30,200	-	276,174
Water/sewer lines and other	21,611,483	614,838	-	22,226,321
Total Capital Assets being Depreciated	<u>26,890,147</u>	<u>645,038</u>	<u>-</u>	<u>27,535,185</u>
Less Accumulated Depreciation for:				
Buildings and structures	2,089,997	68,610	-	2,158,607
Machinery and equipment	27,288	23,625	-	50,913
Water/sewer lines and other	14,337,436	362,162	-	14,699,598
Total Accumulated Depreciation	<u>16,454,721</u>	<u>454,397</u>	<u>-</u>	<u>16,909,118</u>
Total Capital Assets being Depreciated, Net	<u>10,435,426</u>	<u>190,641</u>	<u>-</u>	<u>10,626,067</u>
Business-Type Activities Capital Assets, Net	<u>\$ 11,288,748</u>	<u>\$ 823,344</u>	<u>\$ 480,546</u>	<u>\$ 11,631,546</u>

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital assets (Continued)**

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

General government	\$152,855
Community development	523
Parks & recreation	487,783
Public safety	520,080
Public works	1,861,388
Total depreciation expense - governmental activities	<u>\$3,022,629</u>
Business Activities:	
Water	\$214,419
Sewer	89,185
Stormwater	150,793
Total depreciation expense - business-type activities	<u>\$454,397</u>

**E. Inter-fund receivables, payables, and transfers**

The composition of inter-fund balances as of December 31, 2015, is as follows:

Inter-fund loans were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Community Reinvestment (Nonmajor)	Stormwater Management	\$ 220,361
Community Reinvestment (Nonmajor)	Stormwater Management	94,399
Community Reinvestment (Nonmajor)	Stormwater Management	<u>182,326</u>
Total		<u>\$ 497,086</u>

The first loan was issued for \$305,800 on November 1, 2012, to finance project 12-9, “Phase I Freedom Park Flood Mitigation Improvements”. The loan will be repaid by increasing future stormwater utility rates. The loan carries an interest rate of 2% and will be repaid in semi-annual installments of \$16,946. The final payment is scheduled for November 1, 2022.

The second loan was issued for \$115,000 on November 1, 2013, to finance 2011 – 2013 stormwater mitigation project costs. This loan will also be repaid by increasing future stormwater utility rates. The loan carries an interest rate of 2.7% and will be repaid in semi-annual installments of \$6,600. The final payment is scheduled for November 1, 2023.

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**E. Inter-fund receivables, payables, and transfers (continued)**

The third loan was issued for \$200,000 on November 1, 2014, to finance the Oakwood, Imperial, and 15<sup>th</sup> Avenue flood mitigation project. This loan will be repaid by increasing future stormwater utility rates. The loan carries an interest rate of 2.7% and will be repaid in semi-annual installments of \$11,478. The final payment is scheduled for November 1, 2024.

Receivable Fund	Payable Fund	Amount
Municipal Development	Tax Increment Districts	\$ 14,703,469

Tax increment financing districts are established to finance many of the City’s redevelopment projects. The loans from the Municipal Development Fund cover the cash deficits that often exist in the early stages of tax increment districts. The loans will be repaid with interest from available tax increments generated from the increase in tax capacity values of the redeveloped area.

Inter-fund transfers allow the City to allocate financial resources to the funds that receive benefit from services provided by another fund. Most of the City’s inter-fund transfers fall into that category.

	Transfers In									
	Water			G.O.		Tax		Water	Internal	Total
	General	Treatment	Street	Improvement	Increment	Nonmajor	Fund			
Transfer Out:	Fund	Plant No.1	Improvements	Bonds	Bonds	Governmental	Fund	Service	Transfers Out	
General Fund	\$ -	\$ -	\$ -	\$ 599,900	\$ -	\$ 390,519	\$ -	\$ 172,000	\$ 1,162,419	
Water Treatment										
Plant No. 1	-	-	-	-	-	-	6,588	-	6,588	
Tax Increment										
Districts	-	-	-	32	3,863,393	-	-	-	3,863,425	
Street Improvements	-	-	-	-	-	-	-	50,000	50,000	
G.O. Improvement										
Bonds	-	-	-	-	-	23,196	-	-	23,196	
Nonmajor										
Governmental	27,256	-	-	824,746	-	60,057	-	-	912,059	
Water Fund Utility	-	1,904	528,183	-	-	-	-	-	530,087	
Sewer Fund Utility	-	-	97,139	-	-	-	-	-	97,139	
Stormwater Management										
Fund Utility	-	-	446,123	-	-	23,468	-	-	469,591	
Totals	<u>\$ 27,256</u>	<u>\$ 1,904</u>	<u>\$ 1,071,445</u>	<u>\$ 1,424,678</u>	<u>\$ 3,863,393</u>	<u>\$ 497,240</u>	<u>\$ 6,588</u>	<u>\$ 222,000</u>	<u>\$ 7,114,504</u>	

**CITY OF NEW BRIGHTON, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2015

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**F. Long-term debt**

The City issues General Obligation (G.O.) bonds to provide funds for street improvements and tax increment financing projects. Debt service is covered respectively by special assessments against benefited properties and tax increments with any shortfalls being paid from general taxes.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. The amounts are repaid from governmental activities.

General obligation bonds outstanding as of December 31, 2015 are as follows:

	Interest Rate	Issue Date	Final Maturity Date	Authorized and Issued	Principal Outstanding
Governmental Activities:					
G.O. Improvement Bonds:					
2010A Improvement Bonds	2.00%-2.50%	03/18/10	02/01/16	\$ 4,760,000	\$ 815,000
2011A Improvement Bonds	.50%-3.30%	01/28/11	02/01/22	1,395,000	450,000
2012A Improvement Bonds	.35%-2.35%	04/24/12	02/01/23	930,000	365,000
2015A Improvement Bonds	2.00%-3.00%	03/25/15	02/01/27	1,695,000	1,695,000
Premium on Bonds				1,178,131	1,124,554
Total G.O. Improvement Bonds				<u>9,958,131</u>	<u>4,449,554</u>
G.O. Tax Increment Bonds:					
2006A Tax Increment Bonds	4.25%-5.00%	07/15/06	02/01/32	20,450,000	18,905,000
2007B Tax Increment Bonds	4.00%-4.75%	06/01/07	02/01/33	14,985,000	14,665,000
2011B Taxable Tax Increment Bonds	.65%-2.40%	01/28/11	02/01/16	2,205,000	110,000
2012A Tax Increment Bonds	.35%-1.00%	04/24/12	02/01/17	1,765,000	385,000
2012B Taxable Tax Increment Bonds	.70%-2.35%	04/24/12	02/01/20	1,095,000	495,000
2015B Tax Increment Bonds	3.00% - 4.00%	03/25/15	02/01/32	17,385,000	17,385,000
Total Tax Increment Bonds				<u>57,885,000</u>	<u>51,945,000</u>
Total - General Obligation Bonds				<u>\$ 67,843,131</u>	<u>\$ 56,394,554</u>

Annual debt service requirements to maturity for these issues are as follows:

Year Ending December 31,	G.O. Improvement Bonds			Tax Increment Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2016	\$ 995,000	\$ 68,809	\$ 1,063,809	\$ 1,680,000	\$ 2,126,850	\$ 3,806,850
2017	235,000	54,816	289,816	19,045,000	1,649,307	20,694,307
2018	250,000	50,085	300,085	1,600,000	1,170,873	2,770,873
2019	255,000	44,806	299,806	1,635,000	1,107,989	2,742,989
2020	255,000	39,299	294,299	1,660,000	1,042,665	2,702,665
2021-2025	1,040,000	108,965	1,148,965	9,000,000	4,149,836	13,149,836
2026-2030	295,000	8,775	303,775	10,900,000	2,210,672	13,110,672
2031-2035	-	-	-	6,425,000	340,693	6,765,693
Total	<u>\$ 3,325,000</u>	<u>\$ 375,555</u>	<u>\$ 3,700,555</u>	<u>\$ 51,945,000</u>	<u>\$ 13,798,885</u>	<u>\$ 65,743,885</u>

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**F. Long-term debt (Continued)**

Changes in long-term liabilities

	1/1/2015, restated	Additions	Deletions	Balance 12/31/15	Due Within One Year
Governmental activities:					
Bonded Debt:					
G.O. Improvement bonds	\$ 3,135,000	\$ 1,695,000	\$ 1,505,000	\$ 3,325,000	\$ 995,000
Tax increment bonds	36,840,000	17,385,000	2,280,000	51,945,000	1,680,000
Unamortized Premium	-	1,178,131	53,577	1,124,554	-
Total bonds payable	<u>39,975,000</u>	<u>20,258,131</u>	<u>3,838,577</u>	<u>56,394,554</u>	<u>2,675,000</u>
Compensated Absences	897,821	464,330	423,218	938,933	559,433
Pollution remediation obligation	<u>1,532,000</u>	<u>70,000</u>	<u>131,000</u>	<u>1,471,000</u>	<u>39,000</u>
Total government activity long-term liabilities	<u>\$ 42,404,821</u>	<u>\$ 20,792,461</u>	<u>\$ 4,392,795</u>	<u>\$ 58,804,487</u>	<u>\$ 3,273,433</u>
Business-type activities:					
Compensated absences	<u>\$ 162,991</u>	<u>\$ 62,750</u>	<u>\$ 69,208</u>	<u>\$ 156,533</u>	<u>\$ 84,528</u>
Total business-type activity long-term liabilities	<u>\$ 162,991</u>	<u>\$ 62,750</u>	<u>\$ 69,208</u>	<u>\$ 156,533</u>	<u>\$ 84,528</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities totaling \$938,933 for compensated absences are included as part of the totals for governmental activities. For governmental activities, other post-employment benefits are liquidated through the general fund and compensated absences payments are paid from the compensated absences internal service fund.

On March 25, 2015, the City issued \$17,385,000 G.O. Tax Increment Financing (TIF) Refunding Bonds, series 2015B for the crossover refunding of a portion of the \$20,450,000 TIF Refunding Bonds, series 2006A. The principal balances of both the refunded and refunding bonds are reported as long-term debt of the City until the call date of the refunded bonds at which time the refunded bonds will be considered defeased and the related liability will be removed from the statement of Net Position. The call date on the 2006A refunded bonds is February 1, 2017. The refunding was done to take advantage of lower rates and resulted in a decrease in future debt service amounts of \$2,648,499. The net present value cashflow savings from the transaction was \$2,084,024.

### NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

#### F. Long-term Debt (Continued)

##### Pollution remediation liability

One of the City's goals for the New Brighton Exchange redevelopment project (formerly known as Northwest Quadrant Redevelopment), located at the northwest quadrant of Interstate Highways 694 and 35W, is to voluntarily clean up environmental contamination from former industries. Old Highway 8 runs north and south through the redevelopment area splitting it into two projects, the West Side and the East Side.

Contamination in the West Side was caused by land owners and operators of a refinery, industrial solvent recycling, and gas station with leaking underground storage tanks. Contaminated soils were removed down to the water table and taken to an approved landfill. Currently, only a portion of the northern point of the project area remains contaminated due to the refinery. Ashland Oil is the Responsible Party and is conducting the remediation under the oversight of the Minnesota Pollution Control Agency (MPCA). Ashland is responsible for the costs involved in the remediation of the site. The estimated liability related to this portion of the liability is not determinable.

On the East Side, a private dump operated on 20 acres. Low lying wetlands and depressions were filled in with construction and household debris. Organic material continues to decompose, emitting gases. The western edge of the dump material has been removed and consolidated. A special membrane has been laid over the dump materials to collect the gases. Venting has been installed along the perimeter of the new buildings to intercept residual gases; gas collection and venting systems will also be required beneath building structures.

The MPCA has already approved some of our detailed remediation plans and is in the process of approving others. An environmental consultant has been used to assist the City in the preparation of these plans and the various studies that support them. The future estimated costs for further remediation and monitoring, as prepared by the environmental consultant, include \$44,000 for continued monitoring and environmental cleanup on the West Side and \$1,427,000 for future dump closure monitoring on the East Side. These amounts are estimates and are subject to changes due to requirements of the MPCA, proposed development, technology and bidding climate. There are no estimated recoveries anticipated to reduce these liabilities. The pollution remediation liability is liquidated through the tax increment districts fund.

#### G. Conduit debt obligations

From time-to-time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the state, nor any political subdivision thereof is obligated in any manner for repayment of the bonds.

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**G. Conduit debt obligations (Continued)**

Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2015, the following series of Industrial Revenue Bonds were outstanding:

<u>Project Name</u>	<u>Bonds Issued</u>	<u>Original Principal</u>	<u>12/31/15 Principal</u>	<u>Maturity Date</u>
Golden Pond	07/18/02	\$ 3,120,000	\$ 2,920,000	07/15/32

**H. Operating leases**

The City leases space above its water towers to several communication companies. The space is used for antennas and other equipment necessary to provide radio communications. Lease terms are as follows:

<u>Location</u>	<u>Lessee</u>	<u>2015 Amount</u>	<u>Annual Lease Adjustment Factor*</u>	<u>Renewal Options</u>
600 5th Street SW	Sirius Satellite Radio	\$ 25,019	Greater of CPI or 4%	3 5-year terms
660 5th Street SW	New Cingular Wireless	30,285	Greater of CPI or 4%	3 5-year terms
660 5th Street SW	Verizon (Airtouch)	32,103	3%	4 5-year terms
660 5th Street SW	Sprint/Nextel	23,178	Greater of CPI or 4%	3 5-year terms
660 5th Street SW	TTM Operating Corp.	5,353	Greater of CPI or 4%	3 5-year terms
660 5th Street SW	Clearwire Communications	23,705	Greater of CPI or 4%	3 5-year terms
675 Forestdale Road	T-Mobile	23,465	Greater of CPI or 4%	3 5-year terms
700 Silver Lake Road	Nextel	22,284	Greater of CPI or 4%	3 5-year terms
700 Silver Lake Road	Verizon (US West)	30,724	Greater of CPI or 4%	3 5-year terms
700 Silver Lake Road	TTM Operating Corp.	5,353	Greater of CPI or 4%	3 5-year terms
2121 14th Street NW	Clearwire Communications	21,261	Greater of CPI or 4%	3 5-year terms
2123 Old Highway 8	Clear Channel	1,000	Greater of CPI or 4%	4 5-year terms
2400 Mississippi Street	Crown Castle	14,210	Greater of CPI or 4%	3 5-year terms
2400 Mississippi Street	New Cingular Wireless	21,257	Greater of CPI or 4%	3 5-year terms

\* Amounts for future lease receipts are unavailable because they are based on the Consumer Price Index.

**CITY OF NEW BRIGHTON, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2015

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**I. Fund balance**

1. Classifications

At December 31, 2015, a summary of the governmental fund balance classifications are as follows:

	General Fund	Municipal Development	Tax Increments Districts	Street Improvements	G.O. Improvement Debt Service	Tax Increment Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:								
Prepaid items	\$ 9,234	\$ -	\$ 58,269	\$ -	\$ -	\$ -	\$ 110	\$ 67,613
Total nonspendable	9,234	-	58,269	-	-	-	110	67,613
Restricted for:								
Park dedication	-	-	-	-	-	-	716,741	716,741
DUI forfeitures	66,497	-	-	-	-	-	-	66,497
Debt service	-	-	-	-	1,109,626	18,059,976	-	19,169,602
Total restricted	66,497	-	-	-	1,109,626	18,059,976	716,741	19,952,840
Committed to:								
Municipal development	-	21,989,105	-	-	-	-	-	21,989,105
Debt service	-	-	-	-	-	-	3,380,861	3,380,861
Public Safety outreach programs	44,348	-	-	-	-	-	-	44,348
Total committed	44,348	21,989,105	-	-	-	-	3,380,861	25,414,314
Assigned to:								
Community reinvestment	-	-	-	-	-	-	3,687,205	3,687,205
Public Safety youth & sr programs	13,473	-	-	-	-	-	-	13,473
Park improvements	30,149	-	-	-	-	-	-	30,149
Capital projects	101,112	-	-	-	-	-	-	101,112
Total assigned	144,734	-	-	-	-	-	3,687,205	3,831,939
Unassigned	6,263,521	-	(5,876,389)	(836,450)	-	-	(2,428)	(451,746)
Total Fund Balance	\$ 6,528,334	\$ 21,989,105	\$ (5,818,120)	\$ (836,450)	\$ 1,109,626	\$ 18,059,976	\$ 7,782,489	\$ 48,814,960

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**J. Change in accounting principle**

1. The Golf Course Fund was reclassified from a Proprietary Fund – Enterprise operation to a Governmental Fund – Special Revenue operation on January 1, 2015. The following restatement adjusts the fund balance and net position. Capital assets and compensated absences were also restated between governmental activities and business type activities.
2. For the year ended December 31, 2015, the City implemented GASB Statement NO. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement NO. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. This resulted in an adjustment to the beginning net position on the Statement of Activities of \$5,604,494 to add the beginning net pension liability, and an adjustment to the beginning net position on the Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds of \$768,966 to add the beginning net pension liability.

Activities/Fund	Net Position/ Fund Balance December 31, 2014 as Previously Reported	(1) Restatement	(2) Restatement	Net Position/ Fund Balance January 1, 2015 as Restated
Governmental activities net position	\$ 50,636,844	\$ 998,465	\$ (4,940,773)	\$ 46,694,536
Business-type activities net position	14,976,566	(998,465)	(663,721)	13,314,380
Governmental funds fund balance	32,294,526	(2,311)	-	32,292,215
Enterprise funds net position	14,658,606	(998,465)	(661,976)	12,998,165
Internal service funds net position	19,498,305	(7,156)	(106,990)	19,384,159

## **NOTE 4 OTHER INFORMATION**

### **A. Public Employee's Retirement Association**

1. Defined benefit pension plan - statewide

a. Plan Description

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

1. General Employees Retirement Fund (GERF)

All full-time and certain part-time employees of the City of New Brighton are covered by the General Employees Retirement Fund (GERF). GERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. The Basic Plan was closed to new members in 1967. All new members must participate in the Coordinated Plan.

2. Public Employees Police and Fire Fund (PEPFF)

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

b. Benefits Provided

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state legislature.

Benefit increases are provided to benefit recipients each January. Increases are related to the funding ratio of the plan. Members in plans that are at least 90% funded for two consecutive years are given 2.5% increases. Members in plans that have not exceeded 90% funded, or have fallen below 80%, are given 1% increases.

The benefit provisions stated in the following paragraphs of this section are current provisions and apply to active plan participants. 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.

**NOTE 4 OTHER INFORMATION (continued)**

**A. Public Employee's Retirement Association (continued)**

1. GERP Benefits

Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2% of average salary for each of the first ten years of service and 2.7% for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2% of average salary for each of the first ten years and 1.7% for each remaining year. Under Method 2, the annuity accrual rate is 2.7% of average salary for Basic Plan members and 1.7% for Coordinated Plan members for each year 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.

2. PEPFF Benefits

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

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. GERP Contributions

Basic Plan members and Coordinated Plan members were required to contribute 9.1% and 6.50%, respectively, of their annual covered salary in calendar year 2015. The City of New Brighton was required to contribute 11.78% of pay for Basic Plan members and 7.50% for Coordinated Plan members in calendar year 2015. The City of New Brighton's contributions to the GERP for the year ended December 31, 2015, were \$336,353. The City of New Brighton's contributions were equal to the required contributions as set by state statute.

**NOTE 4 OTHER INFORMATION (continued)**

**A. Public Employee’s Retirement Association (continued)**

2. PEPFF Contributions

Plan members were required to contribute 10.8% of their annual covered salary in calendar year 2015. The City of New Brighton was required to contribute 16.20% of pay for PEPFF members in calendar year 2015. The City of New Brighton’s contributions to the PEPFF for the year ended December 31, 2015, were \$428,240. The City of New Brighton’s contributions were equal to the required contributions as set by state statute.

d. Pension Costs

1. GERS Pension Costs

At December 31, 2015, the City of New Brighton reported a liability of \$3,700,320 for its proportionate share of the GERS’s net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City of New Brighton’s proportion of the net pension liability was based on the City of New Brighton’s contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2014, through June 30, 2015, relative to the total employer contributions received from all of PERA’s participating employers. At June 30, 2015, the City of New Brighton’s proportion share was .0714% which was an increase/decrease of -.0063% from its proportion measured as of June 30, 2014.

For the year ended December 31, 2015, the City of New Brighton recognized pension expense of \$419,257 for its proportionate share of the GERS’s pension expense.

At December 31, 2015, the City of New Brighton reported its proportionate share of the GERS’s deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$186,559
Changes in actuarial assumptions	\$ -	\$ -
Difference between projected and actual investment earnings	\$350,292	\$ -
Changes in proportion	\$ -	\$221,957
Contributions paid to PERA subsequent to the measurement date	\$168,177	\$ -
Total	\$518,469	\$408,516

**NOTE 4 OTHER INFORMATION (continued)**

**A. Public Employee’s Retirement Association (continued)**

\$168,177 reported as deferred outflows of resources related to pensions resulting from City of New Brighton contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	Pension Expense Amount
2016	\$(48,599)
2017	\$(48,599)
2018	\$(48,599)
2019	\$87,573
2020	\$ -
Thereafter	\$ -

**2. PEPFF Pension Costs**

At December 31, 2015, the City of New Brighton reported a liability of \$3,124,644 for its proportionate share of the PEPFF’s net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City of New Brighton’s proportion of the net pension liability was based on the City of New Brighton’s contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2014, through June 30, 2015, relative to the total employer contributions received from all of PERA’s participating employers. At June 30, 2015, the City of New Brighton’s proportion was .275% which was an increase/decrease of .003% from its proportion measured as of June 30, 2014.

For the year ended December 31, 2015, the City of New Brighton recognized pension expense of \$543,850 for its proportionate share of the PEPFF’s pension expense. The City of New Brighton also recognized \$24,750 for the year ended December 31, 2015, as pension expense (and grant revenue) for its proportionate share of the State of Minnesota’s on-behalf contributions to the PEPFF. Legislation passed in 2013 required the State of Minnesota to begin contributing \$9 million to the PEPFF each year, starting in fiscal year 2014.

**NOTE 4 OTHER INFORMATION (continued)**

**A. Public Employee's Retirement Association (continued)**

At December 31, 2015, the City of New Brighton reported its proportionate share of the PEPFF's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$506,715
Changes in actuarial assumptions	\$ -	\$ -
Difference between projected and actual investment earnings	\$544,418	\$ -
Changes in proportion	\$ 27,001	\$ -
Contributions paid to PERA subsequent to the measurement date	\$214,120	\$ -
Total	\$785,539	\$506,715

\$214,120 reported as deferred outflows of resources related to pensions resulting from City of New Brighton contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	Pension Expense Amount
2016	\$40,162
2017	\$40,162
2018	\$40,162
2019	\$40,161
2020	(\$95,943)
Thereafter	\$ -

**NOTE 4 OTHER INFORMATION (continued)**

**A. Public Employee's Retirement Association (continued)**

e. Actuarial Assumptions

The total pension liability in the June 30, 2015, actuarial valuation was determined using the entry age normal actuarial cost method and the following actuarial assumptions:

Inflation	2.75% per year
Active Member Payroll Growth	3.50% per year
Investment Rate of Return	7.90%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors and disabilitants were based on RP-2000 tables for males or females, as appropriate, with slight adjustments. Cost of living benefit increases for retirees are assumed to be: 1% effective every January 1<sup>st</sup> until 2026, then 2.5% for GEF and PEPFF, and 2.5% for all years (PECF).

Actuarial assumptions used in the June 30, 2015, valuation were based on the results of actuarial experience studies. The experience study in the GEF was for the period July 1, 2004, through June 30, 2008, with an update of economic assumptions in 2014. Experience studies have not been prepared for the PERA's other plans, but assumptions are reviewed annually.

There were no changes in actuarial assumptions in 2015.

The long-term expected rate of return on pension plan investments is 7.9%. The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness of the long-term expected rate of return on a regular basis 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 arithmetic 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	45%	5.50%
International Stocks	15%	6.00%
Bonds	18%	1.45%
Alternative Assets	20%	6.40%
Cash	2%	0.50%

**NOTE 4 OTHER INFORMATION (continued)**

**A. Public Employee’s Retirement Association (continued)**

f. Discount Rate

The discount rate used to measure the total pension liability was 7.9%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, each of the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

g. Pension Liability Sensitivity

The following presents the City of New Brighton’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 of New Brighton’s proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (6.9%)	Discount Rate (7.9%)	1% Increase in Discount Rate (8.9%)
City of New Brighton’s proportionate share of the GERF net pension liability:	\$5,818,216	\$3,700,320	\$1,951,261
City of New Brighton’s proportionate share of the PEPFF net pension liability:	\$6,089,963	\$3,124,644	\$674,773

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](http://www.mnpera.org) ; or by writing to PERA at 60 Empire Drive #200, St Paul, Minnesota, 55103-2088; or by calling 651-296-7460 or 1-800-652-9026.

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**B. Defined Contribution Plan**

Two council members of the City of New Brighton are covered by the defined contribution pension plan administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the Public Employees Defined Contribution Plan (PEDCP), which is a multi-employer deferred compensation plan.

a. Funding policy

The PEDCP is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. Minnesota Statutes, Chapter 353D.03, specifies plan provisions including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5 percent of salary, which is matched by the elected official's employer.

For salaried employees contributions must be a fixed percentage of salary. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives 2 percent of employer contributions and twenty-five hundredths of one percent of the assets in each member's account annually. The City's contributions to the Defined Contribution Plan for the years ending December 31, 2015, 2014, and 2013 were \$700, \$671, and \$350 respectively. These amounts are equal to the contractually required contributions for each year as set by state statute.

**C. Defined Benefit Pension Plan – Volunteer Firefighter's Relief Association**

a. Plan Description

The City of New Brighton Firefighter's Relief Association is the administrator of a single employer defined benefit pension plan established to provide benefits for members of the City of New Brighton Fire Department per Minnesota State Statutes.

The Association issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to City of New Brighton Firefighter's Association, 803 Old Highway 8 NW, New Brighton, Minnesota 55112.

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**C. Defined Benefit Pension Plan – Volunteer Firefighter’s Relief Association (continued)**

b. Benefits Provided

Volunteer firefighters of the City are members of the City of New Brighton’s Fire Fighter's Relief Association. Full retirement benefits are payable to members who have reached age 50 and have completed 15 years of service for monthly service pension, or 10 years of service for lump sum service pension. Partial benefits are payable to members who have reached 50 and have completed 10 years of service. Disability benefits and widow and children's survivor benefits are also payable to members or their beneficiaries based upon requirements set forth in the bylaws. These benefit provisions and all other requirements are consistent with enabling state statutes.

c. Employees Covered by Benefit Terms

At December 31, 2015, the following employees were covered by the benefit terms:

Inactive employees entitled to but not yet receiving benefits	8
Active members	<u>43</u>
Total	<u>51</u>

d. Contributions

Minnesota Statutes Chapter 424A.092 specifies minimum support rates required on an annual basis. The minimum support rates from the municipality and from State aids are determined as the amount required to meet the normal cost plus amortizing any existing prior service costs over a ten year period. The City's obligation is the financial requirement for the year less state aids. Any additional payments by the City shall be used to amortize the unfunded liability of the relief association. The Association is comprised of volunteers: therefore, there are no payroll expenditures (i.e. there are no covered payroll percentage calculations). During the year, the City recognized as revenue and as an expenditure an on behalf payment of \$122,575 made by the State of Minnesota for the Relief Association.

e. Net Pension Liability

The City's net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**C. Defined Benefit Pension Plan – Volunteer Firefighter’s Relief Association (continued)**

f. Actuarial assumptions

The total pension liability in the December 31, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%	
Salary increase	N/A	
Investment rate of return	6.75%	net of pensions plan investment expense: including inflation

The value of death benefits is similar to the value of the retirement pension. Because of low retirement ages, the plan assumes no pre-retirement mortality. Post-retirement mortality does not apply as the benefit structure and form of payment do not reflect lifetime benefits.

The long-term return on assets has been set based on the plan's target investment allocation along with long-term return expectations by asset class. When there is sufficient historical evidence of market outperformance, historical average returns may be considered. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of the measurement date are summarized in the following table.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	32.62%	1.75%
Domestic Equity	66.98%	5.25%
International Equity	-	5.25%
Real Estate and Alternative	-	3.75%
Cash and Equivalents	<u>0.040%</u>	<u>.25%</u>
Total (weighted Ave, rounded ¼%)	100%	6.75%

g. Discount rate

The discount rate used to measure the total pension liability was 6.75%. Assets were projected using expected benefit payments and expected asset returns. Expected benefit payments by year were discounted using the expected asset return assumption for years in which the assets were sufficient to pay all benefit payments. Any remaining benefit payments after the trust fund is exhausted are discounted at the municipal bond rate. The equivalent single rate is the discount rate.

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**C. Defined Benefit Pension Plan – Volunteer Firefighter’s Relief Association (continued)**

h. Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(c) = (a) - (b)
Balance at previous Measurement Date 12/31/2014	\$3,352,828	\$ 3,832,700	\$ (479,872)
Changes for the year:			
Service cost	93,391	-	93,391
Interest	223,890	-	223,890
Contributions - State and local	-	124,575	(124,575)
Net investment income	-	14,046	(14,046)
Benefit payments, including member contribution refunds	(258,650)	(258,650)	-
Administrative expense	-	(9,200)	9,200
Other deductions (e.g. payables)	-	(267)	267
Net changes	58,631	(129,496)	188,127
Balance at December 31, 2015	<u>\$3,411,459</u>	<u>\$ 3,703,204</u>	<u>\$ (291,745)</u>

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate 6.75%	1% Increase (7.75%)
Fire Relief Net Pension Liability	<u>\$ (227,895)</u>	<u>\$ (291,745)</u>	<u>\$ (352,366)</u>

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**C. Defined Benefit Pension Plan – Volunteer Firefighter’s Relief Association (continued)**

i. Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued relief association financial report.

j. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2015, the City recognized pension expense of \$120,848. At December 31, 2015, the City reported 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 experience	\$ -	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	191,854	-
Contributions paid to Volunteer Firefighters Relief Association subsequent to the measurement date	<u>124,575</u>	<u>-</u>
Total	<u>\$ 316,429</u>	<u>\$ -</u>

\$124,575 reported as deferred outflows of resources related to pensions resulting from State contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended:</u>	<u>Future Recognition</u>
2016	47,963
2017	47,963
2018	47,963
2019	47,965
2020	-
Thereafter	<u>-</u>
	<u>\$ 191,854</u>

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Risk management**

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

Workers' compensation coverage is provided through a pooled self-insurance program through the League of Minnesota Cities Insurance Trust (LMCIT). The City pays an annual premium to LMCIT. The City is subject to supplemental assessments if deemed necessary by the LMCIT. The LMCIT reinsures through Workers' Compensation Reinsurance Association (WCRA) as required by law. For workers' compensation, the City has a \$50,000 deductible. The City's workers' compensation coverage is retrospectively rated. With this type of coverage, final premiums are determined after loss experience is known. The amount of premium adjustment, if any, is considered immaterial and not recorded until received or paid.

Comprehensive general liability, comprehensive automotive liability, and property/casualty insurance are provided through a pooled self-insurance program through the LMCIT up to the maximum of \$2,000,000. The City pays an annual premium to the LMCIT. The City is subject to supplemental assessments if deemed necessary by the LMCIT. The LMCIT reinsures through commercial companies for claims in excess of various amounts. The City retains the risk of the first \$50,000 of each occurrence with an annual maximum exposure of \$200,000. These amounts are considered immaterial to the financial statements.

The City continues to carry commercial insurance for all other risks of loss, including employee health and disability insurance. There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three fiscal years.

Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amount for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims.

The claims liability of \$51,665 for workers compensation and \$58,335 for property casualty reported in the Risk Management Fund at December 31, 2015 are based on the requirements of Government Accounting Standards Board Statement No. 10. This statement requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates it is probably that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated (IBNR).

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Risk management (continued)**

Changes in the fund’s claims liability amount are shown in the following table:

		Risk Management Fund			
		Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	Ending of Fiscal Year Liability
Workers Compensation:					
2015	\$	27,559	\$ 100,824	\$ 76,718	\$ 51,665
Property Casualty:					
2015		136,070	33,487	111,222	58,335

**E. Deferred ad valorem tax levies – bonded debt**

General Obligation bond issues sold by the City are financed by ad valorem tax levies and special assessment bond issues sold by the City are partially financed by ad valorem tax levies in addition to special assessments levied against the benefiting properties. When a bond issue to be financed partially or completely by ad valorem tax levies is sold, specific annual amounts of such tax levies are stated in the bond resolution and the County Auditor is notified and instructed to levy these taxes over the appropriate years. The future tax levies are subject to cancellation when and if the City has provided alternative sources of financing. The City Council is required to levy any additional taxes found necessary for full payment of principal and interest.

These future scheduled tax levies are not shown as assets in the accompanying financial statements at December 31, 2015.

**F. Other post-employment benefits**

In 2008, the City of New Brighton implemented the requirement of a new accounting pronouncement, GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. An actuarial valuation was calculated to determine the City’s annual required contribution (ARC) liability. The City has only the implicit rate subsidy OPEB and, historically, retirees reaching the age of 65 do not stay on the plan. The ARC liability calculated was determined to be immaterial for 2015. Therefore, no liability for other post-employment benefits has been recorded in the financial statements.

## **NOTE 5 - GASB STATEMENTS ISSUED BUT NOT YET IMPLEMENTED**

GASB has issued GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. The new statement requires governments in all types of OPEB plans to present more extensive note disclosures and required supplementary information (RSI) about OPEB liabilities.

## **NOTE 6 - SUBSEQUENT EVENTS**

### **A. Water Treatment Plant**

Providing a safe and reliable water supply is one of the most important functions that New Brighton performs. In the 1980s, New Brighton successfully dealt with the Army's contamination of its water supply. In 2014, the City and the Army reached a landmark settlement that secures funding for our state-of-the-art water treatment plant which is designed to remove known contaminants. As water testing technology improves, the City continuously monitors the water supply to ensure the water stays clean.

In 2015, this continued testing revealed trace amounts of 1,4-dioxane in our water. Although health risks from this new contaminant are very low, the City took the water treatment plant off line and began drawing water for its residents using four deep wells connected to the Mount Simon-Hinckley Aquifer – an uncontaminated water supply.

A \$26.8 million dollar planned expansion of the City's water treatment plant to remove dioxane is anticipated to be completed in 2018. In the meantime, the City is in the process of constructing a connection to the Minneapolis water system that will provide the necessary capacity to meet all residential, business, and fire protection needs until the water treatment plant is operating and has resumed normal operations.

### **B. Partial Crossover Refunding**

On January 5, 2016, the City issued \$8,705,000 of G.O. Tax Increment Refunding Bonds with an interest rate of 2.73%. An escrow account was established with the proceeds of the Bonds, which will redeem a portion of the 2025 maturity and the entire 2026 through 2033 maturities of the Series 2007B Bonds on August 1, 2017 (the "Call Date"). The City will continue to pay the principal and interest payments on the refunded portion of the Series 2007B Bonds as they become due, at the rates and amounts originally specified, through the Call Date. The refunding resulted in a net present value savings of \$1,082,572.

**NOTE 6 - SUBSEQUENT EVENTS (Continued)**

**C. New Brighton Lion's Park**

The New Brighton Exchange redevelopment project includes the construction of the City's newest park (Lion's Park) which is expected to begin construction in 2016 and will connect to Ramsey County's Long Lake Region Park. Still in the planning stages, the estimated cost is \$1.6 million and will include a lighted softball diamond and official lacrosse field.

**REQUIRED  
SUPPLEMENTARY  
INFORMATION**

**CITY OF NEW BRIGHTON, MINNESOTA**

**Statement 12**

**PROPORTIONATE SHARE OF NET PENSION LIABILITY - GERF RETIREMENT FUND**

Last Ten Fiscal Years

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<u>Fiscal Year</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Pension Liability (Asset)</u>	<u>Covered Employee Payroll</u>	<u>Proportionate Share of the Pension Liability (Asset) as a Percentage of its Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
2015	0.071%	\$ 3,700,320	\$ 4,125,373	89.7%	78.2%

Note: GASB 68 was implemented in 2015. Schedules are intended to show ten years of information. Additional year will be displayed as they become available.

**CITY OF NEW BRIGHTON, MINNESOTA**

**Statement 13**

**PROPORTIONATE SHARE OF NET PENSION LIABILITY - PEPFF RETIREMENT FUND**

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Pension Liability (Asset)</u>	<u>Covered Employee Payroll</u>	<u>Proportionate Share of the Pension Liability (Asset) as a Percentage of its Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
2015	0.275%	\$ 3,124,644	\$ 2,444,735	127.8%	86.6%

Note: GASB 68 was implemented in 2015. Schedules are intended to show ten years of information. Additional year will be displayed as they become available.

**CITY OF NEW BRIGHTON, MINNESOTA**  
**CITY CONTRIBUTIONS, GERF RETIREMENT FUND**  
 Last Ten Fiscal Years

**Statement 14**

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<u>Fiscal Year</u>	<u>Statutorily Required Contribution</u>	<u>Contributions in Relation to the Statutorily Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Employee Payroll</u>	<u>Contribution as a Percentage of Covered Employee Payroll</u>
2015	\$ 309,403	\$ 309,403	\$ -	\$ 4,125,373	7.50%

Note: GASB 68 was implemented in 2015. Schedules are intended to show ten years of information. Additional year will be displayed as they become available.

**CITY OF NEW BRIGHTON, MINNESOTA**  
**CITY CONTRIBUTIONS, PEPFF RETIREMENT FUND**  
 Last Ten Fiscal Years

**Statement 15**

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<u>Fiscal Year</u>	<u>Statutorily Required Contribution</u>	<u>Contributions in Relation to the Statutorily Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Employee Payroll</u>	<u>Contribution as a Percentage of Covered Employee Payroll</u>
2015	\$ 396,047	\$ 396,047	\$ -	\$ 2,444,735	16.20%

Note: GASB 68 was implemented in 2015. Schedules are intended to show ten years of information. Additional year will be displayed as they become available.

**CITY OF NEW BRIGHTON, MINNESOTA**  
**EMPLOYER CONTRIBUTIONS AND NON-EMPLOYER**  
**CONTRIBUTING ENTITIES, FIRE RELIEF ASSOCIATION**  
 Last Ten Fiscal Years

**Statement 16**

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	<u>2015</u>
Employer:	
Satorily determined contribution (SDC)	\$ -
Contribution deficiency SDC	-
Contribution deficiency (excess)	<u>\$ -</u>
Non-employer	
2% aid	\$ 122,575

Note: GASB 68 was implemented for the year ended December 31, 2015. Schedules are intended to show ten years of information. Additional year will be displayed as they become available.

**CITY OF NEW BRIGHTON, MINNESOTA**  
**CHANGES IN NET PENSION LIABILITY AND**  
**RELATED RATIOS, FIRE RELIEF ASSOCIATION**  
Last Ten Fiscal Years

**Statement 17**

	<u>2015</u>
Total Pension Liability (TPL)	
Service Cost	\$ 93,391
Interest	223,890
Difference between expected and actual experience	-
Changes of assumptions	-
Changes of benefit terms	-
Benefit payments, including refunds or member contributions	(258,650)
Net change in total pension liability	<u>58,631</u>
Beginning of year (1)	<u>3,352,828</u>
End of Year	<u><u>\$ 3,411,459</u></u>
Plan Fiduciary Net Pension (FNP)	
Contributions - employer	\$ 124,575
Contributions - employee	-
Net investment income	14,046
Benefit payments, including refunds or member contributions	(258,650)
Administrative expenses	(9,200)
Other	(267)
Net Change in plan fiduciary net	<u>(129,496)</u>
Beginning of year (1)	<u>3,832,700</u>
End of Year	<u><u>\$ 3,703,204</u></u>
Net Pension Liability (NPL)	<u><u>\$ (291,745)</u></u>

Note: GASB 68 was implemented for the year ended December 31, 2015. Schedules are intended to show ten years of information. Additional year will be displayed as they become available.



## **NONMAJOR GOVERNMENTAL FUNDS**

Golf Course – Accounts for the resources and payments related to the operation and maintenance of a nine-hole golf course.

Community Reinvestment - Accounts for funds which the City has dedicated to the community improvements.

Closed Bond Fund - Accumulates the residual from bond issues which is used to pay debt.

Park Improvements - Accounts for capital projects in the municipal parks.

**CITY ON NEW BRIGHTON, MINNESOTA**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**December 31, 2015**

	<u>Special Revenue</u>	<u>Capital Projects</u>
	<u>Golf Course</u>	<u>Community</u>
	<u>Fund</u>	<u>Reinvestment</u>
		<u>Fund</u>
Assets:		
Cash and investments	\$ 1,000	\$ 3,179,695
Accrued interest receivable	196	18,863
Accounts receivable	64	-
Interfund receivable	-	497,086
Taxes receivable:		
Delinquent	-	977
Due from county	-	2,539
Special assessments receivable:		
Delinquent	-	-
Deferred	-	-
Due from county	-	-
Prepaid items	110	-
Total assets	<u>\$ 1,370</u>	<u>\$ 3,699,160</u>
Liabilities		
Accounts payable	\$ 784	\$ 10,978
Salaries and benefits payable	2,904	-
Total liabilities	<u>3,688</u>	<u>10,978</u>
Deferred inflows of resources		
Unavailable revenue - delinquent taxes	-	977
Unavailable revenue - special assessments not yet due	-	-
Total deferred inflows of resources	<u>-</u>	<u>977</u>
Fund Balance:		
Non-spendable	110	-
Restricted	-	-
Committed	-	-
Assigned	-	3,687,205
Unassigned	(2,428)	-
Total fund balance	<u>(2,318)</u>	<u>3,687,205</u>
Total liabilities, deferred inflows of resources and fund balances		
	<u>\$ 1,370</u>	<u>\$ 3,699,160</u>

Statement 18

Capital Projects		
Closed Bond Fund	Park Improvements Fund	Total Other Governmental Funds
\$ 3,369,686	\$ 716,112	\$ 7,266,493
6,670	629	26,358
-	-	64
-	-	497,086
-	-	977
2,235	-	4,774
742	-	742
47,267	-	47,267
2,270	-	2,270
-	-	110
<u>\$ 3,428,870</u>	<u>\$ 716,741</u>	<u>\$ 7,846,141</u>
-	-	11,762
-	-	2,904
-	-	14,666
-	-	977
48,009	-	48,009
<u>48,009</u>	<u>-</u>	<u>48,986</u>
-	-	110
-	716,741	716,741
3,380,861	-	3,380,861
-	-	3,687,205
-	-	(2,428)
<u>3,380,861</u>	<u>716,741</u>	<u>7,782,489</u>
<u>\$ 3,428,870</u>	<u>\$ 716,741</u>	<u>\$ 7,846,141</u>

**CITY OF NEW BRIGHTON, MINNESOTA**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES,**  
**EXPENDITURES AND CHANGES IN FUND BALANCES**  
**For The Year Ended December 31, 2015**

	<u>Special Revenue</u>	<u>Capital Projects</u>
	Golf Course	Community
	Fund	Reinvestment
	<u>Fund</u>	<u>Fund</u>
Revenues:		
General property taxes:		
Current and delinquent	\$ -	\$ 83,715
Charges for services	261,697	-
Special assessments:		
Current and delinquent	-	-
Penalties and interest	-	-
Investment income:		
Interest on investments	(77)	12,347
Change in fair value of investments	30	(6,466)
Interest on interfund loan	-	12,885
Miscellaneous Revenue		
Other:		
Park dedication charge	-	-
Total revenues	<u>261,650</u>	<u>102,481</u>
Expenditures		
Current:		
General government	-	-
Parks and recreation	321,434	-
Total expenditures	<u>321,434</u>	<u>-</u>
Excess deficiency of revenues over (under) expenditures	<u>(59,784)</u>	<u>102,481</u>
Other financing sources (uses)		
Transfer in	59,917	339,327
Transfer out	(140)	(502,437)
Total other financing sources (uses)	<u>59,777</u>	<u>(163,110)</u>
Net increase (decrease) in fund balance	(7)	(60,629)
Fund balance (deficit) - January 1	<u>(2,311)</u>	<u>3,747,834</u>
Fund balance (deficit) - December 31	<u>\$ (2,318)</u>	<u>\$ 3,687,205</u>

**Statement 19**

Capital Projects		
Closed Bond Fund	Park Improvements Fund	Total Other Governmental Funds
\$ -	\$ -	\$ 83,715
-	-	261,697
9,514	-	9,514
7,007	-	7,007
22,080	1,181	35,531
(6,237)	(1,199)	(13,872)
(207)	-	12,678
926	-	926
-	84,280	84,280
33,083	84,262	481,476
5,910	-	5,910
-	-	321,434
5,910	-	327,344
27,173	84,262	154,132
97,996	-	497,240
(382,226)	(27,256)	(912,059)
(284,230)	(27,256)	(414,819)
(257,057)	57,006	(260,687)
3,637,918	659,735	8,043,176
\$ 3,380,861	\$ 716,741	\$ 7,782,489



## **INTERNAL SERVICE FUNDS**

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the City, on a cost reimbursement basis.

Risk Management Fund - This fund is used to account for liability and workers' compensation insurance programs related to the ongoing operations.

Compensated Absences Fund - This fund is used to account for payment of unused vacation, severance and compensatory time, and allocation of such costs to respective departments.

Fleet Replacement Fund – This fund is used to account for the replacement of the City's fleet including all vehicles and heavy equipment that have a value of \$ 5,000 or more and a useful life of at least two years.

Non-Fleet Replacement Fund – This fund is used to account for the replacement of nonfleet capital items including miscellaneous equipment and furnishings that have a value of \$ 5,000 or more and a useful life of at least two years.

Information Technology Fund – This fund is used to account for the operations of the city-wide computer network system and the replacement of capital items such as computers, copiers, printers, and various technology related items that have a value of \$ 5,000 or more and a useful life of at least two years.

Pavement Management Fund – This fund is used to account for the replacement of parking lots, trails and hard courts that have a value of \$ 5,000 or more and a useful life of at least two years.

**CITY OF NEW BRIGHTON, MINNESOTA**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF NET POSITION**  
**For The Year Ended December 31, 2015**

	Risk Management	Compensated Absences	Fleet Replacement
<b>Assets:</b>			
Current assets:			
Cash and investments	\$ 1,537,941	\$ 873,599	\$ 6,203,037
Accrued Interest Receivable	2,144	-	1,559
Due from Other Governmental Units	1,593	-	-
Prepaid Items	-	-	-
Total current assets	<u>1,541,678</u>	<u>873,599</u>	<u>6,204,596</u>
Noncurrent assets:			
Capital assets:			
Buildings	-	-	-
Equipment	-	-	6,410,518
Other improvements	-	-	-
Construction in progress	-	-	15,871
Less: accumulated depreciation	-	-	(3,465,868)
Total capital assets (net of accumulated depreciation)	<u>-</u>	<u>-</u>	<u>2,960,521</u>
Total assets	<u>\$ 1,541,678</u>	<u>\$ 873,599</u>	<u>\$ 9,165,117</u>
Deferred Outflows of Resources:			
Deferred outflows of resources related to pensions	<u>1,326</u>	<u>-</u>	<u>-</u>
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable	\$ 42,495	\$ 731	\$ -
Salaries payable	426	-	-
Workers Comp IBNR	51,665	-	-
Property Casualty IBNR	58,335	-	-
Compensated absences - current	-	559,433	-
Total current liabilities	<u>152,921</u>	<u>560,164</u>	<u>-</u>
Noncurrent liabilities:			
Compensated absences - noncurrent	-	379,500	-
Net Pension Liability	9,461	-	-
Total non-current liabilities	<u>9,461</u>	<u>379,500</u>	<u>-</u>
Total liabilities	<u>162,382</u>	<u>939,664</u>	<u>-</u>
Deferred Inflows of Resources:			
Deferred inflows of resources related to pensions	<u>1,045</u>	<u>-</u>	<u>-</u>
<b>Net Position:</b>			
Investment in capital assets	-	-	2,960,521
Unrestricted	1,379,577	(66,065)	6,204,596
Total net position	<u>\$ 1,379,577</u>	<u>\$ (66,065)</u>	<u>\$ 9,165,117</u>

Statement 20

Non-Fleet Replacement	Information Technology	Pavement Management	Total
\$ 3,863,792	\$ 1,389,462	\$ 955,575	\$ 14,823,406
-	-	-	3,703
-	-	-	1,593
-	1,887	-	1,887
<u>3,863,792</u>	<u>1,391,349</u>	<u>955,575</u>	<u>14,830,589</u>
1,476,618	-	-	1,476,618
1,858,644	1,291,369	-	9,560,531
347,727	89,913	626,287	1,063,927
23,275	109,020	-	148,166
<u>(1,124,801)</u>	<u>(1,019,767)</u>	<u>(71,410)</u>	<u>(5,681,846)</u>
2,581,463	470,535	554,877	6,567,396
<u>\$ 6,445,255</u>	<u>\$ 1,861,884</u>	<u>\$ 1,510,452</u>	<u>\$ 21,397,985</u>
-	14,528	-	15,854
\$ 271,041	\$ 24,096	\$ 66	\$ 338,429
-	4,793	-	5,219
-	-	-	51,665
-	-	-	58,335
-	-	-	559,433
<u>271,041</u>	<u>28,889</u>	<u>66</u>	<u>1,013,081</u>
-	-	-	379,500
-	103,687	-	113,148
-	103,687	-	492,648
<u>271,041</u>	<u>132,576</u>	<u>66</u>	<u>1,505,729</u>
-	11,447	-	12,492
2,581,463	470,535	554,877	6,567,396
3,592,751	1,261,854	955,509	13,328,222
<u>\$ 6,174,214</u>	<u>\$ 1,732,389</u>	<u>\$ 1,510,386</u>	<u>\$ 19,895,618</u>

**CITY OF NEW BRIGHTON, MINNESOTA**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF REVENUE,**  
**EXPENSES AND CHANGES IN NET POSITION**  
For The Year Ended December 31, 2015

	Risk Management	Compensated Absences	Fleet Replacement
Operating revenue:			
Customer charges	\$ 486,085	\$ 43,900	\$ 421,300
Total operating revenues	<u>486,085</u>	<u>43,900</u>	<u>421,300</u>
Operating expenses:			
Personnel services	15,518	121,032	-
Materials and supplies	-	-	-
Contractual services	466,230	-	-
Professional services	-	-	16,802
Depreciation	-	-	413,435
Total operating expenses	<u>481,748</u>	<u>121,032</u>	<u>430,237</u>
Operating income (loss)	<u>4,337</u>	<u>(77,132)</u>	<u>(8,937)</u>
Nonoperating revenues (expenses):			
Investment income:			
Interest on investments	8,814	5,677	39,699
Change in fair value of investments	(2,472)	(1,574)	(11,038)
Gain (loss) on disposal of capital assets	-	-	38,203
Miscellaneous Revenue	14,471	-	-
Total nonoperating revenues (expenses)	<u>20,813</u>	<u>4,103</u>	<u>66,864</u>
Income (loss) before capital contributions and transfers	<u>25,150</u>	<u>(73,029)</u>	<u>57,927</u>
Capital contributions	-	-	39,029
School district grant - capital contributions	-	-	9,000
Transfers in	-	-	161,421
Change in net position	25,150	(73,029)	267,377
Net position - January 1, restated	<u>1,354,427</u>	<u>6,964</u>	<u>8,897,740</u>
Net position - December 31	<u>\$ 1,379,577</u>	<u>\$ (66,065)</u>	<u>\$ 9,165,117</u>

**Statement 21**

Non-Fleet Replacement	Information Technology	Pavement Management	Total
\$ 395,300	\$ 534,800	\$ 108,600	\$ 1,989,985
<u>395,300</u>	<u>534,800</u>	<u>108,600</u>	<u>1,989,985</u>
-	176,757	-	313,307
4,739	26,222	-	30,961
-	194,302	-	660,532
70,274	91,438	-	178,514
173,361	76,405	21,506	684,707
<u>248,374</u>	<u>565,124</u>	<u>21,506</u>	<u>1,868,021</u>
<u>146,926</u>	<u>(30,324)</u>	<u>87,094</u>	<u>121,964</u>
26,210	9,427	5,801	95,628
(7,221)	(2,612)	(1,626)	(26,543)
(2,936)	(12,895)	-	22,372
800	6,000	-	21,271
<u>16,853</u>	<u>(80)</u>	<u>4,175</u>	<u>112,728</u>
<u>163,779</u>	<u>(30,404)</u>	<u>91,269</u>	<u>234,692</u>
5,238	-	-	44,267
-	1,500	-	10,500
10,579	-	50,000	222,000
<u>179,596</u>	<u>(28,904)</u>	<u>141,269</u>	<u>511,459</u>
<u>5,994,618</u>	<u>1,761,293</u>	<u>1,369,117</u>	<u>19,384,159</u>
<u>\$ 6,174,214</u>	<u>\$ 1,732,389</u>	<u>\$ 1,510,386</u>	<u>\$ 19,895,618</u>

**CITY OF NEW BRIGHTON, MINNESOTA**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**For The Year Ended December 31, 2015**

	Risk Management	Compensated Absences	Fleet Replacement
<b>Cash flows from operating activities:</b>			
Receipts from customers and users	\$ 486,000	\$ 43,900	\$ 421,300
Payments to employees	(15,230)	(79,920)	-
Payments to suppliers for goods and services	(319,087)	-	(16,802)
Net cash provided (used) by operating activities	<u>151,683</u>	<u>(36,020)</u>	<u>404,498</u>
<b>Cash flows from noncapital financing activities:</b>			
Miscellaneous Revenue	<u>12,964</u>	-	-
<b>Cash flows from capital and related financing activities:</b>			
Acquisition of capital assets	-	-	(561,357)
Transfers	-	-	161,421
Proceeds from sale of capital assets	-	-	38,203
School District Grant	-	-	9,000
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>-</u>	<u>(352,733)</u>
<b>Cash flows from investing activities:</b>			
<b>Investment income:</b>			
Interest on investments	6,377	4,125	28,818
Change in fair value of investments	(2,472)	(1,574)	(11,038)
Net cash provided (used) by investing activities	<u>3,905</u>	<u>2,551</u>	<u>17,780</u>
Net increase in cash and cash equivalents	168,552	(33,469)	69,545
Cash and cash equivalents - January 1	<u>1,369,389</u>	<u>907,068</u>	<u>6,133,492</u>
Cash and cash equivalents - December 31	<u>\$ 1,537,941</u>	<u>\$ 873,599</u>	<u>\$ 6,203,037</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>			
Operating income (loss)	\$ 4,337	\$ (77,132)	\$ (8,937)
<b>Adjustments to reconcile operating income (loss) to net cash flows from operating activities:</b>			
Depreciation	-	-	413,435
<b>Changes in assets and liabilities:</b>			
Pension Expense	234	-	-
Decrease (increase) in prepaids	-	-	-
Decrease (increase) in receivables	(85)	-	-
Increase (decrease) in payables	147,197	41,112	-
Total adjustments	<u>147,346</u>	<u>41,112</u>	<u>413,435</u>
Net cash provided (used) by operating activities	<u>\$ 151,683</u>	<u>\$ (36,020)</u>	<u>\$ 404,498</u>
<b>Noncash investing, capital and financing activities:</b>			
Capital Contributions	\$ -	\$ -	\$ 39,029

Statement 22

Non-Fleet Replacement	Information Technology	Pavement Management	Total
\$ 395,300	\$ 534,800	\$ 108,600	\$ 1,989,900
-	(173,510)	-	(268,660)
(210,969)	(363,849)	-	(910,707)
<u>184,331</u>	<u>(2,559)</u>	<u>108,600</u>	<u>810,533</u>
800	6,000	-	19,764
(923,610)	(143,010)	-	(1,627,977)
10,579	-	50,000	222,000
(2,936)	-	-	35,267
-	1,500	-	10,500
<u>(915,967)</u>	<u>(141,510)</u>	<u>50,000</u>	<u>(1,360,210)</u>
19,091	6,852	4,199	69,462
(7,221)	(2,612)	(1,626)	(26,543)
<u>11,870</u>	<u>4,240</u>	<u>2,573</u>	<u>42,919</u>
(718,966)	(133,829)	161,173	(486,994)
<u>4,582,758</u>	<u>1,523,291</u>	<u>794,402</u>	<u>15,310,400</u>
<u>\$ 3,863,792</u>	<u>\$ 1,389,462</u>	<u>\$ 955,575</u>	<u>\$ 14,823,406</u>
\$ 146,926	\$ (30,324)	\$ 87,094	\$ 121,964
173,361	76,405	21,506	684,707
-	2,562	-	2,796
-	(1,887)	-	(1,887)
-	-	-	(85)
(135,956)	(49,315)	-	3,038
<u>37,405</u>	<u>27,765</u>	<u>21,506</u>	<u>688,569</u>
<u>\$ 184,331</u>	<u>\$ (2,559)</u>	<u>\$ 108,600</u>	<u>\$ 810,533</u>
\$ 5,238	\$ -	\$ -	\$ 44,267



## **AGENCY FUNDS**

Agency Funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. The City of New Brighton has the following Agency Funds:

Hazardous Materials Program - Accounts for a joint powers hazardous materials response team. Members of the response team are the cities of New Brighton and Roseville and the Lake Johanna Fire Department.

**CITY OF NEW BRIGHTON, MINNESOTA**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
For The Year Ended December 31, 2015

**Statement 23**

	<u>Balance</u> 1/1/2015	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> 12/31/2015
<b>Hazardous Materials Program Fund:</b>				
<b>Assets</b>				
Cash and investments with trust agent	\$ 15,042	-	\$ 3,765	\$ 11,277
Due from other governmental units	878	1,269	-	2,147
Total assets	<u>\$ 15,920</u>	<u>\$ 1,269</u>	<u>\$ 3,765</u>	<u>\$ 13,424</u>
<b>Liabilities</b>				
Accounts payable	\$ 297	\$ 602	\$ 26	\$ 873
Due to other governmental units	15,623	-	3,072	12,551
Total liabilities	<u>\$ 15,920</u>	<u>\$ 602</u>	<u>\$ 3,098</u>	<u>\$ 13,424</u>

**SUPPLEMENTARY  
FINANCIAL  
INFORMATION**

**CITY OF NEW BRIGHTON, MINNESOTA**  
**TAX INCREMENT FINANCING CAPITAL PROJECT FUNDS**  
**SUBCOMBINING BALANCE SHEET**  
December 31, 2015

	Tax Increment District 16	Tax Increment District 17	Tax Increment District 18
<b>Assets:</b>			
Cash and investments	\$ -	\$ 102,460	\$ 441,390
Accrued interest receivable	-	396	-
Taxes receivable:			
Delinquent	-	-	-
Due from county	-	-	16,593
Assets held for resale	-	-	-
Prepaid expenses	-	-	-
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 102,856</b>	<b>\$ 457,983</b>
<b>Liabilities:</b>			
Accounts payable	\$ 28	\$ -	\$ 2,778
Due to other governmental units	-	-	-
Interfund loans payable	-	-	-
<b>Total Liabilities</b>	<b>28</b>	<b>-</b>	<b>2,778</b>
<b>Deferred inflows of resources:</b>			
Unavailable revenue - delinquent taxes	-	-	-
<b>Fund balance (deficit):</b>			
Nonspendable	-	-	-
Restricted	-	102,856	455,205
Unassigned	(28)	-	-
<b>Total fund balance (deficit)</b>	<b>(28)</b>	<b>102,856</b>	<b>455,205</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ -</b>	<b>\$ 102,856</b>	<b>\$ 457,983</b>

<u>Tax Increment District 20</u>	<u>Tax Increment District 23</u>	<u>Tax Increment District 25</u>	<u>Tax Increment District 26</u>	<u>Tax Increment District 27</u>	<u>Tax Increment District 28</u>
\$ 156,076	\$ 15,755	\$ -	\$ 674,847	\$ -	\$ 336,256
4,578	57	148	-	-	-
-	-	5,700	2,574	-	14,755
-	-	-	6,920	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 160,654</u>	<u>\$ 15,812</u>	<u>\$ 5,848</u>	<u>\$ 684,341</u>	<u>\$ -</u>	<u>\$ 351,011</u>
\$ -	\$ -	\$ -	\$ 2,581	\$ 96	\$ 1,170
-	-	-	-	-	5
-	62,266	476,577	-	189,099	-
-	62,266	476,577	2,581	189,195	1,175
-	-	5,700	2,574	-	14,755
-	-	-	-	-	-
160,654	-	-	679,186	-	335,081
-	(46,454)	(476,429)	-	(189,195)	-
160,654	(46,454)	(476,429)	679,186	(189,195)	335,081
<u>\$ 160,654</u>	<u>\$ 15,812</u>	<u>\$ 5,848</u>	<u>\$ 684,341</u>	<u>\$ -</u>	<u>\$ 351,011</u>

**CITY OF NEW BRIGHTON, MINNESOTA**  
**TAX INCREMENT FINANCING CAPITAL PROJECT FUNDS**  
**SUBCOMBINING BALANCE SHEET**  
December 31, 2015

	Tax Increment District 29	Tax Increment District 30	Tax Increment District #31
<b>Assets:</b>			
Cash and investments	\$ -	\$ 2,375	\$ -
Accrued interest receivable	-	-	6,203
Taxes receivable:			
Delinquent	-	-	-
Due from county	-	-	-
Assets held for resale	-	-	494,800
Prepaid expenses	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ -</u>	<u>\$ 2,375</u>	<u>\$ 501,003</u>
<b>Liabilities:</b>			
Accounts payable	\$ 190	\$ 438	\$ 9,100
Due to other governmental units	-	-	-
Interfund loans payable	148,609	684,976	5,723,565
Total Liabilities	<u>148,799</u>	<u>685,414</u>	<u>5,732,665</u>
<b>Deferred inflows of resources:</b>			
Unavailable revenue - delinquent taxes	-	-	-
<b>Fund balance (deficit):</b>			
Nonspendable	-	-	-
Restricted	-	-	-
Unassigned	(148,799)	(683,039)	(5,231,662)
Total fund balance (deficit)	<u>(148,799)</u>	<u>(683,039)</u>	<u>(5,231,662)</u>
	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ 2,375</u>	<u>\$ 501,003</u>

Tax Increment District #31A	Tax Increment District #32	Tax Increment District #32A	Tax Increment District 33	Total
\$ -	\$ -	\$ 31,233	\$ -	\$ 1,760,392
3,451	416	4,149	-	19,398
-	-	-	-	23,029
-	-	-	-	23,513
-	6,603,500	-	-	7,098,300
-	58,269	-	-	58,269
<u>\$ 3,451</u>	<u>\$ 6,662,185</u>	<u>\$ 35,382</u>	<u>\$ -</u>	<u>\$ 8,982,901</u>
\$ -	\$ 45,735	\$ 12,319	\$ 83	\$ 74,518
-	-	-	-	5
1,089,171	3,457,403	2,541,405	330,398	14,703,469
<u>1,089,171</u>	<u>3,503,138</u>	<u>2,553,724</u>	<u>330,481</u>	<u>14,777,992</u>
-	-	-	-	23,029
-	58,269	-	-	58,269
-	6,603,500	-	-	8,336,482
(1,085,720)	(3,502,722)	(2,518,342)	(330,481)	(14,212,871)
<u>(1,085,720)</u>	<u>3,159,047</u>	<u>(2,518,342)</u>	<u>(330,481)</u>	<u>(5,818,120)</u>
<u>\$ 3,451</u>	<u>\$ 6,662,185</u>	<u>\$ 35,382</u>	<u>\$ -</u>	<u>\$ 8,982,901</u>

**CITY OF NEW BRIGHTON, MINNESOTA**  
**TAX INCREMENT FINANCING CAPITAL PROJECT FUNDS**  
**SUBCOMBINING STATEMENT OF REVENUE, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
For The Year Ended December 31, 2015

	Tax Increment District 16	Tax Increment District 17	Tax Increment District 18
Revenue:			
Taxes:			
Tax increment	\$ 36,603	\$ 66,941	\$ 252,389
Investment income:			
Interest on investments	227	348	1,847
Change in fair value of investments	(61)	(88)	(415)
Miscellaneous Revenue	-	-	-
Total revenue	<u>36,769</u>	<u>67,201</u>	<u>253,821</u>
Expenditures:			
Current:			
Community development	380	7,244	959
Interfund interest	-	-	-
Total expenditures	<u>380</u>	<u>7,244</u>	<u>959</u>
Excess (deficiency) of revenue over (under) expenditures	<u>36,389</u>	<u>59,957</u>	<u>252,862</u>
Other financing source (uses):			
Transfer in	-	-	-
Transfer out	(72,913)	(33,743)	(267,267)
Sale of land or capital assets	-	-	-
Total other financing sources (uses)	<u>(72,913)</u>	<u>(33,743)</u>	<u>(267,267)</u>
Net increase (decrease) in fund balance	(36,524)	26,214	(14,405)
Fund balance (deficit) - January 1	<u>36,496</u>	<u>76,642</u>	<u>469,610</u>
Fund balance (deficit) - December 31	<u>\$ (28)</u>	<u>\$ 102,856</u>	<u>\$ 455,205</u>

<u>Tax Increment District 20</u>	<u>Tax Increment District 23</u>	<u>Tax Increment District 25</u>	<u>Tax Increment District 26</u>
\$ 495,884	\$ 15,369	\$ 432,723	\$ 780,199
1,871	19	797	1,278
(496)	(7)	(198)	(135)
-	-	-	-
<u>497,259</u>	<u>15,381</u>	<u>433,322</u>	<u>781,342</u>
1,854	578	10,327	2,750
-	2,395	34,202	-
<u>1,854</u>	<u>2,973</u>	<u>44,529</u>	<u>2,750</u>
<u>495,405</u>	<u>12,408</u>	<u>388,793</u>	<u>778,592</u>
-	-	-	-
(534,927)	-	(54,875)	(801,181)
-	-	-	-
<u>(534,927)</u>	<u>-</u>	<u>(54,875)</u>	<u>(801,181)</u>
(39,522)	12,408	333,918	(22,589)
<u>200,176</u>	<u>(58,862)</u>	<u>(810,347)</u>	<u>701,775</u>
<u>\$ 160,654</u>	<u>\$ (46,454)</u>	<u>\$ (476,429)</u>	<u>\$ 679,186</u>

**CITY OF NEW BRIGHTON, MINNESOTA**  
**TAX INCREMENT FINANCING CAPITAL PROJECT FUNDS**  
**SUBCOMBINING STATEMENT OF REVENUE, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
For The Year Ended December 31, 2015

	<u>Tax Increment District 27</u>	<u>Tax Increment District 28</u>	<u>Tax Increment District 29</u>	<u>Tax Increment District 30</u>
Revenue:				
Taxes:				
Tax increment	\$ 25,597	\$ 219,361	\$ 54,547	\$ 220,439
Investment income:				
Interest on investments	28	1,321	(181)	318
Change in fair value of investments	(9)	(337)	61	(83)
Miscellaneous Revenue	-	-	-	-
Total revenue	<u>25,616</u>	<u>220,345</u>	<u>54,427</u>	<u>220,674</u>
Expenditures:				
Current:				
Community development	1,054	314	1,067	5,366
Interfund interest	7,660	-	5,758	34,599
Total expenditures	<u>8,714</u>	<u>314</u>	<u>6,825</u>	<u>39,965</u>
Excess (deficiency) of revenue over (under) expenditures	<u>16,902</u>	<u>220,031</u>	<u>47,602</u>	<u>180,709</u>
Other financing source (uses):				
Transfer in	-	-	-	-
Transfer out	-	(174,243)	(46,075)	-
Sale of land or capital assets	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(174,243)</u>	<u>(46,075)</u>	<u>-</u>
Net increase (decrease) in fund balance	16,902	45,788	1,527	180,709
Fund balance (deficit) - January 1	<u>(206,097)</u>	<u>289,293</u>	<u>(150,326)</u>	<u>(863,748)</u>
Fund balance (deficit) - December 31	<u>\$ (189,195)</u>	<u>\$ 335,081</u>	<u>\$ (148,799)</u>	<u>\$ (683,039)</u>

<u>Tax Increment District #31</u>	<u>Tax Increment District #31A</u>	<u>Tax Increment District #32</u>	<u>Tax Increment District #32A</u>	<u>Tax Increment District 33</u>	<u>Total</u>
\$ 278,955	\$ 19,537	\$ 223,191	\$ 51,229	\$ 13,188	\$ 3,186,152
(9,998)	(12)	(1,223)	(254)	(27)	(3,641)
2,700	3	320	24	7	1,286
2,862	-	-	-	-	2,862
<u>274,519</u>	<u>19,528</u>	<u>222,288</u>	<u>50,999</u>	<u>13,168</u>	<u>3,186,659</u>
214,906	4,345	651,389	40,326	12,586	955,445
161,952	42,134	124,091	97,746	12,245	522,782
<u>376,858</u>	<u>46,479</u>	<u>775,480</u>	<u>138,072</u>	<u>24,831</u>	<u>1,478,227</u>
<u>(102,339)</u>	<u>(26,951)</u>	<u>(553,192)</u>	<u>(87,073)</u>	<u>(11,663)</u>	<u>1,708,432</u>
559,126	-	-	-	-	559,126
(2,269,180)	-	(168,147)	-	-	(4,422,551)
-	-	-	-	-	-
<u>(1,710,054)</u>	<u>-</u>	<u>(168,147)</u>	<u>-</u>	<u>-</u>	<u>(3,863,425)</u>
(1,812,393)	(26,951)	(721,339)	(87,073)	(11,663)	(2,154,993)
<u>(3,419,269)</u>	<u>(1,058,769)</u>	<u>3,880,386</u>	<u>(2,431,269)</u>	<u>(318,818)</u>	<u>(3,663,127)</u>
<u>\$ (5,231,662)</u>	<u>\$ (1,085,720)</u>	<u>\$ 3,159,047</u>	<u>\$ (2,518,342)</u>	<u>\$ (330,481)</u>	<u>\$ (5,818,120)</u>





**III. STATISTICAL  
SECTION  
(UNAUDITED)**



### III. Statistical Section (Unaudited)

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

<u>Contents</u>	<u>Page</u>
<b>Financial Trends</b> -----	<b>126</b>
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
<b>Revenue Capacity</b> -----	<b>134</b>
These schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax.	
<b>Debt Capacity</b> -----	<b>138</b>
These schedules present information to help the reader assess the afford-ability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
<b>Demographic and Economic Information</b> -----	<b>145</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	
<b>Operating Information</b> -----	<b>147</b>
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

**CITY OF NEW BRIGHTON, MINNESOTA**

**NET POSITION**

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year			
	2015	2014	2013	2012
<b>Governmental activities</b>				
Net Investment in capital assets	\$ 45,354,096	\$ 43,387,892	\$ 40,676,120	\$ 40,746,517
Restricted	1,198,804	1,444,849	1,207,779	1,337,498
Unrestricted	577,002	5,804,103	11,748,464	18,074,024
<b>Total governmental activities net position</b>	<b><u>\$ 47,129,902</u></b>	<b><u>\$ 50,636,844</u></b>	<b><u>\$ 53,632,363</u></b>	<b><u>\$ 60,158,039</u></b>
<b>Business-type activities</b>				
Net Investment in capital assets	\$ 11,631,546	\$ 12,296,679	\$ 11,511,673	\$ 11,326,255
Restricted	-	-	-	-
Unrestricted	1,693,129	2,679,887	2,550,101	3,164,475
<b>Total business-type activities net position</b>	<b><u>\$ 13,324,675</u></b>	<b><u>\$ 14,976,566</u></b>	<b><u>\$ 14,061,774</u></b>	<b><u>\$ 14,490,730</u></b>
<b>Primary government</b>				
Net Investment in capital assets	\$ 56,985,642	\$ 55,684,571	\$ 52,187,793	\$ 52,072,772
Restricted	1,198,804	1,444,849	1,207,779	1,337,498
Unrestricted	2,270,131	8,483,990	14,298,565	21,238,499
<b>Total primary government net position</b>	<b><u>\$ 60,454,577</u></b>	<b><u>\$ 65,613,410</u></b>	<b><u>\$ 67,694,137</u></b>	<b><u>\$ 74,648,769</u></b>

Note: The City implemented GASB Statement No. 68 and GASB Statement No. 71 in fiscal 2015. Years prior to 2015 have not been restated.

**Schedule 1**

Fiscal Year					
2011, Restated	2010	2009	2008	2007, Restated	2006
\$ 41,276,316	\$ 39,399,953	\$ 37,130,837	\$ 36,252,630	\$ 35,983,366	\$ (1,308,162)
1,452,611	2,802,493	4,505,248	6,942,556	9,623,225	23,466,889
15,851,796	14,083,779	10,417,177	483,829	(4,503,677)	28,563,054
<u>\$ 58,580,723</u>	<u>\$ 56,286,225</u>	<u>\$ 52,053,262</u>	<u>\$ 43,679,015</u>	<u>\$ 41,102,914</u>	<u>\$ 50,721,781</u>
\$ 11,054,111	\$ 10,560,115	\$ 10,124,668	\$ 9,302,659	\$ 9,513,849	\$ 9,767,381
58,940	58,940	58,940	58,940	58,940	58,940
3,366,382	3,508,642	3,839,992	4,926,513	4,802,394	3,538,189
<u>\$ 14,479,433</u>	<u>\$ 14,127,697</u>	<u>\$ 14,023,600</u>	<u>\$ 14,288,112</u>	<u>\$ 14,375,183</u>	<u>\$ 13,364,510</u>
\$ 52,330,427	\$ 49,960,068	\$ 47,255,505	\$ 45,555,289	\$ 45,497,215	\$ 8,459,219
1,511,551	2,861,433	4,564,188	7,001,496	9,682,165	23,525,829
19,218,178	17,592,421	14,257,169	5,410,342	298,717	32,101,243
<u>\$ 73,060,156</u>	<u>\$ 70,413,922</u>	<u>\$ 66,076,862</u>	<u>\$ 57,967,127</u>	<u>\$ 55,478,097</u>	<u>\$ 64,086,291</u>

**CITY OF NEW BRIGHTON, MINNESOTA**  
**CHANGES IN NET POSITION**  
 Last Ten Fiscal Years  
 (accrual basis of accounting)

	Fiscal Year			
	2015	2014	2013	2012
<b>Expenses</b>				
Governmental activities:				
General government	\$ 1,915,089	\$ 1,957,766	\$ 1,768,059	\$ 1,708,455
Community development	1,890,214	6,875,181	7,921,259	2,338,616
Public safety	3,588,558	3,013,969	5,201,983	5,074,784
Public works	5,986,989	5,500,940	6,710,073	5,620,482
Parks and recreation	7,527,468	7,563,176	2,839,949	2,787,129
Interest on long-term debt	2,331,218	1,680,389	1,751,388	1,966,395
Total governmental activities expenses	<u>\$ 23,239,536</u>	<u>\$ 26,591,421</u>	<u>\$ 26,192,711</u>	<u>\$ 19,495,861</u>
Business-type activities:				
Water	\$ 1,874,022	\$ 1,606,114	\$ 1,574,048	\$ 1,575,995
Sewer	2,737,021	2,588,947	2,548,167	2,402,868
Stormwater	611,290	610,347	577,036	577,794
Street lights	172,147	180,786	181,004	202,503
Golf course	-	314,317	317,793	334,621
Driving range	-	-	-	-
Total business-type activities expenses	<u>5,394,480</u>	<u>5,300,511</u>	<u>5,198,048</u>	<u>5,093,781</u>
Total primary government expenses	<u>\$ 28,634,016</u>	<u>\$ 31,891,932</u>	<u>\$ 31,390,759</u>	<u>\$ 24,589,642</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
General government	\$ 542,005	\$ 595,503	\$ 579,246	\$ 585,618
Community development	1,257,167	1,174,719	754,608	913,972
Public safety	253,174	178,703	187,172	190,095
Public works	5,727,871	5,985,221	5,115,235	4,444,908
Parks and recreation	1,661,638	1,383,207	1,367,810	1,302,489
Operating grants and contributions	927,899	742,034	1,218,959	1,336,617
Capital grants and contributions	1,970,627	1,413,933	407,943	342,903
Total governmental activities program revenues	<u>\$ 12,340,381</u>	<u>\$ 11,473,320</u>	<u>\$ 9,630,973</u>	<u>\$ 9,116,602</u>
Business-type activities:				
Charges for services:				
Water	\$ 1,778,546	\$ 1,578,036	\$ 1,603,368	\$ 1,565,125
Sewer	2,924,951	2,745,692	2,407,673	2,245,207
Stormwater	760,865	720,385	629,458	642,159
Street lights	249,525	217,308	189,845	181,562
Golf Course	-	246,447	235,737	257,495
Driving range	-	-	-	-
Operating grants and contributions	-	-	-	-
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	<u>5,713,887</u>	<u>5,507,868</u>	<u>5,066,081</u>	<u>4,891,548</u>
Total primary government program revenues	<u>\$ 18,054,268</u>	<u>\$ 16,981,188</u>	<u>\$ 14,697,054</u>	<u>\$ 14,008,150</u>
<b>Net (Expense)/Revenue</b>				
Governmental activities	\$ (10,899,155)	\$ (15,118,101)	\$ (16,561,738)	\$ (10,379,259)
Business-type activities	319,407	207,357	(131,967)	(202,233)
Total primary government net (expense)	<u>\$ (10,579,748)</u>	<u>\$ (14,910,744)</u>	<u>\$ (16,693,705)</u>	<u>\$ (10,581,492)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities:				
Taxes:				
Property taxes	\$ 6,853,344	\$ 6,936,603	\$ 7,570,367	\$ 7,520,854
Tax increment	3,186,152	2,980,823	3,588,394	4,361,146
Unrestricted grants and contributions	554,412	496,215	-	-
Unrestricted investment earnings	417,380	1,988,225	(1,376,544)	259,280
Gain (loss) on sale of capital assets	-	343,586	12,731	14,394
Premium on debt issued	-	-	-	-
Transfers	323,233	(622,870)	241,114	(199,099)
Total governmental activities	<u>\$ 11,334,521</u>	<u>\$ 12,122,582</u>	<u>\$ 10,036,062</u>	<u>\$ 11,956,575</u>
Business-type activities:				
Taxes:				
Property taxes	\$ 5,850	\$ 4,475	\$ 4,268	\$ 2,207
Unrestricted investment earnings	8,271	80,090	(60,143)	12,224
Transfers	(323,233)	622,870	(241,114)	199,099
Total business-type activities	<u>(309,112)</u>	<u>707,435</u>	<u>(296,989)</u>	<u>213,530</u>
Total primary government	<u>\$ 11,025,409</u>	<u>\$ 12,830,017</u>	<u>\$ 9,739,073</u>	<u>\$ 12,170,105</u>
<b>Change in Net Position</b>				
Governmental activities	\$ 435,366	\$ (2,995,519)	\$ (6,525,676)	\$ 1,577,316
Business-type activities	10,295	914,792	(428,956)	11,297
Total primary government	<u>\$ 445,661</u>	<u>\$ (2,080,727)</u>	<u>\$ (6,954,632)</u>	<u>\$ 1,588,613</u>

Note: The City implemented GASB Statement No. 68 and GASB Statement No. 71 in fiscal 2015. Years prior to 2015 have not been restated.

## Schedule 2

Fiscal Year					
2011, restated	2010	2009	2008	2007	2006
\$ 1,669,295	\$ 1,649,952	\$ 1,563,223	\$ 1,761,472	\$ 1,387,717	\$ 1,621,987
2,294,932	1,929,557	1,010,044	5,553,914	8,265,917	16,583,307
5,131,153	5,180,599	5,125,263	4,924,853	4,637,656	4,499,574
4,939,938	5,202,189	5,115,047	5,003,738	5,132,600	4,334,246
1,958,747	2,597,584	2,547,634	2,794,698	2,721,099	2,569,548
2,085,176	2,277,117	2,653,080	2,848,149	3,262,742	1,956,610
<u>\$ 18,079,241</u>	<u>\$ 18,836,998</u>	<u>\$ 18,014,291</u>	<u>\$ 22,886,824</u>	<u>\$ 25,407,731</u>	<u>\$ 31,565,272</u>
\$ 1,390,229	\$ 1,475,820	\$ 2,448,142	\$ 1,773,056	\$ 1,348,406	\$ 1,302,442
2,354,110	2,377,676	2,365,701	2,310,703	2,127,942	2,075,864
584,133	499,466	547,197	487,139	440,236	412,708
180,971	135,291	154,145	162,066	136,754	143,245
321,992	381,813	326,760	333,179	326,205	330,781
-	-	-	-	-	-
4,831,435	4,870,066	5,841,945	5,066,143	4,379,543	4,265,040
<u>\$ 22,910,676</u>	<u>\$ 23,707,064</u>	<u>\$ 23,856,236</u>	<u>\$ 27,952,967</u>	<u>\$ 29,787,274</u>	<u>\$ 35,830,312</u>
\$ 575,232	\$ 473,030	\$ 619,381	\$ 705,376	\$ 556,358	\$ 469,381
341,215	907,172	4,361,146	2,460,694	2,478,331	3,694,047
171,107	205,459	184,173	174,948	260,361	291,643
4,030,699	3,923,552	3,451,319	3,190,634	2,403,579	1,541,892
300,830	1,151,129	1,399,049	1,454,712	1,347,426	1,311,123
16,581	865,658	1,108,118	3,426,066	2,026,319	655,103
2,627,411	2,804,804	3,100,371	205,136	137,023	469,710
<u>\$ 8,063,075</u>	<u>\$ 10,330,804</u>	<u>\$ 14,223,557</u>	<u>\$ 11,617,566</u>	<u>\$ 9,209,397</u>	<u>\$ 8,432,899</u>
\$ 1,483,494	\$ 1,395,182	\$ 1,476,476	\$ 1,460,811	\$ 1,454,951	\$ 1,489,953
2,340,793	2,195,172	2,119,513	2,019,223	1,998,062	1,860,718
644,395	694,998	753,890	825,785	824,511	786,637
176,641	164,902	170,113	149,436	144,681	129,903
246,508	303,604	317,075	311,314	286,737	282,033
-	-	-	-	-	-
-	2,918	21,416	20,834	22,727	24,547
-	-	-	105,070	26,782	805,195
4,891,831	4,756,776	4,858,483	4,892,473	4,758,451	5,378,986
<u>\$ 12,954,906</u>	<u>\$ 15,087,580</u>	<u>\$ 19,082,040</u>	<u>\$ 16,510,039</u>	<u>\$ 13,967,848</u>	<u>\$ 13,811,885</u>
\$ (10,016,166)	\$ (8,506,194)	\$ (3,790,734)	\$ (11,269,258)	\$ (16,198,334)	\$ (23,132,373)
60,396	(113,290)	(983,462)	(173,670)	378,908	1,113,946
<u>\$ (9,955,770)</u>	<u>\$ (8,619,484)</u>	<u>\$ (4,774,196)</u>	<u>\$ (11,442,928)</u>	<u>\$ (15,819,426)</u>	<u>\$ (22,018,427)</u>
\$ 7,205,425	\$ 7,182,201	\$ 7,251,348	\$ 7,011,671	\$ 6,760,673	\$ 6,388,283
4,377,928	4,481,254	4,054,948	3,595,188	3,360,048	3,006,534
33,968	56,987	203,872	-	277,110	306,390
925,189	1,104,505	1,091,817	2,485,044	3,818,651	2,357,892
13,091	74,993	20,113	678,001	5,664,244	1,051
-	-	-	-	-	121,189
(244,937)	(160,783)	(457,117)	75,455	940,630	648,121
<u>\$ 12,310,664</u>	<u>\$ 12,739,157</u>	<u>\$ 12,164,981</u>	<u>\$ 13,845,359</u>	<u>\$ 20,821,356</u>	<u>\$ 12,829,460</u>
\$ 2,219	\$ 4,158	\$ 4,186	\$ 6,173	\$ -	\$ 3,211
44,184	52,446	71,706	155,881	146,230	92,640
244,937	160,783	457,117	(75,455)	(940,630)	(648,121)
291,340	217,387	533,009	86,599	(794,400)	(552,270)
<u>\$ 12,602,004</u>	<u>\$ 12,956,544</u>	<u>\$ 12,697,990</u>	<u>\$ 13,931,958</u>	<u>\$ 20,026,956</u>	<u>\$ 12,277,190</u>
\$ 2,294,498	\$ 4,232,963	\$ 8,374,247	\$ 2,576,101	\$ 4,623,022	\$ (10,302,913)
351,736	104,097	(450,453)	(87,071)	(415,492)	561,676
<u>\$ 2,646,234</u>	<u>\$ 4,337,060</u>	<u>\$ 7,923,794</u>	<u>\$ 2,489,030</u>	<u>\$ 4,207,530</u>	<u>\$ (9,741,237)</u>

**CITY OF NEW BRIGHTON, MINNESOTA**  
**FUND BALANCES, GOVERNMENTAL FUNDS**  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)

	Fiscal Year			
	2015	2014	2013	2012
<b>General Fund</b>				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-
Nonspendable:				
Prepays	9,234	8,117	8,059	3,938
Restricted	66,497	67,321	-	-
Committed	44,348	46,701	-	-
Assigned	144,734	97,269	-	-
Unassigned	6,263,521	6,223,393	6,071,022	6,031,782
Total Reserved	-	-	-	-
Total Unreserved	-	-	-	-
Total General Fund Balance	<u>\$ 6,528,334</u>	<u>\$ 6,442,801</u>	<u>\$ 6,079,081</u>	<u>\$ 6,035,720</u>
<b>All Other Governmental Funds</b>				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:				
Debt service funds	-	-	-	-
Capital projects funds	-	-	-	-
Nonspendable:				
Prepays	58,379	58,269	-	-
Restricted	19,886,343	1,808,414	15,410,209	6,312,907
Committed	25,369,966	25,039,034	23,878,389	23,377,592
Assigned				
Special revenue funds	-	-	95,812	89,660
Capital projects funds	-	-	4,669,631	5,867,005
Other Governmental Fund	3,687,205	4,088,629	-	-
Unassigned	(6,715,267)	(5,142,621)	(6,787,937)	(13,198,761)
Total Reserved	-	-	-	-
Total Unreserved	-	-	-	-
Total All Other Governmental Funds	<u>42,286,626</u>	<u>25,851,725</u>	<u>37,266,104</u>	<u>22,448,403</u>
Total All Governmental Funds	<u>\$ 48,814,960</u>	<u>\$ 32,294,526</u>	<u>\$ 43,345,185</u>	<u>\$ 28,484,123</u>

Note: GASB 54 was implemented in 2011.

Schedule 3

Fiscal Year					
2011	2010	2009	2008	2007	2006
\$ -	\$ 8,032	\$ 6,628	\$ 11,859	\$ 7,168	\$ 7,932
-	4,845,673	5,901,102	5,656,083	5,515,202	4,758,287
9,631	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,744,435	-	-	-	-	-
-	8,032	6,628	11,859	7,168	7,932
-	4,845,673	5,901,102	5,656,083	5,515,202	4,758,287
<u>\$ 5,754,066</u>	<u>\$ 4,853,705</u>	<u>\$ 5,907,730</u>	<u>\$ 5,667,942</u>	<u>\$ 5,522,370</u>	<u>\$ 4,766,219</u>
\$ -	\$ 11,650,364	\$ 13,542,485	\$ 11,668,615	\$ 10,356,458	\$ 17,100,648
-	2,391,073	4,273,491	6,365,347	7,956,366	-
-	9,421,952	7,180,581	11,245,580	17,062,279	15,109,514
429	-	-	-	-	-
5,279,524	-	-	-	-	-
-	-	-	-	-	-
96,917	-	-	-	-	-
29,402,857	-	-	-	-	-
-	-	-	-	-	-
(12,722,794)	-	-	-	-	-
-	11,650,364	13,542,485	11,668,615	10,356,458	17,100,648
-	11,813,025	11,454,072	17,610,927	25,018,645	15,109,514
22,056,933	23,463,389	24,996,557	29,279,542	35,375,103	32,210,162
<u>\$ 27,810,999</u>	<u>\$ 28,317,094</u>	<u>\$ 30,904,287</u>	<u>\$ 34,947,484</u>	<u>\$ 40,897,473</u>	<u>\$ 36,976,381</u>

**CITY OF NEW BRIGHTON, MINNESOTA**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year			
	2015	2014	2013	2012
<b>Revenues</b>				
General property taxes	\$ 7,015,264	\$ 6,916,110	\$ 7,688,670	\$ 7,559,535
Tax increment	3,186,152	2,980,823	3,588,394	4,361,145
Licenses and permits	1,066,742	738,257	516,160	482,589
Intergovernmental	2,321,590	1,977,064	1,435,030	1,437,101
Charges for services	7,886,912	8,151,153	7,097,184	8,893,525
Notes receivable payments	-	-	-	-
Loan receivable payments	-	-	-	-
Special assessments	132,795	174,558	95,327	145,934
Fines and forfeits	80,322	68,845	118,675	95,798
Investment earnings	348,295	1,267,551	(979,447)	191,949
Interest on note receivable	-	-	-	-
Interest on interfund loans	535,461	567,337	515,909	464,602
Other Interest	-	-	97	790
Capital use fee	-	-	-	-
Rents	317,186	273,609	238,722	260,637
Refunds and reimbursements	883,608	42,018	30,179	39,295
In-house engineering and administrative charges	-	-	-	8,557
Contributions and donations	43,938	28,094	64,575	31,120
Park dedication charge	84,280	249,359	-	1,630
Other	-	122,700	-	-
<b>Total revenues</b>	<b>23,902,545</b>	<b>23,557,478</b>	<b>20,409,475</b>	<b>23,974,207</b>
<b>Expenditures</b>				
General government	1,763,743	1,681,922	1,685,427	1,641,015
Community development	1,594,417	6,974,429	7,108,035	1,265,774
Parks and recreation	3,393,779	2,943,043	2,824,212	2,687,080
Public safety	5,487,201	5,156,815	4,847,483	4,778,626
Public works	5,051,123	4,485,796	3,923,398	6,654,129
Interfund interest	522,782	558,885	515,909	464,602
Capital outlay	4,744,770	4,633,264	2,793,433	1,240,885
Debt service:				
Principal	3,785,000	3,280,000	3,770,000	5,865,000
Interest	2,163,795	1,716,532	1,814,228	2,011,060
Bond issuance costs	-	-	-	-
Other	-	-	-	-
<b>Total expenditures</b>	<b>28,506,610</b>	<b>31,430,686</b>	<b>29,282,125</b>	<b>26,608,171</b>
Excess of revenues over (under) expenditures	(4,604,065)	(17,873,208)	(8,872,650)	(2,633,964)
<b>Other Financing Sources (Uses)</b>				
Bond proceeds	19,080,000	-	-	3,790,000
Premium (discount) on debt issued	1,178,131	-	-	-
Refunded debt	-	-	(1,015,000)	-
Transfers in	6,885,916	5,038,663	7,943,246	6,947,232
Transfers out	(6,017,687)	(5,670,589)	(7,767,783)	(7,430,144)
Sale of land or capital assets	450	321,957	4,149	-
<b>Total other financing sources (uses)</b>	<b>21,126,810</b>	<b>(309,969)</b>	<b>(835,388)</b>	<b>3,307,088</b>
Special Item - contribution of land	-	12,543,600	-	-
Special Item - sale of land	-	-	-	-
<b>Net change in fund balances</b>	<b>\$ 16,522,745</b>	<b>\$ (5,639,577)</b>	<b>\$ (9,708,038)</b>	<b>\$ 673,124</b>
Debt service as a percentage of noncapital expenditures	23.8%	18.1%	20.0%	30.6%

Schedule 4

	Fiscal Year					
	2011, restated	2010	2009	2008	2007	2006
\$ 7,301,270	\$ 7,059,034	\$ 7,048,127	\$ 6,972,578	\$ 6,729,161	\$ 6,380,719	
4,377,928	4,481,254	4,054,948	3,595,188	3,360,048	3,006,534	
691,400	481,672	437,869	782,484	862,997	648,967	
1,333,219	3,719,919	4,095,446	4,628,885	3,264,869	1,779,972	
7,685,258	8,095,320	7,850,869	7,260,010	6,617,810	3,622,963	
-	-	-	9,427	18,854	18,854	
-	-	-	-	-	-	
205,342	161,272	258,479	240,044	234,659	303,828	
98,140	59,827	65,897	63,621	57,784	66,659	
717,309	901,177	958,723	2,203,761	3,333,296	2,055,174	
-	-	-	-	-	-	
465,892	531,654	455,275	405,125	329,352	469,255	
-	-	-	-	-	-	
-	-	63,000	60,600	79,400	-	
217,959	204,931	208,253	250,289	216,919	192,815	
11,942	24,170	55,733	25,390	12,192	3,268,472	
36,466	-	-	-	-	-	
24,121	55,598	45,838	126,921	46,642	53,572	
202,120	-	-	-	-	-	
-	-	-	8,167	102,190	35,539	
<u>23,368,366</u>	<u>25,775,828</u>	<u>25,598,457</u>	<u>26,632,490</u>	<u>25,266,173</u>	<u>21,903,323</u>	
1,563,831	1,579,475	1,579,060	1,741,393	1,594,251	1,562,324	
1,349,740	1,617,739	2,149,606	3,045,866	3,252,155	23,228,341	
2,521,209	2,665,955	2,514,504	2,582,137	2,461,861	2,405,097	
4,868,047	4,914,930	4,850,850	4,702,894	4,347,562	4,262,344	
5,407,871	6,155,603	5,587,675	5,290,764	4,924,220	4,516,946	
465,875	531,323	453,342	401,598	329,644	450,373	
3,713,523	2,564,031	6,542,705	8,993,065	5,745,954	38,869	
3,515,000	3,680,000	3,945,000	3,860,000	3,765,000	3,609,404	
2,190,988	2,490,903	2,764,390	3,009,469	2,793,666	1,575,817	
-	-	-	-	-	-	
-	-	3,745	4,548	-	-	
<u>25,596,084</u>	<u>26,199,959</u>	<u>30,390,877</u>	<u>33,631,734</u>	<u>29,214,313</u>	<u>41,649,515</u>	
(2,227,718)	(424,131)	(4,792,420)	(6,999,244)	(3,948,140)	(19,746,192)	
4,335,000	4,760,000	2,295,000	-	15,440,000	32,401,940	
-	76,238	14,116	-	(199,241)	121,189	
(3,640,000)	(5,725,000)	(1,890,000)	-	(11,951,940)	-	
8,349,567	8,422,604	6,235,149	11,893,296	10,396,641	8,103,833	
(8,017,729)	(9,751,653)	(5,907,842)	(11,126,267)	(9,370,987)	(7,468,712)	
-	54,749	2,800	282,226	3,554,759	3,500	
<u>1,026,838</u>	<u>(2,163,062)</u>	<u>749,223</u>	<u>1,049,255</u>	<u>7,869,232</u>	<u>33,161,750</u>	
-	-	-	-	-	-	
694,785	-	-	-	-	-	
<u>\$ (506,095)</u>	<u>\$ (2,587,193)</u>	<u>\$ (4,043,197)</u>	<u>\$ (5,949,989)</u>	<u>\$ 3,921,092</u>	<u>\$ 13,415,558</u>	
25.0%	25.0%	23.3%	21.4%	22.9%	12.6%	

**CITY OF NEW BRIGHTON, MINNESOTA**  
**TAX CAPACITY AND ESTIMATED MARKET VALUE OF TAXABLE PROPERTY**  
 Last Ten Fiscal Years  
 (Unaudited)

**Schedule 5**

Year Taxes Payable	Tax Capacity Value					Net Taxable Value	Assessor's Estimated Market Value of Taxable Property	Total Direct Tax Rate
	Real Property	Personal Property	Total	Fiscal Disparities	Tax Increment			
2006	\$ 21,645,300	\$ 246,500	\$ 21,891,800	\$ 557,800	\$ (2,776,700)	\$ 19,672,900	\$ 1,888,235,800	1.21
2007	23,336,100	257,300	23,593,400	613,400	(3,176,000)	21,030,800	2,026,064,400	1.14
2008	24,599,600	259,800	24,859,400	887,100	(3,657,800)	22,088,700	2,115,568,700	1.12
2009	24,615,700	260,600	24,876,300	996,700	(3,929,500)	21,943,500	2,091,744,100	1.30
2010	23,727,900	255,600	23,983,500	1,083,000	(4,103,900)	20,962,600	2,005,697,200	1.31
2011	22,461,200	270,700	22,731,900	862,500	(3,850,800)	19,743,600	1,910,547,900	1.46
2012	20,644,900	283,500	20,928,400	528,400	(3,602,300)	17,854,500	1,736,054,500	1.74
2013	19,548,500	300,900	19,849,400	747,400	(2,950,000)	17,646,800	1,746,296,100	1.78
2014	19,537,600	302,400	19,840,000	475,700	(2,875,600)	17,400,000	1,747,585,600	1.49
2015	20,535,500	328,600	20,864,100	602,959	(2,512,100)	18,954,900	1,838,979,100	1.36

Source: Ramsey County Department of Property Records and Revenue.  
 Note: Amounts rounded to the nearest hundred.

**CITY OF NEW BRIGHTON, MINNESOTA**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
 Last Ten Fiscal Years  
 (rate per \$1,000 of assessed value)  
 (Unaudited)

**Schedule 6**

Fiscal Year	City Direct Rates			Overlapping Rates			Total
	Basic Rate	General Obligation Debt Service	Total Direct	School (1)	County	Other (2)	
2006	0.96	0.25	1.21	0.83	1.66	0.26	3.96
2007	0.91	0.23	1.14	0.80	1.55	0.27	3.76
2008	0.92	0.20	1.12	0.70	1.51	0.26	3.59
2009	1.12	0.18	1.30	0.81	1.65	0.27	4.04
2010	1.14	0.17	1.31	0.91	1.85	0.29	4.36
2011	1.24	0.23	1.46	0.99	2.12	0.32	4.90
2012	1.51	0.23	1.74	1.22	2.57	0.42	5.95
2013	1.59	0.18	1.78	1.25	2.76	0.43	6.21
2014	1.35	0.15	1.49	1.16	2.48	0.38	5.51
2015	1.26	0.11	1.36	1.03	2.22	0.35	4.96

(1) The majority of New Brighton is served by School District 621 and Intermediate School District 916. Rates for these districts are used in the table.

(2) Other includes: Metropolitan Council, Metropolitan Airports Commission, and Metro Watershed

Source: Ramsey County Department of Taxation.

**CITY OF NEW BRIGHTON, MINNESOTA**  
**PRINCIPAL PROPERTY TAXPAYERS**  
Current Year and Nine Years Ago  
(Unaudited)

**Schedule 7**

<u>Taxpayer</u>	2015			2006		
	<u>Net Tax Capacity for Taxes Payable</u>	<u>Rank</u>	<u>Percent of Total City Net Tax Capacity</u>	<u>Net Tax Capacity for Taxes Payable</u>	<u>Rank</u>	<u>Percent of Total City Net Tax Capacity</u>
Industrial Equities Group LLC	\$ 581,790	1	2.79%	\$ 502,740	1	2.39%
Xcel Energy	271,952	2	1.30%	-		0.00%
HSNB LLC	216,062	3	1.04%	-		0.00%
AX US LP	181,808	4	0.87%	-		0.00%
Engelsma Investment	180,338	5	0.86%	-		0.00%
New Brighton Business Center LL	177,840	6	0.85%	196,930	3	0.94%
CU Mortgage Service Inc	161,700	7	0.78%	169,250	6	0.80%
Donatelle Associates	149,626	8	0.72%	119,250	10	0.57%
Spartacus Ventures LLC	141,580	9	0.68%	-		-
Dalstar 5th Ave LLC	137,038	10	0.66%	-		-
Northstar State Power Co.	-		0.00%	224,228	2	1.07%
Polynesian Village Apts LLC	-		0.00%	185,640	4	0.88%
Brighton Village Apt LLC	-		-	180,000	5	0.86%
Business Data Record Services	-		-	135,592	7	0.64%
LL900 Assoc LP	-		-	130,622	8	0.62%
Stony Lake Properties Inc	-		-	126,758	9	0.60%
<b>Total</b>	<b>\$ 2,199,734</b>		<b>10.55%</b>	<b>\$ 1,971,010</b>		<b>9.37%</b>

Source: Ramsey County Department of Property Records and Revenue.

**CITY OF NEW BRIGHTON, MINNESOTA**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
 Last Ten Fiscal Years  
 (Unaudited)

**Schedule 8**

<u>Fiscal Year Ended Dec 31,</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Current Levy Collected</u>	<u>Delinquent Tax Collections in Subsequent Years</u>	<u>Total Tax Collections</u>	<u>Total Collections and Adjustments as a Percent of Levy</u>
2006	\$ 6,708,100	\$ 6,590,500	98.25%	\$ 56,800	\$ 6,647,300	99.09%
2007	6,973,500	6,866,600	98.47%	41,800	6,908,400	99.07%
2008	7,248,200	7,143,900	98.56%	52,700	7,196,600	99.29%
2009	7,395,700	7,261,300	98.18%	57,200	7,318,500	98.96%
2010	7,395,700	7,243,400	97.94%	79,100	7,322,500	99.01%
2011	7,395,700	7,312,200	98.87%	45,500	7,357,700	99.49%
2012	7,287,300	7,215,400	99.01%	33,300	7,248,700	99.47%
2013	7,388,300	7,330,800	99.22%	15,900	7,346,700	99.44%
2014	6,794,300	6,744,500	99.27%	18,200	6,762,700	99.53%
2015	6,925,000	6,864,900	99.13%	-	6,864,900	99.13%

Note: Does not include tax increment levies and collections.

Note: Amounts rounded to the nearest hundred.

**CITY OF NEW BRIGHTON, MINNESOTA**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
 Last Ten Fiscal Years  
 (Unaudited)

Fiscal Year	Governmental Activities				
	Equipment Certificates	G.O. Improvement Bonds	Tax Increment Bonds	EDA Revenue Bonds	Notes Payable
2006	\$ -	\$ 6,420,000	\$ 37,465,000	\$ 9,420,000	\$ 12,101,600
2007	-	5,775,000	50,745,000	8,460,000	52,100
2008	-	4,685,000	48,980,000	7,455,000	-
2009	-	4,010,000	47,165,000	6,405,000	-
2010	-	7,715,000	45,220,000	-	-
2011	-	6,790,000	43,325,000	-	-
2012	-	5,775,000	42,265,000	-	-
2013	-	4,405,000	38,850,000	-	-
2014	-	3,135,000	36,840,000	-	-
2015	-	3,325,000	51,945,000	-	-

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

(1) See Schedule 14 for personal income and population data.

**Schedule 9**

<u>Contract for Deed Payable</u>	<u>Business- Type Activities Revenue Bonds</u>	<u>Total Primary Government</u>	<u>Debt as a Percentage of Personal Income (1)</u>	<u>Debt Per Capita (1)</u>
\$ 140,100	\$ 905,000	\$ 66,451,700	10.85%	\$ 2,993
122,700	770,000	65,924,800	9.33%	2,944
101,300	675,000	61,896,300	8.37%	2,764
80,700	580,000	58,240,700	8.38%	2,587
59,265	480,000	53,474,265	8.28%	2,492
38,855	340,000	50,493,855	7.29%	2,353
-	-	48,040,000	6.93%	2,235
-	-	43,255,000	6.10%	1,966
-	-	39,975,000	5.60%	1,807
-	-	55,270,000	7.47%	2,503

**CITY OF NEW BRIGHTON, MINNESOTA**  
**RATIOS OF GENERAL BONDED DEBT**  
 Last Ten Fiscal Years  
 (Unaudited)

**Schedule 10**

<u>Fiscal Year</u>	<u>Equipment Certificates</u>	<u>G.O. Improvement Bonds</u>	<u>Less Amount Restricted to Debt Service</u>	<u>Total</u>	<u>Percentage of Assessor's Estimated Market Value of Taxable Property (1)</u>	<u>Per Capita (2)</u>
2006	\$ -	\$ 6,420,000	\$ -	\$ 6,420,000	0.34%	\$ 289
2007	-	5,775,000	-	5,775,000	0.29%	258
2008	-	4,685,000	-	4,685,000	0.22%	209
2009	-	4,010,000	-	4,010,000	0.19%	178
2010	-	7,715,000	-	7,715,000	0.38%	360
2011	-	6,790,000	1,110,567	5,679,433	0.30%	265
2012	-	5,775,000	934,884	4,840,116	0.28%	225
2013	-	4,405,000	806,018	3,598,982	0.21%	164
2014	-	3,135,000	745,050	2,389,950	0.14%	108
2015	-	3,325,000	415,566	2,909,434	0.16%	132

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

(1) See Schedule 5 for property value data.

(2) See Schedule 14 for population data.

**CITY OF NEW BRIGHTON, MINNESOTA**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
As of December 31, 2015  
(Unaudited)

**Schedule 11**

<u>Governmental Unit:</u>	<u>Bonded Gross Debt Outstanding</u>	<u>Percentage Applicable In City*</u>	<u>Estimated City Share of Debt</u>
<u>Debt repaid with property taxes</u>			
Ramsey County	\$ 173,397,000	3.94%	\$ 6,834,212
Ramsey County Library	34,325,000	7.69%	2,638,802
Metro Watershed	1,232,698	-	-
School Districts:			
ISD No. 282	29,085,000	14.05%	4,085,643
ISD No. 621	118,030,000	20.66%	24,384,639
ISD No. 916	82,995,000	7.27%	6,035,908
Metro Council	<u>1,419,891,649</u>	0.58%	<u>8,194,438</u>
Total Overlapping Debt	1,858,956,347		52,173,642
<u>Direct Debt:</u>			
City of New Brighton	<u>56,394,554</u>		<u>56,394,554</u>
Total Overlapping and Direct Debt	<u>\$ 1,915,350,901</u>		<u>\$ 108,568,196</u>
<u>Debt Ratios:</u>			
Ratio of debt per capita (22,084 population) - overlapping			\$ 2,363
Ratio of debt per capita (22,084 population) - direct			\$ 2,554
Ratio of debt per capita (22,084 population) - total			\$ 4,916
Ratio of debt to estimated market valuation of \$1,838,979,100			5.90%

\* Determined by ratio of net tax capacity (after fiscal disparities and tax increment adjustment) of property subject to taxation in overlapping unit to net tax capacity of property subject to taxation in City.

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

Source: Ramsey County

**CITY OF NEW BRIGHTON, MINNESOTA**  
**LEGAL DEBT MARGIN INFORMATION**  
 Last Ten Fiscal Years  
 (Unaudited)

	Fiscal Year			
	2015	2014	2013	2012
Market value	\$ 1,838,979,100	\$ 1,747,585,600	\$ 1,746,296,100	\$ 1,736,054,500
Applicable debt limit (percentage)	3%	3%	3%	3%
Debt limit	<u>55,169,373</u>	<u>52,427,568</u>	<u>52,388,883</u>	<u>52,081,635</u>
Amount of debt applicable to debt limit:				
Total bonded debt	56,394,554	39,975,000	43,255,000	48,040,000
Less: Improvement, tax increment and revenue bonds	(56,394,554)	(39,975,000)	(43,255,000)	(48,040,000)
Less: Cash and investments in related debt service funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total debt applicable to debt limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>\$ 55,169,373</u>	<u>\$ 52,427,568</u>	<u>\$ 52,388,883</u>	<u>\$ 52,081,635</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

Schedule 12

Fiscal Year					
2011	2010	2009	2008	2007	2006
\$ 1,910,547,900	\$ 2,005,697,200	\$ 2,091,744,100	\$ 2,115,568,700	\$ 2,026,064,400	\$ 1,888,235,800
3%	3%	3%	3%	3%	3%
<u>57,316,437</u>	<u>60,170,916</u>	<u>62,752,323</u>	<u>63,467,061</u>	<u>60,781,932</u>	<u>56,647,074</u>
50,455,000	53,415,000	58,160,000	61,795,000	65,750,000	54,210,000
(50,455,000)	(53,415,000)	(51,755,000)	(54,340,000)	(57,290,000)	(45,930,000)
-	-	(1,005,668)	(1,447,719)	(1,424,265)	(1,311,739)
-	-	5,399,332	6,007,281	7,035,735	6,968,261
<u>\$ 57,316,437</u>	<u>\$ 60,170,916</u>	<u>\$ 57,352,991</u>	<u>\$ 57,459,780</u>	<u>\$ 53,746,197</u>	<u>\$ 49,678,813</u>
0.00%	0.00%	8.60%	9.47%	11.58%	12.30%

**CITY OF NEW BRIGHTON, MINNESOTA**  
**PLEDGED-REVENUE COVERAGE**  
 Last Ten Fiscal Years  
 (Unaudited)

**Schedule 13**

Fiscal Year	Special Assessment Collections	Debt Service Requirements			Coverage
		Principal	Interest and Paying Agent Fees	Total	
<b>Special Assessment:</b>					
2006	\$ 183,000	\$ 1,090,000	\$ 270,600	\$ 1,360,600	13%
2007	169,300	1,100,000	229,100	1,329,100	13%
2008	147,300	1,090,000	206,200	1,296,200	11%
2009	128,900	1,050,000	160,600	1,210,600	11%
2010	115,000	1,055,000	131,800	1,186,800	10%
2011	96,700	2,320,000	174,400	2,494,400	4%
2012	84,000	1,945,000	137,800	2,082,800	4%
2013	73,800	1,370,000	109,700	1,479,700	5%
2014	55,657	1,270,000	85,672	1,355,672	4%
2015	59,157	1,080,000	64,885	1,144,885	5%

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.  
 Amounts rounded to the nearest hundred.  
 2014 Interest and Paying Agent fee restated to include agent fees.

**CITY OF NEW BRIGHTON, MINNESOTA**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
 Last Ten Calendar Years  
 (Unaudited)

**Schedule 14**

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (thousands of dollars) (2)</u>	<u>Per Capita Personal Income (2)</u>	<u>Unemployment Rate (3)</u>
2006	\$ 22,206	\$ 612,308	\$ 27,574	3.2%
2007	22,391	706,705	31,562	3.9%
2008	22,391	739,418	33,023	4.5%
2009	22,511	694,599	30,856	6.7%
2010	21,456	645,804	30,099	7.0%
2011	21,456	692,278	32,265	6.1%
2012	21,496	699,437	32,538	5.4%
2013	21,996	731,785	33,269	4.6%
2014	22,123	741,629	33,523	3.6%
2015	22,084	740,322	33,523	3.1%

- (1) Population provided by the federal census for 2006 and 2010 through 2011.  
 Population provided by Metropolitan Council estimate for 2007 through 2009 and 2012 through 2015.
- (2) Personal income and per capita personal income figures provided by American Community Survey compiled by Metropolitan Council.
- (3) Unemployment rate figures provided by Minnesota Dept of Employment and Economic Development based on an annual average.

**CITY OF NEW BRIGHTON, MINNESOTA**  
**PRINCIPAL EMPLOYERS**  
 Current Year and Nine Years Ago  
 (Unaudited)

**Schedule 15**

Employer	2015			2006		
	Number of Employees (1)	Rank	Percentage of Total City Employment	Number of Employees (2)	Rank	Percentage of Total City Employment
Independent School District No. 621	713	1	7.18%	1,961	1	19.02%
Medtox Laboratory Inc.	517	2	5.20%	400	3	3.88%
Donnatelle	420	3	4.23%	400	2	3.88%
Cardiovascular System Inc.	277	4	2.79%	-		-
Pentair	240	5	2.42%	-		-
Mission Foods	220	6	2.21%	-		-
Lakeville Motor Express Inc.	200	7	2.01%	-		-
Health & Rehab of New Brighton	180	8	1.81%	-		-
Pine Craft Inc.	175	9	1.76%	200	7	1.94%
City of New Brighton	163	10	1.64%	337	4	3.27%
Next Day Gourmet	-		-	260	5	2.52%
Hypro LLC	-		-	225	6	2.18%
Remmele Engineering	-		-	180	8	1.75%
Corporate Express	-		-	160	9	1.55%
Cub Foods	-		-	145	10	1.41%

(1) Source: ReferenceUSA, written and telephone survey (January 2015), and Minnesota Department of Employment and Economic Development

(2) Source: Telephone survey of individual employers, June 2006

(3) Information for 2006 reflects total District employment. Information for 2015 reflects only the City's portion.

(5) Source: Metropolitan Council's Community Profile of New Brighton

**CITY OF NEW BRIGHTON, MINNESOTA**  
**FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION/PROGRAM**  
 Last Ten Fiscal Years  
 (Unaudited)

**Schedule 16**

<u>Function/Program</u>	<u>Fiscal Year</u>									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Government										
Administration (1)	4.00	4.33	4.33	4.33	4.30	4.00	5.30	5.30	5.50	5.40
Finance	4.10	4.10	5.25	5.25	5.25	5.30	5.30	5.20	5.30	5.30
Elections	0.50	0.98	0.65	1.04	1.00	0.80	0.40	1.00	0.70	0.70
License Bureau	2.10	2.10	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60
Community Development	6.00	6.00	6.00	6.00	6.00	6.00	7.00	7.00	7.50	8.00
Parks and Recreation										
Parks	7.12	7.12	7.12	7.07	7.07	7.10	7.10	9.40	9.20	9.10
Forestry	1.90	1.10	1.40	0.60	0.60	0.60	1.40	1.80	1.80	1.80
Recreational Programs	8.81	8.33	8.41	8.76	8.80	10.60	13.20	11.50	10.60	11.40
Community Center	13.95	13.57	13.23	12.31	12.30	13.20	13.80	12.20	11.20	11.50
Public Safety										
Police	34.10	32.60	31.60	31.60	31.60	32.60	33.60	34.10	32.60	35.00
Fire (2)	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	0.00
Public Works										
Engineering	3.50	3.50	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Streets	15.02	15.02	15.02	14.77	14.77	14.80	14.80	15.00	15.10	15.60
City Garage	1.82	1.82	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Golf	4.19	4.41	4.90	4.90	4.90	4.70	4.90	4.90	4.90	4.50
Information Technology	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Totals	111.51	109.38	109.91	108.63	108.59	111.70	118.80	119.40	116.40	117.90

(1) City Council members are paid salaries, but are not considered employees

(2) Firefighters are volunteers who are paid per call and per drill and are not considered employees

(3) Source: City Personnel Budget

**CITY OF NEW BRIGHTON, MINNESOTA**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
For the Fiscal Year Ending December 31, 2015

**Schedule 17**

Function/Program	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Community development</b>										
Single family building permits	383	221	204	217	248	265	197	209	582	626
Multi-family building permits	5	9	4	16	11	18	12	11	24	10
All other building permits	53	50	37	65	60	80	49	64	81	70
<b>Public Safety</b>										
<b>Police</b>										
Criminal offenses (actual and attempts)	517	551	566	602	530	611	564	584	672	587
Traffic accidents	285	322	349	309	261	320	293	280	287	281
DWIs	147	77	62	84	87	134	121	119	119	122
Parking violations	345	387	496	447	456	660	653	528	626	635
Hazardous moving violations	979	1,481	1,346	1,855	1,226	1,289	1,259	1,225	1,371	1,348
Non-hazardous moving violations	999	1,021	564	742	598	769	824	1,107	970	739
<b>Fire</b>										
Fire incidents	63	57	79	90	83	94	102	84	90	61
Rescue and emergency medical service incidents	7	11	18	10	6	11	9	14	14	20
Hazardous conditions (no fire)	63	51	52	50	41	71	50	62	67	57
False alarms	112	98	108	125	118	120	116	108	119	119
<b>Public Works</b>										
Street sealcoating (miles)	1	-	2	4	4	4	4	5	9	9
Street mill and overlay (miles)	-	2	4	-	1	1	-	-	1	-
Street reconstruction (miles)	1	0	1	-	1	1	-	1	1	-
<b>Parks and Recreation</b>										
Daily youth wristbands (includes twilight)	48,187	51,714	52,659	48,247	52,738	44,847	42,234	40,907	36,961	39,212
Daily teen wristbands	-	-	-	-	-	84	276	266	318	577
Daily adult wristbands	4,291	5,033	5,108	3,224	2,935	2,910	4,818	5,055	5,282	5,876
Birthday parties	953	953	995	1,140	1,170	991	954	940	1,075	1,074
Softball teams	80	91	91	108	105	116	124	128	120	62
Aquatic registrants	1,214	1,062	918	827	754	741	896	890	1,042	1,162
Life-long recreation registrants	1,095	864	998	943	648	952	1,560	1,618	1,560	1,455
Sports camps and league registrants	1,466	1,240	1,284	1,341	838	1,047	1,234	1,366	1,550	1,666
Adaptive recreation registrants	60	69	60	63	69	73	111	129	131	145
Summer playground registrants	-	-	-	-	-	296	278	345	271	308
Dance registrants	178	142	148	154	117	93	104	151	160	193
<b>Water</b>										
Average daily consumption (thousands of gallons)	2,640	2,096	2,282	2,566	2,313	2,346	2,411	2,334	2,729	2,500
Peak daily consumption (thousands of gallons)	4,108	4,454	5,477	5,647	5,277	3,959	5,892	5,330	7,694	6,460
Water main breaks	11	28	22	17	20	20	26	35	21	25
<b>Sewer</b>										
Average daily sewage discharge (thousands of gallons)	1,657	1,813	1,780	1,737	1,974	1,737	1,686	1,978	1,750	2,440
<b>Golf course</b>										
Number of rounds played	22,136	20,822	19,795	21,632	20,877	25,124	25,658	25,426	25,999	23,918

Source: Departmental Questionnaire

**CITY OF NEW BRIGHTON, MINNESOTA**  
**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**  
 For the Fiscal Year Ending December 31, 2015

**Schedule 18**

Function/Program	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>General Government</b>										
<b>Elections</b>										
Date of last election	11/3/2015	11/4/2014	11/5/2013	11/6/2012	11/8/2011	11/2/2010	11/3/2009	11/4/2008	11/6/2007	11/7/2006
Number of registered voters	13,395	14,169	13,497	15,074	13,324	14,439	13,748	16,564	13,860	15,243
Number of votes cast	2,936	8,870	3,831	13,004	3,011	10,729	2,876	13,060	3,122	10,189
Percentage of registered voters voting	21.9%	62.6%	28.4%	86.3%	22.6%	74.3%	20.9%	78.8%	22.5%	66.8%
<b>Public Safety</b>										
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
<b>Fire</b>										
Stations	1	1	1	1	1	1	1	1	1	1
<b>Public Works</b>										
Streets (miles)	72	71	71	71	71	71	71	71	71	71
<b>Parks and Recreation</b>										
Neighborhood parks	12	12	12	12	12	12	12	12	12	12
Community parks	1	1	1	1	1	1	1	1	1	1
Ball fields (softball)	9	9	9	9	9	9	9	9	9	9
Acreage of parks	172	172	172	172	172	172	170	170	170	170
Tennis courts	6	6	6	6	6	6	6	6	5	5
<b>Water</b>										
Water mains (miles)	96.82	96	96	96	96	96	96	96	95	95
Wells	11	11	11	11	11	11	11	11	11	11
Fire hydrants	798	784	771	770	770	769	769	772	759	774
Water towers/tanks	4	4	4	4	4	4	4	4	4	4
Treatment plants	4	4	5	5	5	5	5	5	5	1
<b>Sewer</b>										
Sanitary sewers (miles)	75	74	74	74	74	74	74	74	78	78
Lift stations	5	5	5	5	5	5	5	5	5	5
<b>Stormwater</b>										
Storm sewers (miles)	44	42	42	42	42	42	42	42	40	40
<b>Street Lights</b>										
Number of streetlights	1024	1007	962	962	962	962	961	961	921	881
<b>Golf course</b>										
Number of holes	9	9	9	9	9	9	9	9	9	9
Acreage	31	31	31	31	31	31	31	31	31	31

Source: Departmental Questionnaire

