

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
CITY OF WEST ST. PAUL, MINNESOTA**

**FOR THE YEAR ENDED
DECEMBER 31, 2010**

**Prepared By The Finance Department
of the City of West St. Paul, Minnesota**

**Sandy Christenson
Director of Finance**

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I. INTRODUCTORY SECTION

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CITY OF WEST ST. PAUL

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www.ci.west-saint-paul.mn.us

MUNICIPAL CENTER	651-552-4100	POLICE	651-552-4200
PARKS/RECREATION	651-552-4150	FIRE	651-552-4176
FAX	651-552-4190	TDD	651-322-2323

June 27, 2011

To the Honorable Mayor, City Council, City Manager and
To The Citizens of West St. Paul, Minnesota:

The Comprehensive Annual Financial Report (CAFR) of the City of West St. Paul for the year ended December 31, 2010, is submitted herewith.

INTRODUCTION

As in past years, this comprehensive annual financial report is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section includes this letter of transmittal, a copy of our most recent Certificate of Achievement, an organizational chart and a list of the City's principal elected and appointed officials.

Pursuant to the City Financial Reporting Act of 1978, the City's Finance Officer is required to prepare the CAFR, which is then to be attested to by an external auditor. Accordingly, this report has been prepared by the City's Finance Department. This report consists of management's representations concerning the finances of the City of West St Paul. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of West St Paul has established an internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformance with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City of West St Paul's framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, it is asserted that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

These financial statements have been audited by the certified public accounting firm of HLB Tautges Redpath, LTD. Their opinion is the first item in the Financial Section. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of West St Paul for the fiscal year ended December 31, 2010, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon that audit, that there was a reasonable basis for rendering an unqualified opinion that the City of West St Paul's financial statements for the fiscal year ended December 31, 2010 are fairly presented in conformity with GAAP.

City of West St. Paul
Letter of Transmittal

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of West St Paul's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE CITY OF WEST ST. PAUL

The City of West St. Paul was incorporated in 1889 and is located in the Twin Cities metropolitan area of Minnesota, immediately adjacent to the State Capitol of St. Paul. With a population of approximately 19,500, it is situated in the northern-most area of Dakota County, one of the fastest growing counties in the State of Minnesota. Although the City has a geographic area of only five square miles and is, for the most part, fully developed, it represents a major regional retail center. The majority of retail sales take place along a 2.5 mile, five-lane major state trunk highway known as South Robert Street that bisects the City. Nearly the entire length of this street is devoted to retail stores, shopping centers and restaurants.

The City of West St Paul operates under the council-manager form of government. Policy-making and legislative authority are vested in the City Council, consisting of a Mayor and six elected Councilmembers. The City Council is responsible, among other things, for passing ordinances, adopting budgets, appointing committees and hiring both the City Manager and the City Attorney. 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 operating departments. The City Council is elected on a non-partisan basis. Councilmembers are elected for four-year, staggered terms, with three Councilmembers being elected every two years. The Mayor is elected for a two-year term. The City is divided into three wards and two Councilmembers are elected from each ward. The Mayor is elected at-large.

The City of West St. Paul provides a full range of governmental services, including police protection, construction and maintenance of local streets and other infrastructure, recreational and community development activities. Certain community development services are provided through a legally separate Economic Development Authority (EDA), which functions, in essence, as a City operation since the EDA Board is composed of the Mayor and City Council. Therefore, the activities of the EDA have been included as part of these financial statements as a special revenue fund. Fire protection services are provided through a contract with South Metro Fire Department, a joint venture with the City of South St. Paul.

The annual budget serves as the foundation for the City of West St. Paul's financial planning and control. All departments of the City of West St Paul are required to submit their requests for appropriations (spending authority) to the City Manager each June. The City Manager, in cooperation with the Finance Director, uses these requests as a starting point for developing the Proposed Budget during July of each year. The City Manager then presents this Proposed Budget to the City Council in August. The City Council reviews the Proposed Budget, holds public hearings to

receive public input and then adopts a final budget in December. The Adopted Budget document is prepared by fund and function. The City Manager may transfer appropriations within any given function, but any transfers between functions must be presented to and approved by the City Council. This CAFR provides budget-to-actual comparisons for the General Fund and for the EDA special revenue fund in statements 11 and 12. Other funds for which budgets have been adopted can be found in the statements 18 through 31.

ECONOMIC CONDITION AND OUTLOOK

As a mature, first-ring suburb of St. Paul, the City of West St. Paul recognizes the importance of redevelopment to its long-term vitality and has, therefore, made extraordinary efforts in this area. Residential and commercial activities totaled over \$125 million in new market value in the last five years, despite a recent decline in the economy. Some of these projects include:

New Restaurants – In the last five years Applebee’s, Starbucks Coffee, Caribou Coffee, Chipotle, Culvers, Noodles & Co., Buffalo Wild Wings and Sonic have all opened in either new or renovated facilities. Polo Camparo opened in 2010 and construction of a Panera Bread and Panda Express commenced in 2010 with a March 2011 anticipated opening.

Wal-Mart – The world’s largest retailer demolished a vacant, former K-Mart building and completed construction of a new 143,000 square foot building. They employ nearly 300 employees.

Wentworth Place – This redevelopment project plan includes 35-unit townhomes and a 13,000 square foot retail strip mall. This project is located on the northeast corner of Robert Street and Wentworth Avenue. Noodles & Co. restaurant occupies the Southwestern corner along Robert Street and is the first tenant to occupy the retail space. Tax Increment Financing (Pay-As-You-Go) was provided to assist with demolition site improvements.

Homes on Emerson Hill – This 39 unit condominium project is experiencing slower-than-anticipated progress because of the declining housing market. The developer is now proposing to construct retail instead of the eleven townhomes originally proposed. This project is located on the west side of Robert Street, between Haskell Street and Bernard Street. Construction began in October 2005. Tax Increment Financing was provided for demolition and site improvements.

Target – After the demolition of their former store, a new 172,000 square foot super store was built in the fall of 2005. Tax Increment Financing (Pay-As-You-Go) was provided for partial funding for demolition and site improvements. An out-lot on this property was sold to United Properties in 2010 for the construction of an 11,000 square foot building to house Panera Bread, Panda Express, Regis Salon and Mattress Giant.

Rainbow Foods – Rainbow foods recently invested over \$5,000,000 to renovate the interior and exterior of their building.

CVS Pharmacy – An new CVS Pharmacy was completed in 2008. The site includes a new 13,000 square foot building with a drive-thru.

PACE/CASE – The City puts an emphasis on the maintenance of residential and commercial properties through the Pro-Active Code Enforcement (PACE) and Complaint-Activated Spot Enforcement (CASE) programs. During 2010, 84 residential properties were inspected through the PACE program and 627 residential and commercial properties were inspected through the CASE program.

MAJOR INITIATIVES

During 2010, the City of West St. Paul continued its efforts at capital planning and replacement, infrastructure maintenance and other long-term concerns. Included among these efforts were the following:

Robert Street Reconstruction – Perhaps the most exciting initiative currently in progress in the City is planning for the receipt of federal Surface Transportation Program funding to reconstruct South Robert Street. This \$7.0 million grant was awarded to the City in early 2010, spurring a planning and implementation process that will take more than three years. By working with Dakota County, the City has garnered additional funding to add to

City of West St. Paul
Letter of Transmittal

the potential enhancement of this very important corridor in the City. The project is anticipated to be complete in late 2014.

Public Works Facility – Working collaboratively with Dakota County, the City constructed a new public works facility on property acquired in 2005. The \$6.5 million facility features geothermal heating and other environmentally friendly features. The facility opened in Fall of 2010 with the previous building being demolished in late 2010.

Quality Housing - The City of West St Paul's Quality Housing Program is entering its seventh year. It is a collection of initiatives aimed at maintaining and improving the housing stock in the City. It includes the Outstanding Property Awards Program, the Pro Active Code Enforcement Program (PACE), Complaint Activated Spot Enforcement (CASE), the Housing Replacement Program, the Low Interest Home Improvement Loan Programs and the Housing Improvements Mini-Grant Program. A Rental Licensing Program was created to protect the public health, safety and welfare of citizens of the City who occupy rental units. A new Vacant Property program was created made available May 4, 2009. During 2010, the City purchased six blighted residential properties for demolition and resale, in addition to the eight properties purchased in 2009.

Proposed Redevelopment Areas – The Economic Development Authority (EDA) has identified several areas to concentrate their redevelopment efforts. Staff is in the process of identifying proposed projects for these areas, the costs associated with the projects and establishing timelines for the redevelopment. While 2009 was a relatively slow year for commercial development, 2010 saw the development of the Target out-lot, an application for conduit financing for a \$17 million senior assisted living center and redevelopment plans for the 10 Acres site.

Financial Fraud Investigator – In 2007, after reviewing the City's escalating financial crimes statistics, the Council directed the creation of an additional investigator position to concentrate efforts on financial crimes. The officer in this position became the police department's first dedicated financial crimes investigator. Having a dedicated position for financial crimes allows for this investigator to gain a greater level of expertise and departmental efficiency in solving financially-related crimes. In 2010, this position was able to solve a significant number of financial-related crimes.

Fire Department Consolidation – In 2008, the planned merger of the fire departments from the cities of South St. Paul and West St Paul was completed. Cost-savings and increased efficiencies were the drivers of this consolidation. The entity has been in operation for three full years.

Emergency Preparedness – The creation of the South Metro Fire Department has not lessened the collaborative effort between the police and fire departments in preparing for both natural disasters and terrorist activities. Recent efforts have resulted in 1) creating a County Special Operations Response Team to deal with terrorist events and resulting issues, 2) working with the Public Health Department on environmental and biological concerns, 3) forming a joint SWAT team with other agencies, 4) participating in safety fairs and other public awareness campaigns, 5) implementing a county-wide incident management team, and 6) providing joint training opportunities.

Future Park – In March 2009, the City completed its purchase of three acres of land that formerly housed a garden/nursery operation. While the City presently has no immediate plans to develop the property, its acquisition was a priority for the City Council. As virtually the last piece of sizable "green-space" in the City, its purchase represents an attempt on the part of the City Council to provide park-planning flexibility for the future.

Street Reconstruction Program – Continuing a program begun in 1986, the City improved 0.6 miles of local streets & alleys in various locations throughout the City in 2010. This is a significant decrease from the 1.7 miles improved in 2009. As part of its plan to control spending and the impact on residents, the City Council reduced the amount spent in the Street Reconstruction Program by approximately 50% for 2010. The improvements are

funded through a reimbursement bond issuance with assessments cover approximately 25% of the total construction costs.

Storm Water Management - The Metropolitan Surface Water Management Act (Chapter 509, Laws of 1982; Minnesota Statutes 473.875 - 473.883) requires the preparation of watershed management plans in the Minneapolis - St. Paul area. In response to this law, the Cities of Inver Grove Heights, Lilydale, Mendota Heights, St. Paul, South St. Paul, Sunfish Lake and West St. Paul created the Lower Mississippi River Watershed Management Organization (WMO) by Joint Powers Agreement on October 25, 1985. The WMO's watershed management plan was approved on July 26, 1989. Since that time, the City has spent roughly \$1,225,000 for seven separate projects related to WMO concerns. It is currently estimated that total WMO construction costs could exceed \$1,500,000. The Joint Powers Agreement was renewed in 2001, which also saw the approval by all member cities of the "Second Generation" Watershed Management Plan. In response to this, the City completed an update of its current Storm Water Management Plan (SWMP) in 2006 which will be in effect for 10 years through 2016. In addition, the City implemented a City-wide Storm Water Utility Fee (SWUF) in 2006. The SWUF is meant to fund all storm water related improvements and maintenance activities within the City.

CASH MANAGEMENT

Cash during the year was invested in certificates of deposit, obligations of the U.S. Treasury, taxable municipal bond issues of other governments, agencies of the U.S. federal government, and two liquid asset accounts: 1) an investment pool administered by the League of Minnesota Cities known as the 4-M Fund, and 2) a wealth management money market account with UBS Financial Services. All allowable investment instruments are outlined in State law. The maturities of the investments ranged from 1 day to sixteen years. The average yield on the City's \$24.4 million portfolio at December 31, 2010 was 2.0%. This is a slight decline from the yield at the end of 2009 of 2.3%. This CAFR reports investment interest earnings at their fair market value at the end of the fiscal year. These presented changes in value, however, do not necessarily represent a financial impact to the City. Since the City has a long-standing policy to hold all investments until they mature, any loss or gain in market value is of little consequence because the investment will not be sold, and therefore will mature, not at market value, but at the price originally paid for it. Additional information on the City's approach to cash management can be found in Note 1 (F) and Note 2.

LONG TERM FINANCIAL PLANNING AND POLICIES

The City of West St Paul recognizes the need to plan for the future. Because the City is, for the most part, fully developed, consideration is given to redevelopment. As with other aging suburbs, the City of West St. Paul is challenged by deteriorating infrastructure and lack of growth in overall market value to provide resources for repairs and replacements. In 2010, the City adopted its second annual formal Capital Improvement Plan (CIP) to aid in identifying infrastructure needs at least five years in advance. The 2011-2015 CIP includes planned projects for streets, parks, sewer system and City facilities.

West St. Paul does not fund depreciation on an annual basis; therefore, the ability to look ahead for large future costs assists the City's Management in determining how today's action will impact future opportunities. The City continually reviews its existing debt structure – seeking ways to reduce the overall obligation. It is a goal of the City to plan debt issues to coincide with the retirement of existing debt. The City currently has debt issues and retirement planned through the year 2025.

One of the tools utilized by the City for long-term financial planning is its Fund Balance Policy. The policy dictates that the General Fund shall include a designation of funds equal to 52.5% of the subsequent year's expenditures. This policy essentially provides for cash flow while awaiting tax payments in July and December of the year. By utilizing the fund balance, the City avoids the extra cost of borrowing to meet its short term obligations. This rather conservative approach is carried through in the City's response the volatile funding from

the State of Minnesota. During 2010, the State of Minnesota experienced significant budgetary deficits, which were passed along to local governments as cuts to promised aid payments. City officials identified the potential for the loss in funding at the end of 2008 and implemented wage and spending freezes and limitations for 2009 and 2010. By not moving forward with discretionary spending and delaying other costs, the City was able to increase the General Fund balance by \$206,914 for 2010.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of West St Paul for its CAFR for the fiscal year ended December 31, 2009. This was the twenty-second consecutive year the City's CAFR has received this prestigious award beginning with the first award in 1987. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. The 2009 report satisfied both GAAP and all applicable legal requirements.

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

BOND RATING

In November of 2010, the City issued General Obligation bonds. Standard and Poor's (S&P) was asked to rate the creditworthiness of the bonds. S&P rated the bonds AA. The rating maintains the higher step that was awarded in 2009. This bond rating signals the financial markets that the City's current financial condition is strong and that the framework to continue to improve is in place.

ACKNOWLEDGEMENTS

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the City of West St. Paul and the City's Finance Department, particularly the City's Assistant Finance Director, Jaclyn Senko. Special thanks also go to the staff of HLB Tautges Redpath, Ltd. for their advice and counsel in the preparation of this CAFR.

Respectfully submitted,



Sandy Christensen
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of West St. Paul
Minnesota

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

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LEGISLATIVE

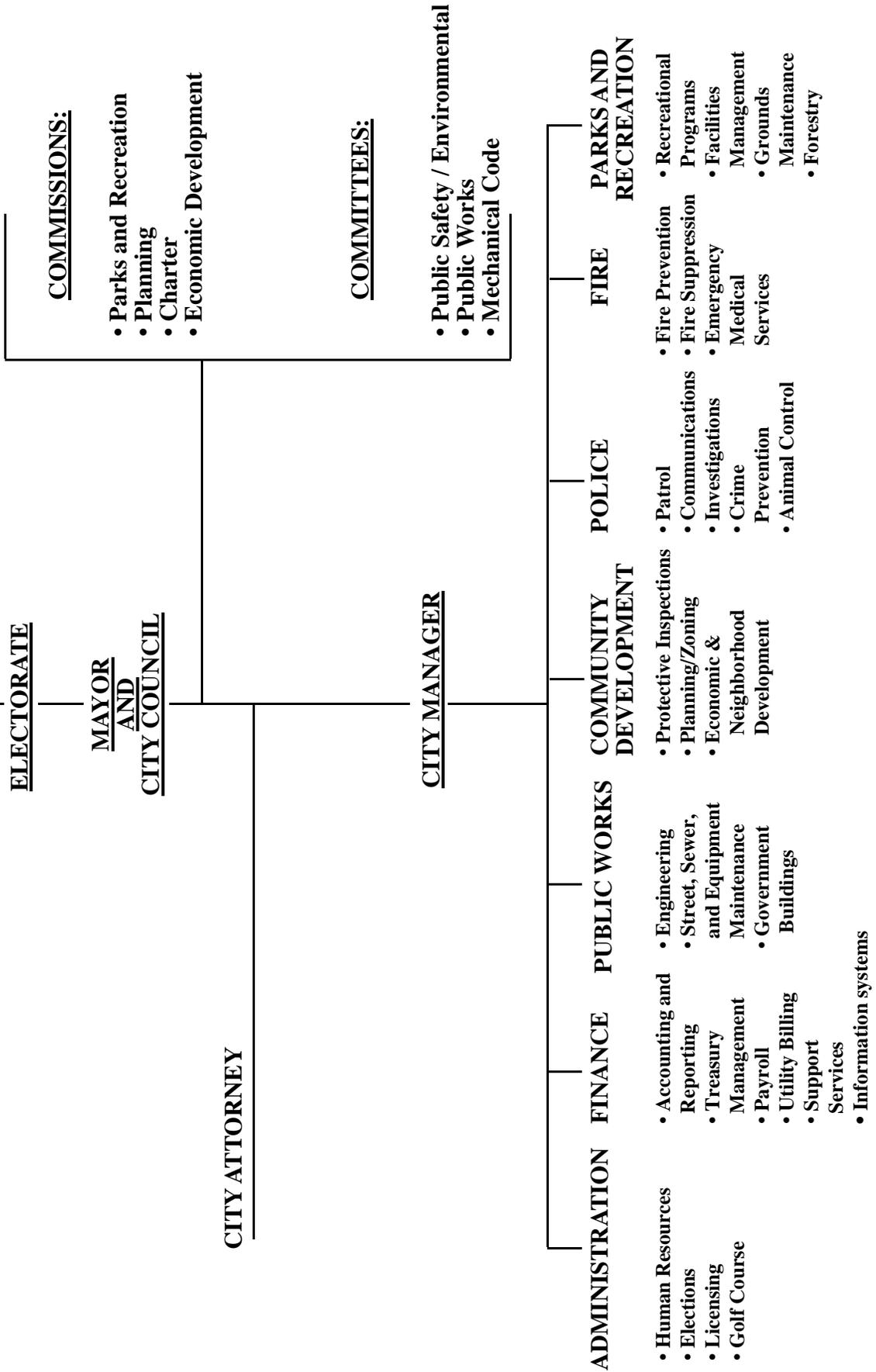
	<u>Term Expires</u>
Elected:	
Mayor:	
John Zanmiller	December 31, 2012
Council Members:	
Ed Hansen; Councilperson; 1st Ward	December 31, 2014
James Englin; Councilperson; 1st Ward	December 31, 2012
Edward H. Iago, Councilperson; 2nd Ward	December 31, 2014
Tony Vitelli; Councilperson; 2nd Ward	December 31, 2012
David K. Wright; Councilperson; 3rd Ward	December 31, 2014
Darlene Lewis; Councilperson; 3rd Ward	December 31, 2012

ADMINISTRATIVE

	<u>Date of Hire</u>
City Manager:	
John W. Remkus	July 26, 1981
Assistant City Manager/Human Resources:	
Sherrie Le	September 21, 2009
Director of Finance/City Treasurer:	
Sandra K. Christensen	July 7, 2008
Police Chief:	
Manila G. Shaver	September 26, 1988
Director Parks and Recreations & Public Works:	
Matthew S. Saam	May 16, 2005
Director of Community Development:	
James D. Hartshorn	March 5, 2003

CITY OF WEST ST. PAUL, MINNESOTA

ORGANIZATION CHART



II. FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

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

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 West St. Paul, Minnesota, as of and for the year ended December 31, 2010 which collectively comprise the City of West St. Paul, Minnesota's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of West St. Paul, Minnesota's management. Our responsibility is to express opinions on these financial statements based on our audit. The prior year partial comparative information has been derived from the City's 2009 financial statements. The financial statements of the City as of December 31, 2009, were audited by other auditors whose report dated June 23, 2010, expressed unqualified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of West St. Paul, Minnesota, as of December 31, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1M to the financial statements, the City of West St. Paul, Minnesota implemented Governmental Accounting Standards Board Statement 51, *Accounting and Financial Reporting for Intangible Assets*, as of and for the year ended December 31, 2010. This statement results in the City reporting intangible assets as capital assets. Beginning balances have been restated for the prior year affects of implementation of the standard.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2011 on our consideration of the City of West St. Paul, Minnesota's internal control over

financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information and the Schedule of Funding Progress on pages 17 through 28 and 80 through 87 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of West St. Paul, Minnesota's financial statements as a whole. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

HLB Tautges Redpath, Ltd.

HLB TAUTGES REDPATH, LTD.
White Bear Lake, Minnesota

June 27, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of West St. Paul, Minnesota (the City), we offer readers of the City of West St. Paul, Minnesota's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2010. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our Letter of Transmittal, which can be found on pages 3 through 18 of this report.

Financial Highlights

The assets of the City of West St. Paul, Minnesota exceeded its liabilities at the close of the most recent fiscal year by \$60,771,881 (net assets). Of this amount, \$20,301,058 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designations and fiscal policies.

The City's total net assets increased by \$1,076,307. This nominal increase in net assets of roughly 2% was due, in large part, to the cash infusion brought about by the sale of special assessments bonds in December, 2010. This, of course, was not the only increase/decrease in the City's operating funds, but the cash from the sale of the bi-annual special assessment bonds was the main factor in the increase in the net assets at December 31, 2010.

As of the close of the current fiscal year, the City of West St. Paul, Minnesota's governmental funds reported combined ending fund balances of \$24,179,053. Of this total amount, \$23,604,542, or 98% is designated or reserved through legal restrictions and City Council authorization.

At the end of the current fiscal year the general fund balance of \$5,911,553 was entirely designated.

The City's total bonded debt increased by \$1,407,100 during the current fiscal year, from \$21,940,500 to \$23,347,600. This increase was the result of the bi-annual issuance of debt for street and sidewalk reconstruction.

Overview of the Financial Statements

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

Management's Discussion and Analysis

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

The statement of net assets presents information on all of the City of West St. Paul, Minnesota's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City of West St. Paul, Minnesota is improving or deteriorating.

The statement of activities presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets 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 West St. Paul, Minnesota 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 West St. Paul, Minnesota include general government, public safety, public works and parks and recreation. The business-type activities of the City of West St. Paul, Minnesota include public utilities (storm sewer and sanitary sewer) and recreational activities (Civic Center Arena, Swimming Pool and Golf Course).

The government-wide financial statements can be found on pages 31 through 33 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 West St. Paul, Minnesota, 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 West St. Paul, Minnesota can be divided into two categories: governmental funds and proprietary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near term financial decisions. Both the governmental fund balance sheet and governmental fund statement of

Management's Discussion and Analysis

revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of West St. Paul, Minnesota 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 (Economic Development Authority), one debt service fund (Special Assessment Bonds) and four capital projects funds (Public Works Reserve, Public Works Facility Construction Fund, Permanent Improvement Revolving, and TIF Districts) which are considered to be major funds.

Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of West St. Paul, Minnesota adopts an annual appropriated budget for its general and major special revenue fund (Economic Development Authority).

A budgetary comparison statement has been provided for those funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 34 through 40 of this report.

Proprietary funds. The City of West St. Paul, Minnesota maintains two enterprise funds as its one and only type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the governmental-wide financial statements. The City of West St. Paul, Minnesota uses enterprise funds to account for its public utilities and recreation activities.

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 storm sewer, sanitary sewer, golf course, civic center arena and swimming pool operations.

The basic proprietary funds financial statements can be found on pages 41 through 43 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 45 through 77 of this report.

Management's Discussion and Analysis

Other information. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on budgetary comparisons. Combining and individual fund statements and schedules can be found on pages 93 through 165 of this report.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of West St. Paul, Minnesota, assets exceeded liabilities by \$60,771,881 at the close of the most recent fiscal year.

The largest portion of the City of West St. Paul, Minnesota's net assets (\$35,147,704 or 58% percent) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The City of West St. Paul, Minnesota uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of West St. Paul, Minnesota'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 West St. Paul, Minnesota's Net Assets

	Governmental Activities		Business-Type Activities		Totals	
	2010	2009	2010	2009	2010	2009
Assets:						
Current and Other Assets	\$27,169,177	\$30,403,526	\$2,711,124	\$2,699,515	\$29,880,301	\$33,103,041
Capital Assets	49,802,799	43,775,899	7,313,323	7,471,377	57,116,122	51,247,276
Total Assets	<u>\$76,971,976</u>	<u>\$74,179,425</u>	<u>\$10,024,447</u>	<u>\$10,170,892</u>	<u>\$86,996,423</u>	<u>\$84,350,317</u>
Liabilities:						
Long-Term Liabilities Outstanding	\$21,395,307	\$19,621,052	\$3,322,642	\$3,431,578	\$24,717,949	\$23,052,630
Other Liabilities	1,314,868	947,761	191,725	194,124	1,506,593	1,141,885
Total Liabilities	<u>\$22,710,175</u>	<u>\$20,568,813</u>	<u>\$3,514,367</u>	<u>\$3,625,702</u>	<u>\$26,224,542</u>	<u>\$24,194,515</u>
Net Assets:						
Invested in Capital Assets						
Net of Related Debt	\$31,069,506	\$30,796,241	\$4,078,198	\$5,657,805	\$35,147,704	\$36,454,046
Restricted	5,065,984	12,968,106	257,135	-	5,323,119	12,968,106
Unrestricted	18,126,311	9,846,265	2,174,747	887,385	20,301,058	10,733,650
Total Net Assets	<u>\$54,261,801</u>	<u>\$53,610,612</u>	<u>\$6,510,080</u>	<u>\$6,545,190</u>	<u>\$60,771,881</u>	<u>\$60,155,802</u>

A portion of the City of West St. Paul, Minnesota's net assets represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$20,301,058) may be used to meet the City's ongoing obligations to citizens and creditors.

Management's Discussion and Analysis

At the end of the current fiscal year, the City of West St. Paul, Minnesota is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

Governmental Activities

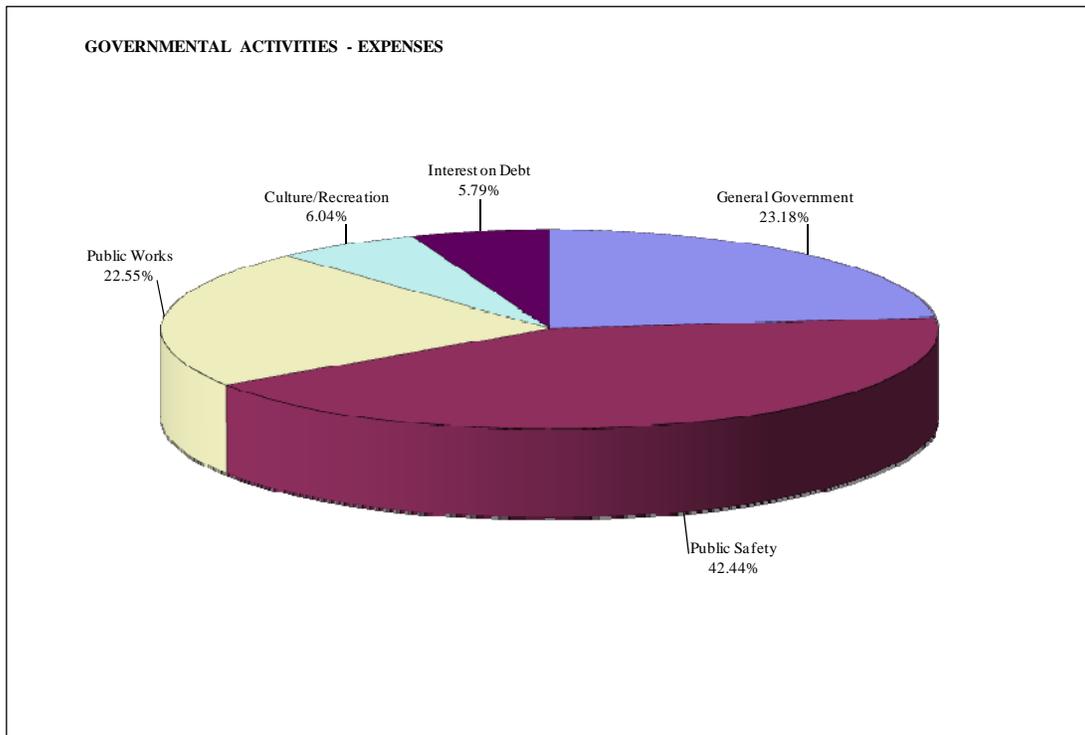
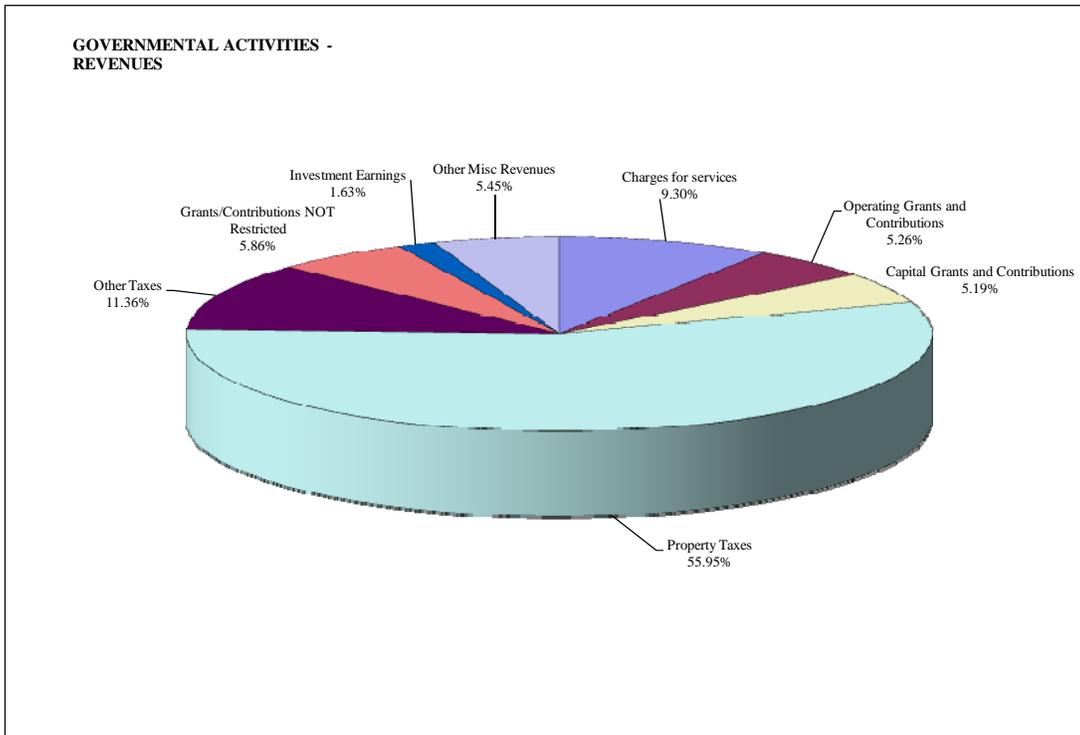
Governmental activities increased the City of West St. Paul, Minnesota's net assets by \$1,107,187, offsetting a decrease in business-type net assets of \$30,880, for an overall increase of \$1,076,307. Key elements of this increase are summarized in the table below:

City of West St. Paul, Minnesota's Changes in Net Assets

	Governmental Activities		Business-Type Activities		Totals	
	2010	2009	2010	2009	2010	2009
Revenues:						
Program revenues:						
Charges for services	\$1,427,325	\$1,278,436	\$3,146,016	\$3,409,889	\$4,573,341	\$4,688,325
Operating grants and contributions	808,067	1,401,375	-	-	808,067	1,401,375
Capital grants and contributions	797,237	581,053	-	-	797,237	581,053
General revenues:						
Property taxes	8,593,238	9,230,584	264,946	100,112	8,858,184	9,330,696
Other taxes	1,745,054	1,779,997	-	-	1,745,054	1,779,997
Grants and contributions not restricted to specific programs	899,359	1,786,089	3,866	5,245	903,225	1,791,334
Unrestricted investment earnings	250,365	493,389	14,432	16,699	264,797	510,088
Other miscellaneous revenues	100,647	-	-	-	100,647	-
Total revenues	<u>14,621,292</u>	<u>16,550,923</u>	<u>3,429,260</u>	<u>3,531,945</u>	<u>18,050,552</u>	<u>20,082,868</u>
Expenses:						
General government	3,302,702	3,360,035	-	-	3,302,702	3,360,035
Public safety	6,049,004	5,890,526	-	-	6,049,004	5,890,526
Public works	3,213,509	3,435,137	-	-	3,213,509	3,435,137
Parks and recreation	860,994	838,059	-	-	860,994	838,059
Interest and fees on long-term debt	824,286	397,208	-	-	824,286	397,208
Public utilities	-	-	2,139,272	3,824,046	2,139,272	3,824,046
Recreation	-	-	584,478	655,524	584,478	655,524
Total expenses	<u>14,250,495</u>	<u>13,920,965</u>	<u>2,723,750</u>	<u>4,479,570</u>	<u>16,974,245</u>	<u>18,400,535</u>
Increase (decrease) in net assets before transfers	370,797	2,629,958	705,510	(947,625)	1,076,307	1,682,333
Transfers	<u>736,390</u>	<u>542,768</u>	<u>(736,390)</u>	<u>(542,768)</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net assets	1,107,187	3,172,726	(30,880)	(1,490,393)	1,076,307	1,682,333
Net assets - January 1						
as previously reported	53,610,612	50,437,886	6,545,190	8,035,583	60,155,802	58,473,469
Prior period adjustment	(605,458)	-	(4,230)	-	(609,688)	-
Effective change in accounting principle	149,460	-	-	-	149,460	-
Net assets - January 1, as restated	<u>53,154,614</u>	<u>50,437,886</u>	<u>6,540,960</u>	<u>8,035,583</u>	<u>59,695,574</u>	<u>58,473,469</u>
Net assets - December 31	<u>\$54,261,801</u>	<u>\$53,610,612</u>	<u>\$6,510,080</u>	<u>\$6,545,190</u>	<u>\$60,771,881</u>	<u>\$60,155,802</u>

Management's Discussion and Analysis

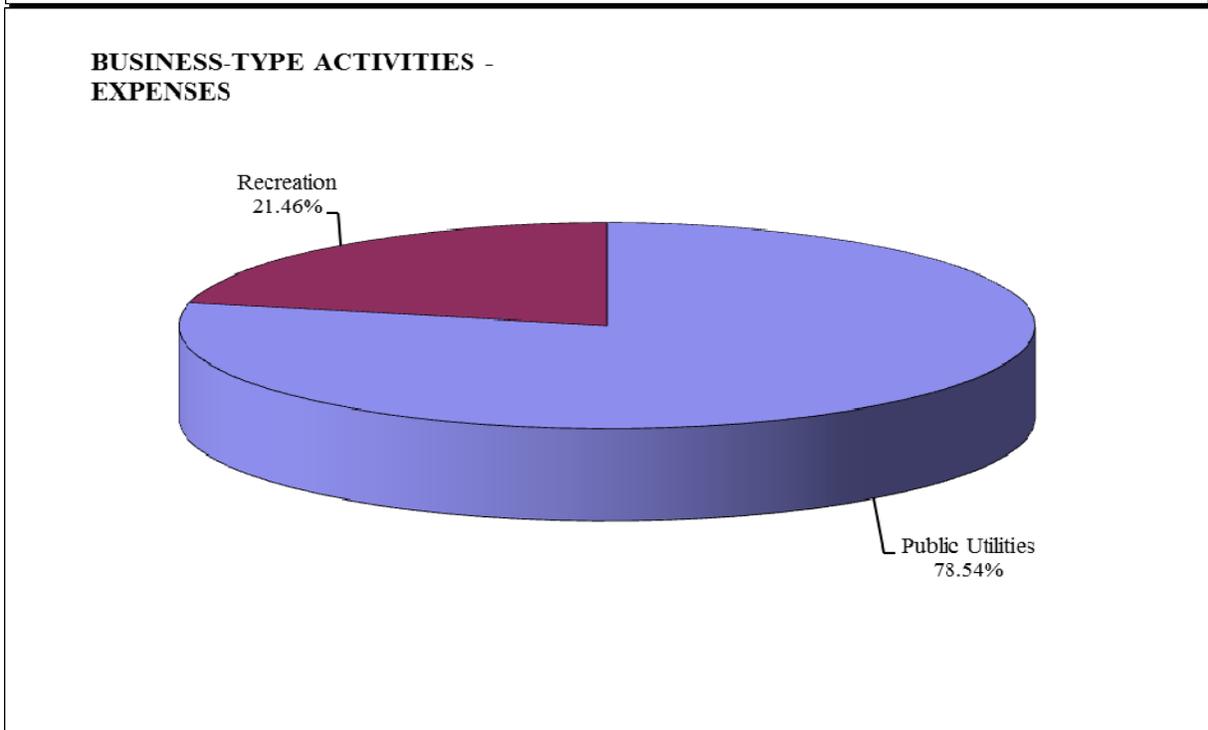
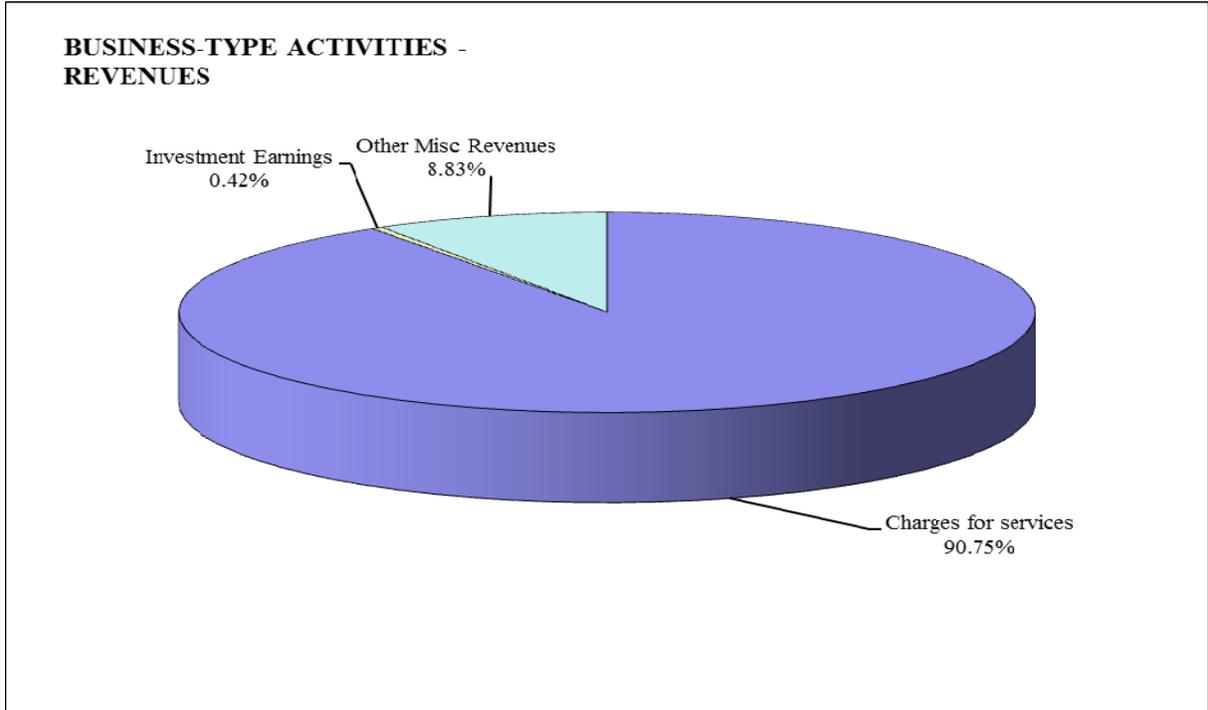
Below are specific graphs which provide comparisons of the governmental activities revenues and expenditures:



Management's Discussion and Analysis

Business-Type Activities

Business-type activities decreased net assets by \$30,880. Below are graphs showing the business-type activities revenue and expense comparisons:



Management's Discussion and Analysis

Financial Analysis of the Government's Funds

Governmental Funds. The focus of the City of West St. Paul, Minnesota'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 West St. Paul, Minnesota's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City of West St. Paul, Minnesota's governmental funds reported combined ending fund balances of \$24,179,053. Approximately 78% of this total amount (\$18,851,527) constitutes unreserved fund balance. The remainder of the fund balance (\$5,327,526) is reserved because it has already been committed to pay debt service (\$3,160,314) and for an interfund loan receivable (\$1,289,276). An additional \$790,899 is reserved as land held for resale.

The General Fund increased by \$206,914 in 2010. This resulted solely from expenditure savings throughout the organization with few significant savings for any one activity. Overall savings in personnel costs of \$185,056 was the major contributor.

The EDA Fund increased by \$15,719 in 2010. The increase is the result of personnel cost savings due to decrease in staffing by 0.25 FTE mid-way through 2010.

The Special Assessment Bonds Fund increased by \$1,194,251. The Special Assessments fund balance increase was due primarily to the receipt of funds associated with a current refunding of the 2002A Improvement Bond. These bonds are callable February 1, 2011; therefore, the receipt of funds in the amount of \$840,000 in December 2010 is reflected as an increase in fund balance until the bonds are paid off. The remaining increase reflects an effort to build a balance in the other funds to maintain a stable levy for debt.

The Public Works Reserve Fund increased by \$296,917 in 2010. The Public Works Reserve fund balance increased from delaying purchases of approved capital equipment due to uncertainty regarding the likelihood of receiving revenue from the State of Minnesota.

The Public Works Facility Fund decreased by \$5,937,453 in 2010. The decrease in this fund was planned to occur as the funds associated with construction of the public works facility were depleted.

The Permanent Improvement Revolving Fund increased by \$1,171,628 in 2010. This was a planned increase, as this fund serves as a funding source for the City's Street Reconstruction Program. This fund accumulates two years of construction costs and then bonds are issued to recover those costs. Bonds were issued in 2008 resulting in an increase; then decreased in 2009 and with the issuance of bonds again in 2010 an increase occurred.

The TIF District Funds increased by \$478,399 during 2010. During 2010, existing TIF districts began to generate tax increment revenues as projects were completed.

Management's Discussion and Analysis

The Nonmajor Special Revenue Funds decreased by \$87,355 for 2010. The non-major special revenue funds declined due to increased claims costs in the Insurance Fund.

The Nonmajor Debt Service Funds increased by \$15,089 for 2010. The non-major debt service funds increased because the 2010 tax levy was adjusted to insure adequate resources over the life of the bonds outstanding. As with the special assessments bonds, these GO bonds are reviewed annually and the tax levy is adjusted as needed.

The Nonmajor Capital Projects Funds increased by \$39,564 for 2010. The non-major capital projects fund balance increased due primarily to delayed purchases of parks equipment in the 2010 budget due to uncertainty regarding funding from the State of Minnesota.

Proprietary Funds. The City's proprietary funds consist of two major service areas: Public Utilities and Recreation.

The Public Utilities Funds increased by \$54,859 for 2010. The increase in fund balance in the Public Utility fund is the result of a planned Storm Sewer project in 2010 that was not completed. Additionally, a decrease in the Sanitary Sewer fund associated with fund balance transfers for debt service was offset by the inclusion of fund balance associated with a revenue bond supported by the Storm Sewer fund.

The Recreation Funds decreased by \$85,739 for 2010. The decline in the Recreation funds balances for 2010 is consistent with the \$84,457 decrease for 2009. For these operations, operating revenue is insufficient to fund equipment depreciation which accounts for the declining fund balance.

Budgetary Highlights

General Fund

The 5% Gross Earnings Franchise Tax from the local electric energy provider continues to be a major part of the General Fund annual revenues. \$759,248 was collected for 2010. This compares to \$695,454 collected for 2009.

The 2010 budget anticipated a reduction of the general fund balance of \$329,503 due to transfers to the Technology Replacement Fund and the Equipment Replacement funds, as well as the settlement of a 2009 labor agreement, resulting in 14 months of retroactive wage and benefit payments. The financial statements reflect an actual increase of \$206,914. During the 2010 budget year, approximately \$775,000 in Local Government Aid (LGA) was anticipated to be withheld by the State of Minnesota. However the payment was received, resulting in a corresponding increase which was subsequently reduced by the aforementioned transfers.

Management's Discussion and Analysis

Capital Asset and Debt Administration

Capital assets. The City of West St. Paul, Minnesota's gross investment in capital assets for its governmental and business-type activities as of December 31, 2010, amounted to \$49,802,826 (net of accumulated depreciation). This investment in capital assets includes land, buildings, infrastructure, machinery and equipment.

City of West St. Paul, Minnesota's Capital Assets (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Totals	
	2010	2009	2010	2009	2010	2009
Land	\$3,407,762	\$3,407,762	\$1,144,168	\$1,144,168	\$4,551,930	\$4,551,930
Construction in progress	9,846,373	2,424,247	-	67,246	9,846,373	2,491,493
Software in progress	121,458	113,958	-	-	121,458	113,958
Buildings	2,305,031	2,450,535	3,750,320	3,920,014	6,055,351	6,370,549
Improvements other than buildings	287,540	322,775	-	-	287,540	322,775
Vehicles, machinery and equipment	1,146,214	1,328,646	401,908	259,286	1,548,122	1,587,932
Software	-	35,502	-	-	-	35,502
Infrastructure	32,688,421	33,841,934	2,016,927	2,080,663	34,705,348	35,922,597
Net Capital Assets	<u>\$49,802,799</u>	<u>\$43,925,359</u>	<u>\$7,313,323</u>	<u>\$7,471,377</u>	<u>\$57,116,122</u>	<u>\$51,396,736</u>

Additional information on the City of West St. Paul, Minnesota's capital assets can be found in Note 4.

Long-term debt. At the end of the current fiscal year, the City of West St. Paul, Minnesota had total bonded long-term debt outstanding of \$23,347,600, an increase of \$1,407,100 from 2009. \$11,730,000 is for general obligation improvement debt, which is supported in part by special assessments. \$6,500,000 is general obligation bonded debt that is financed solely by annual property tax levies. \$1,525,000 of general obligation tax increment bonds are outstanding, which will be financed with tax increment collections. Additionally, there are outstanding certificates of indebtedness (Capital Notes) of \$407,600, which financed capital equipment acquisitions and are funded with annual property tax levies. Finally, there is \$3,185,000 in revenue bonds issued to finance improvements to the sanitary sewer system, and construction of the City's golf course.

Management's Discussion and Analysis

City of West St. Paul, Minnesota's Outstanding Debt

	Governmental Activities		Business-Type Activities		Totals	
	2010	2009	2010	2009	2010	2009
Special Assessment Bonds	\$11,730,000	\$9,910,000	\$ -	\$ -	\$11,730,000	\$9,910,000
General Obligations Bonds	6,500,000	6,550,000	-	-	6,500,000	6,550,000
Capital notes	407,600	610,500	-	-	407,600	610,500
TIF bonds	1,525,000	1,555,000	-	-	1,525,000	1,555,000
Revenue bonds	-	-	3,185,000	3,315,000	3,185,000	3,315,000
Total long-term debt	<u>\$20,162,600</u>	<u>\$18,625,500</u>	<u>\$3,185,000</u>	<u>\$3,315,000</u>	<u>\$23,347,600</u>	<u>\$21,940,500</u>

The City of West St. Paul, Minnesota received an increase in its bond rating to AA by Standard & Poor's in October 2009. The City maintained this rating for special assessment bonds sold in late 2010.

State statutes limit the amount of general obligation debt a Minnesota city may issue to 3% of total Estimated Market Value. The current debt limitation for the City of West St. Paul, Minnesota is \$47,821,506. Only \$407,600 of the City's outstanding debt is counted within the statutory limitation.

Additional information on the City of West St. Paul, Minnesota's debt can be found in Note 5.

Economic Factors and Next Year's Budgets and Rates

Economic redevelopment continues in West St. Paul. The development formerly known as 10 Acres was purchased in 2008. Plans to remodel the existing grocery complex were submitted in 2010 with plans for completion in 2011. The construction of two out-buildings is also planned. The City purchased six blighted residential properties for demolition and is in the process of marketing these for new residential construction. The existing out-lot of Tarter was sold to United Properties for construction of an 11,000 square foot building to include Panera Bread, a relocated Mattress Giant, Regis Salon and Panda Express. The City has further collaborated with the City of St. Paul for redevelopment opportunities on Smith Avenue (along the West St. Paul and St. Paul border).

The City continues to be challenged by current economic conditions locally and nationally. During 2008 and 2009, the City residents experience a significant number of foreclosures, resulting in vacant properties. Property values have dropped in each of the past two years, with a further decline projected for 2010. However, with the declining prices, more residents are seeking building permits to upgrade existing properties to either make them more saleable or to remain in the home. This is anticipated to eventually result in increased values.

In recognition of challenging economic times, the City maintains a conservative approach to budgeting in holding wages flat for staff, delaying capital purchases and refinancing debt when advantageous.

Management's Discussion and Analysis

Requests for Information

This financial report is designed to provide a general overview of the City of West St. Paul, Minnesota's finances for all those with an interest in the City of West St Paul's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, City of West St. Paul, 1616 Humboldt Avenue, West St. Paul, Minnesota 55118-3972.

BASIC FINANCIAL STATEMENTS

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CITY OF WEST ST. PAUL, MINNESOTA
STATEMENT OF NET ASSETS
December 31, 2010
With Comparative Totals For December 31, 2009

Statement 1

	Primary Government			
	Governmental Activities	Business-Type Activities	Totals	
			2010	2009
Assets:				
Cash and investments	\$22,999,525	\$1,421,141	\$24,420,666	\$26,962,809
Accounts receivable - net	628,747	539,934	1,168,681	1,807,512
Property taxes receivable	277,410	5,088	282,498	204,581
Special assessments receivable	1,220,713	704,001	1,924,714	2,078,164
Accrued interest receivable	67,756	4,486	72,242	95,289
Due from other governments	791,890	22,400	814,290	1,007,225
Internal balances	36,429	(36,429)	-	-
Inventory	-	2,250	2,250	2,226
Prepaid items	278	-	278	500
Deferred charges	-	48,253	48,253	18,744
Deferred bond issue costs	268,771	-	268,771	270,979
Notes receivable	86,759	-	86,759	104,518
Land held for resale	790,899	-	790,899	550,494
Capital assets - net of accumulated depreciation:				
Nondepreciable	13,375,593	1,144,168	14,519,761	7,043,423
Depreciable	36,427,206	6,169,155	42,596,361	44,203,853
Total assets	76,971,976	10,024,447	86,996,423	84,350,317
Liabilities:				
Accounts payable	320,517	19,648	340,165	630,814
Deposits payable	82,182	-	82,182	-
Contracts payable	504,905	-	504,905	119,409
Accrued salaries and fringes	119,592	14,251	133,843	229,867
Accrued interest payable	219,345	21,762	241,107	73,434
Unearned revenue	11,758	-	11,758	23,518
Due to other governmental units	56,569	136,064	192,633	64,843
Long-term liabilities:				
Due within one year				
Compensated absences payable	198,748	21,089	219,837	147,575
Debt payable	2,334,610	270,012	2,604,622	1,545,264
Due in more than one year				
Compensated absences payable	496,944	39,506	536,450	577,959
Debt payable	17,905,051	2,965,113	20,870,164	20,445,642
Other postemployment benefits	459,954	26,922	486,876	336,190
Total liabilities	22,710,175	3,514,367	26,224,542	24,194,515
Net assets:				
Invested in capital assets, net of related debt	31,069,506	4,078,198	35,147,704	32,744,391
Restricted for:				
Debt service	2,645,136	257,135	2,902,271	927,312
Capital improvements	818,205	-	818,205	6,525,445
Specific programs	1,602,643	-	1,602,643	1,064,101
Unrestricted	18,126,311	2,174,747	20,301,058	18,894,553
Total net assets	\$54,261,801	\$6,510,080	\$60,771,881	\$60,155,802

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

CITY OF WEST ST. PAUL, MINNESOTA

STATEMENT OF ACTIVITIES

For The Year Ended December 31, 2010

With Comparative Totals For The Year Ended December 31, 2009

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges For Services</u>
Primary government:		
Governmental activities:		
General government	\$3,302,702	\$747,044
Public safety	6,049,004	393,749
Public works	3,213,509	219,053
Parks and recreation	860,994	67,479
Interest on long-term debt	824,286	-
Total governmental activities	<u>14,250,495</u>	<u>1,427,325</u>
Business-type activities:		
Storm Sewer	28,760	336,744
Sanitary Sewer	2,110,512	2,435,628
Golf Course	220,097	162,855
Civic Center Arena	276,492	209,472
Swimming Pool	87,889	1,317
Total business-type activities	<u>2,723,750</u>	<u>3,146,016</u>
Total primary government	<u>\$16,974,245</u>	<u>\$4,573,341</u>

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

Program Revenues		Net (Expense) Revenue and Changes in Net Assets Primary Government			
Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Totals	
				2010	2009
\$199,525	\$ -	(\$2,356,133)	\$ -	(\$2,356,133)	(\$2,629,533)
280,350	40,061	(5,334,844)	-	(5,334,844)	(5,198,854)
243,579	734,971	(2,015,906)	-	(2,015,906)	(1,661,131)
-	22,205	(771,310)	-	(771,310)	(773,375)
84,613	-	(739,673)	-	(739,673)	(397,208)
<u>808,067</u>	<u>797,237</u>	<u>(11,217,866)</u>	<u>0</u>	<u>(11,217,866)</u>	<u>(10,660,101)</u>
-	-	-	307,984	307,984	-
-	-	-	325,116	325,116	(858,909)
-	-	-	(57,242)	(57,242)	-
-	-	-	(67,020)	(67,020)	(210,772)
-	-	-	(86,572)	(86,572)	-
<u>0</u>	<u>0</u>	<u>0</u>	<u>422,266</u>	<u>422,266</u>	<u>(1,069,681)</u>
<u>\$808,067</u>	<u>\$797,237</u>	<u>(11,217,866)</u>	<u>422,266</u>	<u>(10,795,600)</u>	<u>(11,729,782)</u>
General revenues:					
General property taxes		8,593,238	264,946	8,858,184	9,330,696
Tax increment taxes		1,017,676	-	1,017,676	1,001,532
Franchise and other taxes		727,378	-	727,378	778,465
Grants and contributions not restricted to specific programs		899,359	3,866	903,225	1,621,332
Unrestricted investment earnings		250,365	14,432	264,797	510,088
Gain on disposal of capital assets		6,523	-	6,523	-
Miscellaneous		94,124	-	94,124	170,002
Transfers		736,390	(736,390)	-	-
Total general revenues and transfers		<u>12,325,053</u>	<u>(453,146)</u>	<u>11,871,907</u>	<u>13,412,115</u>
Change in net assets		1,107,187	(30,880)	1,076,307	1,682,333
Net assets - beginning, as previously reported		53,610,612	6,545,190	60,155,802	58,473,469
Prior period adjustment		(605,458)	(4,230)	(609,688)	-
Effective change in accounting principle		149,460	-	149,460	-
Net assets - beginning, as restated		<u>53,154,614</u>	<u>6,540,960</u>	<u>59,695,574</u>	<u>58,473,469</u>
Net assets - ending		<u>\$54,261,801</u>	<u>\$6,510,080</u>	<u>\$60,771,881</u>	<u>\$60,155,802</u>

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

CITY OF WEST ST. PAUL, MINNESOTA
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2010
With Comparative Totals For December 31, 2009

	General Fund	Economic Development Authority	Special Assessment Bonds Fund	Public Works Reserve Fund
Assets				
Cash and investments	\$5,255,138	\$1,348,784	\$2,783,918	\$3,409,727
Accrued interest receivable	15,539	3,991	7,939	10,087
Due from other funds	24,140	-	34,288	-
Due from other governmental units	563,854	24,020	121,213	28,724
Accounts receivable	506,081	150,000	-	-
Allowance for uncollectible receivables	(27,334)	-	-	-
Prepaid items	278	-	-	-
Delinquent taxes receivable	131,417	7,759	34,837	10,093
Special assessments receivable:				
Delinquent	-	-	12,269	-
Deferred	47,300	-	887,471	2,249
Loans receivable	-	86,759	-	-
Interfund loan receivable	-	1,289,276	-	-
Land held for resale	-	790,899	-	-
Total assets	\$6,516,413	\$3,701,488	\$3,881,935	\$3,460,880
Liabilities and Fund Balances				
Liabilities:				
Accrued salaries and withholdings payable	\$105,567	\$8,896	\$ -	\$ -
Accounts payable	139,060	3,528	-	1,463
Due to other funds	-	2,028	1,923	4,035
Due to other governmental units	46,628	901	-	401
Contracts payable	-	-	-	-
Deposits payable	82,182	-	-	-
Deferred revenue	231,423	94,517	934,578	12,342
Interfund loan payable	-	-	-	-
Total liabilities	604,860	109,870	936,501	18,241
Fund balance:				
Reserved for interfund loan receivable	-	1,289,276	-	-
Reserved for loans receivable	-	86,759	-	-
Reserved for debt service	-	-	2,945,434	-
Reserved for land held for resale	-	790,899	-	-
Reserved for capital projects	-	-	-	-
Reserved for prepaids	278	-	-	-
Unreserved - designated reported in:				
General Fund	5,911,275	-	-	-
Special Revenue Funds	-	1,424,684	-	-
Capital Projects Funds	-	-	-	3,442,639
Unreserved - undesignated reported in:				
General Fund	-	-	-	-
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Total fund balance	5,911,553	3,591,618	2,945,434	3,442,639
Total liabilities and fund balance	\$6,516,413	\$3,701,488	\$3,881,935	\$3,460,880

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

Public Works Facility	Permanent Improvement Revolving Fund	TIF Districts	Other Governmental Funds	Total Governmental Funds	
				2010	2009
				\$202,426	\$2,242,545
608	6,643	6,317	16,632	67,756	88,679
-	-	-	-	58,428	-
-	6,692	(873)	48,260	791,890	1,007,225
-	-	-	-	656,081	485,637
-	-	-	-	(27,334)	(54,545)
-	-	-	-	278	-
-	-	78,435	14,869	277,410	200,931
-	-	-	-	12,269	9,390
-	271,424	-	-	1,208,444	2,068,774
-	-	-	-	86,759	104,518
-	-	-	-	1,289,276	1,315,951
-	-	-	-	790,899	550,494
<u>\$203,034</u>	<u>\$2,527,304</u>	<u>\$2,219,822</u>	<u>\$5,700,805</u>	<u>\$28,211,681</u>	<u>\$31,448,498</u>
\$ -	\$5,129	\$ -	\$ -	\$119,592	\$199,304
99,259	34,167	116	42,924	320,517	428,039
3,763	1,512	1,998	6,740	21,999	-
1,010	294	7,335	-	56,569	63,346
367,153	96,622	-	41,130	504,905	119,409
-	-	-	-	82,182	45,148
-	271,424	78,435	14,869	1,637,588	2,435,573
-	-	1,289,276	-	1,289,276	1,315,951
<u>471,185</u>	<u>409,148</u>	<u>1,377,160</u>	<u>105,663</u>	<u>4,032,628</u>	<u>4,606,770</u>
-	-	-	-	1,289,276	1,315,951
-	-	-	-	86,759	-
-	-	-	214,880	3,160,314	1,950,974
-	-	-	-	790,899	550,494
-	-	-	-	-	6,199,524
-	-	-	-	278	-
-	-	-	-	5,911,275	5,747,663
-	-	-	1,649,943	3,074,627	1,737,298
-	2,118,156	-	3,730,319	9,291,114	7,253,715
-	-	-	-	-	-
-	-	-	-	-	1,721,846
(268,151)	-	842,662	-	574,511	364,263
<u>(268,151)</u>	<u>2,118,156</u>	<u>842,662</u>	<u>5,595,142</u>	<u>24,179,053</u>	<u>26,841,728</u>
<u>\$203,034</u>	<u>\$2,527,304</u>	<u>\$2,219,822</u>	<u>\$5,700,805</u>	<u>\$28,211,681</u>	<u>\$31,448,498</u>

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

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CITY OF WEST ST. PAUL, MINNESOTA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
For The Year Ended December 31, 2010
With Comparative Totals For The Year Ended December 31, 2009

Statement 4

	2010	2009
Total fund balances for governmental funds	\$24,179,053	\$26,841,728
Total net assets reported for governmental activities in the statement of net assets is different because:		
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land	3,407,762	
Construction in progress	9,846,373	
Software in process	121,458	
Infrastructure	58,891,250	
Land improvements	1,142,987	
Buildings	3,936,931	
Machinery and equipment	3,527,093	
Software	177,510	
Total capital assets	81,051,364	
Less: accumulated depreciation	(31,248,565)	49,802,799
		43,775,899
Some of the City's property taxes, special assessments and fees will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred revenue in the governmental funds.		
		1,625,830
		2,412,055
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. Accrued interest for general obligation bonds is included in the statement of net assets.		
	(219,345)	(68,997)
Long-term liabilities that pertain to governmental funds, including bonds payable, are not due and payable in the current period and, therefore, are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net assets.		
Balances at year end are:		
Bonds payable	(20,162,600)	
Unamortized premiums	(152,612)	
Unamortized discount	75,551	
Deferred bond issuance costs	268,771	
OPEB payable	(459,954)	
Compensated absence payable	(695,692)	
	(21,126,536)	(19,350,073)
Total net assets of governmental activities	\$54,261,801	\$53,610,612

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

CITY OF WEST ST. PAUL, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2010
With Comparative Totals For The Year Ended December 31, 2009

	General Fund	Economic Development Authority	Special Assessment Bonds Fund	Public Works Reserve Fund
Revenues:				
General property taxes	\$5,917,516	\$290,179	\$1,456,706	\$346,120
Tax increment collections	-	-	-	-
Franchise and other taxes	777,432	-	-	-
Licenses and permits	539,594	-	-	-
Intergovernmental	1,298,275	182,899	21,135	4,990
Special assessments	15,823	-	658,260	-
Charges for services	692,695	2,988	-	-
Fines and forfeits	124,744	-	-	-
Investment income	40,587	58,924	16,265	30,577
Miscellaneous	45,765	21,864	-	-
Insurance policy dividends	4,310	-	-	-
Total revenues	9,456,741	556,854	2,152,366	381,687
Expenditures:				
Current:				
General government	1,979,098	527,970	-	5,850
Public safety	5,766,740	-	-	-
Public works	1,287,801	-	-	55,764
Parks and recreation	621,500	-	-	4,686
Unallocated general expenditures	3,272	-	-	5,075
Capital outlay	3,604	-	-	13,395
Debt service:				
Principal	-	-	1,120,000	-
Interest and fees	-	-	340,929	-
Costs of issuance	-	-	7,563	-
Miscellaneous	-	-	663	-
Total expenditures	9,662,015	527,970	1,469,155	84,770
Revenues over (under) expenditures	(205,274)	28,884	683,211	296,917
Other financing sources (uses):				
Sale of capital assets	21,103	-	-	-
Refunding bonds issued	-	-	485,885	-
Issuance of debt	-	-	-	-
Premium on debt issued	-	-	11,544	-
Payment to escrow agent	-	-	-	-
Insurance recoveries	-	-	-	-
Transfers in	561,361	-	193,458	-
Transfers out	(170,276)	(13,165)	(179,847)	-
Total other financing sources (uses)	412,188	(13,165)	511,040	0
Net change in fund balance	206,914	15,719	1,194,251	296,917
Fund balance (deficit) - January 1, as previously reported	5,747,663	3,588,291	1,751,183	3,145,722
Prior period adjustment	(43,024)	(12,392)	-	-
Fund balance - January 1 (as restated)	5,704,639	3,575,899	1,751,183	3,145,722
Fund balance (deficit) - December 31	\$5,911,553	\$3,591,618	\$2,945,434	\$3,442,639

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

Public Works Facility	Permanent Improvement Revolving Fund	TIF Districts	Other Governmental Funds	Total Governmental Funds	
				2010	2009
\$ -	\$ -	\$ -	\$584,673	\$8,595,194	\$8,198,676
-	-	939,241	-	939,241	1,038,990
-	-	-	-	777,432	766,070
-	-	-	-	539,594	515,595
-	125,514	1,838	93,100	1,727,751	3,003,528
-	316,206	-	-	990,289	557,691
-	-	-	-	695,683	681,621
-	-	-	-	124,744	132,957
28,745	11,609	17,510	46,148	250,365	493,389
-	1,003	-	123,909	192,541	146,371
-	-	-	-	4,310	-
<u>28,745</u>	<u>454,332</u>	<u>958,589</u>	<u>847,830</u>	<u>14,837,144</u>	<u>15,534,888</u>
4,262	-	188,965	58,769	2,764,914	2,970,876
-	-	-	101,655	5,868,395	5,727,556
-	6,972	-	64,730	1,415,267	1,512,683
-	-	-	145,097	771,283	744,114
-	-	-	115,188	123,535	113,079
5,961,936	1,627,563	194,638	347,486	8,148,622	3,355,188
-	-	-	282,900	1,402,900	1,314,428
-	-	-	333,504	674,433	647,703
-	39,245	-	-	46,808	-
-	-	-	450	1,113	40,819
<u>5,966,198</u>	<u>1,673,780</u>	<u>383,603</u>	<u>1,449,779</u>	<u>21,217,270</u>	<u>16,426,446</u>
<u>(5,937,453)</u>	<u>(1,219,448)</u>	<u>574,986</u>	<u>(601,949)</u>	<u>(6,380,126)</u>	<u>(891,558)</u>
-	-	-	-	21,103	5,774
-	-	-	-	485,885	9,427,915
-	2,454,115	-	-	2,454,115	-
-	59,909	-	-	71,453	-
-	-	-	-	-	(3,740,000)
-	-	-	4,853	4,853	9,190
-	-	35,832	654,833	1,445,484	1,919,527
-	(122,948)	(132,419)	(90,439)	(709,094)	(1,376,759)
<u>0</u>	<u>2,391,076</u>	<u>(96,587)</u>	<u>569,247</u>	<u>3,773,799</u>	<u>6,245,647</u>
<u>(5,937,453)</u>	<u>1,171,628</u>	<u>478,399</u>	<u>(32,702)</u>	<u>(2,606,327)</u>	<u>5,354,089</u>
5,669,302	947,460	364,263	5,627,844	26,841,728	21,487,639
-	(932)	-	-	(56,348)	-
<u>5,669,302</u>	<u>946,528</u>	<u>364,263</u>	<u>5,627,844</u>	<u>26,785,380</u>	<u>21,487,639</u>
<u>(\$268,151)</u>	<u>\$2,118,156</u>	<u>\$842,662</u>	<u>\$5,595,142</u>	<u>\$24,179,053</u>	<u>\$26,841,728</u>

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

CITY OF WEST ST. PAUL, MINNESOTA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2010
With Comparative Totals For The Year Ended December 31, 2009

Statement 6

	<u>2010</u>	<u>2009</u>
Amounts reported for governmental activities in the statement of activities (Statement 2) are different because:		
Net changes in fund balances - total governmental funds (Statement 5)	(\$2,606,327)	\$5,354,089
Prior period adjustment	549,110	-
Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.		
Capital outlay	8,148,622	2,981,780
Capital outlay not capitalized	(424,697)	-
Proceeds from sale of capital assets	(21,103)	(5,774)
Gain on sale of capital assets	6,523	-
Loss on sale of capital assets	(50,896)	(12,181)
Depreciation	(1,781,009)	(1,753,614)
In the statement of activities, other postemployment benefits are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). During fiscal years 2009 and 2010, other postemployment benefits payable changed.		
Other postemployment benefits - December 31, 2008	-	179,033
Other postemployment benefits - December 31, 2009	317,034	(317,034)
Other postemployment benefits - December 31, 2010	(459,954)	-
The governmental funds report bond proceeds as financing sources, while repayment of bond principal is reported as an expenditure. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities and repayment of principal reduces the liability. Interest is recognized as an expenditure in the government funds when it is due. In the statement of activities, however, interest expense is recognized as it accrues, regardless of when it is due. The net effect of these differences in the treatment of general obligation bonds and related items is as follows:		
Issuance of general obligation bonds and bond premium	(2,940,000)	(9,427,915)
Repayment of debt principal	1,402,900	5,119,450
Interest expense	(150,348)	44,916
Deferred charges	(49,016)	181,376
Amortization of bond discount/premium	(27,793)	-
Delinquent and deferred property taxes and special assessments receivable will be collected subsequent to year end, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the governmental funds.		
Deferred revenue - December 31, 2008	-	(1,405,210)
Deferred revenue - December 31, 2009	(2,412,055)	2,412,055
Deferred revenue - December 31, 2010	1,625,830	-
In the statement of activities, compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). During fiscal year 2010, compensated absence payable changed.		
	(19,634)	(178,245)
Change in net assets of governmental activities (Statement 2)	<u>\$1,107,187</u>	<u>\$3,172,726</u>

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

CITY OF WEST ST. PAUL, MINNESOTA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
December 31, 2010
With Comparative Totals For December 31, 2009

Statement 7

	Business-Type Activities - Enterprise Funds			
	Public Utilities	Recreation	Totals	
	Fund	Fund	2010	2009
Assets				
Current assets:				
Cash and investments	\$1,219,783	\$201,358	\$1,421,141	\$1,291,365
Due from other governments	13,431	8,969	22,400	-
Receivables:				
Accounts	11,082	-	11,082	-
User accounts - current and delinquent	493,969	34,883	528,852	671,817
Delinquent taxes receivable	2,185	2,903	5,088	3,650
Customer assessments	704,001	-	704,001	704,603
Interest receivable on investments	3,890	596	4,486	6,610
Inventory	-	2,250	2,250	2,226
Deferred charges	48,253	-	48,253	18,744
Prepaid expenses	-	-	-	500
Total current assets	2,496,594	250,959	2,747,553	2,699,515
Capital assets:				
Land	10,945	1,133,223	1,144,168	1,144,168
Buildings and improvements	2,236,070	4,081,222	6,317,292	6,311,003
Vehicles, machinery, and equipment	402,111	317,691	719,802	635,633
Distribution and collection systems	4,897,414	-	4,897,414	4,897,414
Construction in progress	-	-	-	67,246
Total capital assets	7,546,540	5,532,136	13,078,676	13,055,464
Less: accumulated depreciation	(3,789,739)	(1,975,614)	(5,765,353)	(5,584,087)
Net capital assets	3,756,801	3,556,522	7,313,323	7,471,377
Total assets	6,253,395	3,807,481	10,060,876	10,170,892
Liabilities				
Current liabilities:				
Payroll withholdings payable	9,378	4,873	14,251	30,563
Accounts payable	10,724	8,924	19,648	157,627
Due to other funds	35,958	471	36,429	-
Due to other governmental units	134,208	1,856	136,064	1,497
Accrued bond interest payable	20,151	1,611	21,762	4,437
Accrued compensated absences, current portion	19,844	1,245	21,089	8,027
Bonds payable, current portion	235,012	35,000	270,012	134,374
Total current liabilities	465,275	53,980	519,255	336,525
Noncurrent liabilities:				
Accrued compensated absences	-	39,506	39,506	41,449
Other post employment benefits payable	18,438	8,484	26,922	19,156
Bonds payable, net of current portion	2,475,113	490,000	2,965,113	3,228,572
Total noncurrent liabilities	2,493,551	537,990	3,031,541	3,289,177
Total liabilities	2,958,826	591,970	3,550,796	3,625,702
Net assets:				
Invested in capital assets, net of related debt	1,046,676	3,031,522	4,078,198	4,112,805
Restricted for debt service	257,135	-	257,135	-
Unrestricted	1,990,758	183,989	2,174,747	2,432,385
Total net assets	\$3,294,569	\$3,215,511	\$6,510,080	\$6,545,190

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

CITY OF WEST ST. PAUL, MINNESOTA
STATEMENT OF REVENUE, EXPENSES AND
CHANGES IN NET ASSETS
PROPRIETARY FUNDS
For The Year Ended December 31, 2010
With Comparative Totals For The Year Ended December 31, 2009

Statement 8

Business-Type Activities - Enterprise Funds

	Public Utilities Fund	Recreation Fund	Totals	
			2010	2009
Operating revenue:				
User charges for services	\$2,757,291	\$354,827	\$3,112,118	\$3,360,732
Retained fees	4,356	-	4,356	4,420
Special assessments	4,850	-	4,850	19,982
Miscellaneous	5,875	18,817	24,692	24,755
Total operating revenue	<u>2,772,372</u>	<u>373,644</u>	<u>3,146,016</u>	<u>3,409,889</u>
Operating expenses:				
Personal services	258,867	199,320	458,187	582,858
Supplies	14,360	53,214	67,574	64,321
Contractual services	1,513,607	169,831	1,683,438	1,732,286
Miscellaneous other charges	108,641	7,984	116,625	1,757,612
Capital outlay	-	1,609	1,609	-
Depreciation	162,439	132,920	295,359	276,176
Total operating expenses	<u>2,057,914</u>	<u>564,878</u>	<u>2,622,792</u>	<u>4,413,253</u>
Operating income (loss)	<u>714,458</u>	<u>(191,234)</u>	<u>523,224</u>	<u>(1,003,364)</u>
Nonoperating revenue (expense):				
Property taxes	156,857	108,089	264,946	100,112
Intergovernmental	2,284	1,582	3,866	5,245
Investment income	12,552	1,880	14,432	16,699
Bond interest expense	(81,358)	(19,600)	(100,958)	(66,317)
Total nonoperating revenue (expense)	<u>90,335</u>	<u>91,951</u>	<u>182,286</u>	<u>55,739</u>
Income (loss) before transfers and capital contributions	<u>804,793</u>	<u>(99,283)</u>	<u>705,510</u>	<u>(947,625)</u>
Transfers and capital contributions:				
Transfers in	143,906	13,544	157,450	16,570
Transfers out	(893,840)	-	(893,840)	(559,338)
Total transfers and capital contributions	<u>(749,934)</u>	<u>13,544</u>	<u>(736,390)</u>	<u>(542,768)</u>
Change in net assets	<u>54,859</u>	<u>(85,739)</u>	<u>(30,880)</u>	<u>(1,490,393)</u>
Net assets - January 1, as previously reported	3,242,076	3,303,114	6,545,190	8,035,583
Prior period adjustment	(2,366)	(1,864)	(4,230)	
Net assets - January 1, as restated	<u>3,239,710</u>	<u>3,301,250</u>	<u>6,540,960</u>	<u>8,035,583</u>
Net assets - December 31	<u>\$3,294,569</u>	<u>\$3,215,511</u>	<u>\$6,510,080</u>	<u>\$6,545,190</u>

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

CITY OF WEST ST. PAUL, MINNESOTA

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For The Year Ended December 31, 2010

With Comparative Totals For The Year Ended December 31, 2009

Statement 9

	Business-Type Activities - Enterprise Funds			
	Public Utilities Fund	Recreation Fund	Totals	
			2010	2009
Cash flows from operating activities:				
Receipts from customers and users	\$2,885,924	\$367,283	\$3,253,207	\$3,226,658
Payment to suppliers	(1,628,924)	(234,834)	(1,863,758)	(3,596,790)
Payment to employees	(258,739)	(201,105)	(459,844)	(584,932)
Miscellaneous revenue	5,875	18,817	24,692	24,289
Net cash flows provided (used) by operating activities	<u>1,004,136</u>	<u>(49,839)</u>	<u>954,297</u>	<u>(930,775)</u>
Cash flows from noncapital financing activities:				
Property taxes	154,672	108,836	263,508	100,112
Increase in customer assessments receivable	(602)	-	(602)	(704,604)
Intergovernmental	(10,392)	(6,271)	(16,663)	5,398
Transfers in	143,906	13,544	157,450	16,570
Transfers out	(893,840)	-	(893,840)	(559,338)
Net cash flows provided (used) by noncapital financing activities	<u>(606,256)</u>	<u>116,109</u>	<u>(490,147)</u>	<u>(1,141,862)</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(137,297)	-	(137,297)	(108,517)
Proceeds from debt issuance	-	-	-	2,907,946
Principal paid on capital debt	(95,000)	(35,000)	(130,000)	(1,440,000)
Interest paid on capital debt	(64,033)	(19,600)	(83,633)	(68,996)
Net cash flows used by capital and related financing activities	<u>(296,330)</u>	<u>(54,600)</u>	<u>(350,930)</u>	<u>1,290,433</u>
Cash flows from investing activities:				
Investment income	14,297	2,259	16,556	24,765
Net increase (decrease) in cash and cash equivalents	115,847	13,929	129,776	(757,439)
Cash and cash equivalents - January 1	1,103,936	187,429	1,291,365	2,048,804
Cash and cash equivalents - December 31	<u>\$1,219,783</u>	<u>\$201,358</u>	<u>\$1,421,141</u>	<u>\$1,291,365</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$714,458	(\$191,234)	\$523,224	(\$1,003,364)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	162,439	132,920	295,359	276,178
Changes in assets and liabilities:				
(Increase) decrease in receivables	119,427	12,456	131,883	(159,804)
(Increase) decrease in other assets	(27,143)	476	(26,667)	(19,829)
Increase (decrease) in payables	29,041	(17,428)	11,613	(21,882)
Increase (decrease) in accrued compensated absences	5,914	12,971	18,885	(2,074)
Total adjustments	<u>289,678</u>	<u>141,395</u>	<u>431,073</u>	<u>72,589</u>
Net cash provided (used) by operating activities	<u>\$1,004,136</u>	<u>(\$49,839)</u>	<u>\$954,297</u>	<u>(\$930,775)</u>

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

CITY OF WEST ST. PAUL, MINNESOTA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
December 31, 2010
With Comparative Amounts For December 31, 2009

Statement 10

	<u>2010</u>	<u>2009</u>
Assets:		
Cash and investments	\$ -	\$766,615
Total assets	<u>\$0</u>	<u>\$766,615</u>
Liabilities:		
Accounts payable	\$ -	\$502,010
Due to other governmental units	-	264,605
Total liabilities	<u>\$0</u>	<u>\$766,615</u>

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

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of West St. Paul, Minnesota (the City) operates as a "Home Rule Charter City" as defined by Minnesota State Statutes and is organized as a Council-Manager form of government. The City Council, composed of an elected mayor and six elected council persons, exercises legislative authority and determines all matters of policies.

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

A. FINANCIAL REPORTING ENTITY

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City (the primary government) and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations.

BLENDED COMPONENT UNIT

The Economic Development Authority (EDA) is an entity legally separate from the City. However, for financial reporting purposes, the EDA is reported as if it were part of the City's operations because the members of the City Council serve as EDA board members and its purpose is to promote development within the City. The EDA funds include a special revenue fund and tax increment capital project funds. Separate financial statements are not prepared for the EDA.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds, 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 funds are agency funds. 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. Reimbursement grants are considered available if they are collected within one year of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The City reports the following major governmental funds:

The *General Fund* is the City'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 *Economic Development Authority Fund* accounts for the facilitation of redevelopment of property within the City. The City established the EDA according to Minnesota Statute §469.109.

The *Special Assessment Bonds Fund* accounts for the revenues accumulated and payments made on long-term general obligation special assessment bonds.

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

The *Public Works Reserve Fund* accounts for major capital improvements of a public works nature as set forth in the City Code, Section 315.03. Financing is provided by a specific annual property tax levy to the extent that miscellaneous revenue is not sufficient to cover the required expenditures.

The *Public Works Facility Fund* is used to account for costs associated with the 2009-2010 construction of the Public Works Facility. Financing was provided through the 2009B taxable G.O. CIP Build America Bonds.

The *Permanent Improvement Revolving Fund* accounts for the costs of constructing various street, sanitary sewer, storm sewer, and water projects. These costs are accumulated until it becomes prudent to issue bonds. The bond proceeds are then placed here to finance future construction. Thus, the fund acts as a large, revolving pool of working capital.

The *TIF District Fund* accounts for the activities within the City's four tax increment districts.

The City reports the following major proprietary funds:

The *Public Utilities Fund* accounts for the provision of sewer service to properties within the City. This fund is maintained pursuant to City Code, Section 705.01. Sewer system users are billed regularly for the services provided, with said collections used to cover the cost of central sewage processing by the Metropolitan Council Environmental Services and the City costs of maintenance, operations, administration, and billing.

The *Recreation Fund* accounts for City-owned recreation operations consisting of a golf course, civic center arena and swimming pool.

The City reports the following fiduciary funds:

The *Gang Strike Force Fund* accounts for funds obtained by the Metro Gang Strike Force. The Force, which disbanded in late 2009, was unable to acquire a fiscal agent. As a member of the Force, the City offered to hold the funds during the dissolution of the Force. The funds were subsequently forwarded to a third-party paying agent.

The *South Metro Fire Fund* accounts for funds obtained from the State of Minnesota which are passed through to the South Metro Fire Department.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary-fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are transactions that would be treated as

revenues, expenditures or expenses if they involved external organizations, such as buying goods and services or payments in lieu of taxes, are similarly treated when they involve other funds of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

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.

D. BUDGETS

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

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

E. LEGAL COMPLIANCE - BUDGETS

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

1. The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

3. The budget is legally enacted through passage of a resolution on a departmental basis and can be expended by each department based upon detailed budget estimates for individual expenditure accounts.
4. The City Manager is authorized to transfer appropriations within any department budget. Additional interdepartmental or interfund appropriations and deletions are or may be authorized by the City Council as allowed by City Charter.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds.
6. Supplementary budgets are adopted for the debt service and proprietary funds. These budget amounts represent general obligation bond indenture provisions and net income for operation and capital maintenance, respectively, and are not reflected in the financial statements, because these are adopted for management purposes only and do not represent a legally adopted budget.
7. 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.
8. Budgeted appropriations for expenditures are controlled at the departmental level. Monitoring of budgets is maintained at the expenditure category level (i.e., personal services and benefits; materials, supplies, services, capital outlay) within each activity.

F. CASH AND INVESTMENTS

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

The City provides temporary advances to funds that have insufficient cash balances by means of an advance from another fund shown as interfund receivables in the advancing fund, and an interfund payable in the fund with the deficit, until adequate resources are received. These interfund balances are eliminated on the government-wide financial statements.

Investments are stated at fair value, based upon quoted market prices, except for investments in 2a7-like external investment pools, which are stated at amortized cost. Investment income is accrued at the balance sheet date.

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

G. RECEIVABLES AND PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. Short-term interfund loans are classified as “due to/from other funds.” All short-term interfund receivables and payables at year end are planned to be eliminated in the upcoming year. Long-term interfund loans, if any, are classified as “interfund loan receivable/payable.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Interfund loan receivables, if any, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Property taxes, special assessments, and ambulance receivables have been reported net of estimated uncollectible accounts (see Note 1 H, I and L). Because utility bills are considered liens on property, no estimated uncollectible amounts are established. Uncollectible amounts are not material for other receivables and have not been reported.

H. PROPERTY TAX REVENUE RECOGNITION

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

GOVERNMENTAL FUND FINANCIAL STATEMENTS

The City recognizes property tax revenue when it becomes both measurable and available to finance expenditures of the current period. In practice, current and delinquent taxes and State credits received by the City in July, December and January are recognized as revenue for the current year. Taxes and credits not collected by the County by December 31 (remitted to the City the following January) are classified as delinquent taxes receivable. Delinquent taxes receivable are fully offset by deferred revenue because they are not available to finance current expenditures.

I. SPECIAL ASSESSMENT REVENUE RECOGNITION

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

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

GOVERNMENTAL FUND FINANCIAL STATEMENTS

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

J. INVENTORIES

GOVERNMENTAL FUNDS

The original cost of materials and supplies has been recorded as expenditures at the time of purchase. These funds do not maintain material amounts of inventories.

PROPRIETARY FUNDS

Inventories of the Proprietary Funds are recorded at the lower of cost or market, using the first-in, first-out (FIFO) method. Inventories are recorded as expenditures when consumed.

K. PREPAID ITEMS

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

L. AMBULANCE BILLINGS

The City directly bills individuals for ambulance services. The City reserves an amount as uncollectible based on historical collection rates. The amounts of the estimated uncollectible ambulance billings to individuals as of December 31, 2010 were \$27,334.

M. 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 government as assets with an initial, individual cost of more than \$5,000 (except for easements which is \$50,000 and software which is \$10,000) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Pursuant to GASB Statement 34, in the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities) the City chose to include all such items regardless of their acquisition date. These assets are reported at historical cost.

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, 2010, no interest was capitalized in connection with construction in progress.

The City implemented GASB 51, *Accounting and Financial Reporting for Intangible Assets* effective January 1, 2010, which required the City to capitalize and amortize intangible assets. Pursuant to GASB Statement 51, in the case of initial capitalization of intangible assets, the City chose to capitalize intangible assets retroactively to 1980. The City had not accounted for computer software at historical cost and therefore retroactive reporting was necessary. The City was able to obtain historical costs and estimated fair value of donated intangible assets as of the date of donation for the initial reporting of easements through public works project records.

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

Property, plant and equipment of the primary government, as well as the component units, are depreciated using the straight line method over the following estimated useful lives:

Assets	
Buildings and improvements	20 – 50 years
Machinery and equipment	5 – 20 years
Motor vehicles	5 – 20 years
Trails, sidewalks and streetlights	30 years
Storm sewers	50 years
Streets	40 years
Distribution and collection systems	75 years
Software	5 years

N. 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 and proprietary 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 nonvesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave benefits that is vested as severance pay.

The City's policy regarding vacation leave is contained in the City Code, Section 310.37. Vacation leave may be accumulated by an employee up to a maximum of twice the annual amount that they are eligible for at any point in time. Upon separation from City service, the employee can receive all unused vacation leave as severance pay, subject to this limitation.

The City's policy regarding sick leave is contained in the City Code, Section 310.43. The maximum accumulation allowed is 120 working days. Upon the employee's termination from City service, the City will pay all of the accumulated sick leave as severance pay.

O. 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 assets. Bond premiums and discounts, as well as issuance costs, are amortized over the life of the related debt.

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

Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

P. FUND EQUITY

In the fund financial statements, governmental funds report reservations of fund balance for amounts not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

Q. INTERFUND TRANSACTIONS

Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. Interfund loans are reported as an interfund loan receivable or payable which offsets the movement of cash between funds. All other interfund transactions are reported as transfers.

R. LAND HELD FOR RESALE

Land held for resale is valued at the lower of cost or realizable value. Due to the nature of redevelopment activities, cost is frequently higher than realizable value. Realizable values are determined using appraised values or estimated actual sales price.

S. USE OF ESTIMATES

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

T. RECLASSIFICATIONS

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

U. COMPARATIVE TOTALS

The basic financial statements, required supplementary information, combining and individual fund financial statements and schedules, and supplementary financial information include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the City's financial statements for the year ended December 31, 2009, from which the summarized information was derived.

Note 2 DEPOSITS AND INVESTMENTS

A. DEPOSITS

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

Minnesota Statutes require that 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.

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. Authorized collateral includes the following:

- a) United States government treasury bills, treasury notes, treasury bonds;
- b) Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- c) General obligation securities of any state or local government with taxing powers which is rated "A" or better by a national bond rating service, or revenue obligation securities of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service;
- d) Unrated general obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity;
- e) Irrevocable standby letters of credit issued by Federal Home Loan Banks to a municipality accompanied by written evidence that the bank's public debt is rated "AA" or better by Moody's Investors Service, Inc. or Standard & Poor's Corporation; and
- f) Time deposits that are fully insured by any Federal agency.

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. State statutes require that insurance, surety bonds or collateral protect all City deposits. The market value of collateral pledged must equal 110% of deposits not covered by insurance or bonds. As of December 31, 2010 the bank balance of the City’s deposits was covered by federal depository insurance or perfected collateral provided by the financial institution and held in the City’s name.

B. INVESTMENTS

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) Obligations of the State of Minnesota or any of its municipalities as follows:
 - 1) any security which is a general obligation of any state or local government with taxing powers which is rated “A” or better by a national bond rating service;
 - 2) any security which is a revenue obligation of any state or local government with taxing powers which is rated “AA” or better by a national bond rating service; and
 - 3) a general obligation of the Minnesota housing finance agency which is a moral obligation of the State of Minnesota and is rated “A” or better by a national bond rating agency.
- d) Bankers acceptance of United States banks eligible for purchase by the Federal Reserve System.
- e) Commercial paper issued by United States corporations or their Canadian subsidiaries, of the highest quality, and maturing in 270 days or less.
- f) Repurchase or reverse repurchase agreements 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; certain Minnesota securities broker-dealers; or, a bank qualified as a depositor.
- g) General obligation temporary bonds of the same governmental entity issued under section 429.091, subdivision 7; 469.178, subdivision 5; or 475.61, subdivision 6.

CITY OF WEST ST. PAUL, MINNESOTA
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As of December 31, 2010 the City had the following investments and maturities:

Investment Type	Rating	Fair Value	Investment Maturities (in Years)			
			Less Than 1	1-5	6-10	Over 10 Years
Federal Home Loan Bank Notes	AAA/AAE	\$3,007,935	\$ -	\$2,513,790	\$494,145	\$ -
Federal Farm Credit Banks	AAA/AAE	500,385	-	500,385	-	-
Federal Home Loan Mortgage Corp. Notes	AAA/AAE	1,020,902	-	503,875	517,027	-
Federal National Mortgage Assn. Notes	AAA	4,974,980	-	987,365	3,017,365	970,250
Federal Home Loan Bank Financing Corporation Notes	AAAE	399,336	399,336	-	-	-
Municipal Bond	(1)	525,000	-	-	-	525,000
Taxable Bonds	AAA	4,661,294	300,651	2,580,932	270,462	1,509,249
External Investment Pool - 4M Fund	NR	1,103,249	1,103,249	-	-	-
Negotiable Certificates of Deposit	NR	2,780,759	1,706,375	1,074,384	-	-
Money Market	NR	5,026,128	5,026,128	-	-	-
Total		\$23,999,968	\$8,535,739	\$8,160,731	\$4,298,999	\$3,004,499
Total investments		\$23,999,968				
Deposits		420,698				
Total cash and investments		<u>\$24,420,666</u>				

(1) Internal investment in City of West St. Paul 1995 gross revenue golf course bonds, which are not rated.
NR - Not Rated

C. INVESTMENT RISKS

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

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

Interest rate risk – Interest rate risk is the risk that changes in interest rates of debt investments could adversely affect the fair value of an investment. The City's investment policy states the investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. The portfolio shall be structured so that securities mature concurrent with cash needs to meet anticipated demands and the portfolio should consist largely of securities with active secondary or resale markets.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will be unable to fulfill its obligation to the holder of the investment. State law limits investments to commercial paper to those rated in the highest quality category by at least two nationally recognized rating agencies; in any security of the State of Minnesota or any of its municipalities

CITY OF WEST ST. PAUL, MINNESOTA
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which is rated “A” or better by a national bond rating service for general obligation and rated “AA” or better for a revenue obligation; a general obligation of the Minnesota Housing Finance Agency to those rated “A” or better by a national bond rating agency; mutual funds or money market funds whose investments are restricted to securities described in MS 118A.04. The City’s investment policy does not place further restrictions on investment options. The City’s external investment pool investment is with the 4M fund which is regulated by Minnesota Statutes and the Board of Directors of the League of Minnesota Cities. The 4M fund is an unrated 2a7-like pool and the fair value of the position in the pool is the same as the value of pool shares. The City’s investment policy does not place further restrictions on investment options.

Concentration of credit risk – The City’s investment policy places limits on various security types as a percentage of the total portfolio. United States governmental securities are allowed to be 100% of the portfolio. State and local securities cannot exceed 20% of the portfolio. The City has placed limits on other types of securities, but has not invested in these types. The City places no limit on the amount the City may invest in any one issuer (except commercial paper). More than 5% of the City’s investments are in various holdings as follows:

Federal Home Loan Bank Notes	12%
Federal National Mortgage Assn. Notes	20%

Note 3 RECEIVABLES

Significant receivables balances not expected to be collected within one year of December 31, 2010 are as follows:

	Loan Receivable	Interfund Loan Receivable	Property Taxes Receivable	Special Assessments Receivable	Total
Major Funds:					
General Fund	\$ -	\$ -	\$37,000	\$ -	\$37,000
EDA	69,000	1,289,276	-	-	1,358,276
Special Assessment Bonds	-	-	10,000	750,049	760,049
Public Works Reserve Fund	-	-	-	2,249	2,249
Permanent Improvement Revolving	-	-	-	246,836	246,836
TIF Districts	-	-	22,000	-	22,000
Other Governmental Funds	-	-	4,000	-	4,000
Public Utilities Fund	-	-	-	614,194	614,194
Total	<u>\$69,000</u>	<u>\$1,289,276</u>	<u>\$73,000</u>	<u>\$1,613,328</u>	<u>\$3,044,604</u>

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

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes receivable:		
General Fund	\$131,417	\$ -
EDA	7,759	-
Special assessments bonds	35,228	-
Public works reserve	10,093	-
Nonmajor funds	14,478	-
Delinquent tax increment:		
TIF Districts	78,435	-
Certified bills not yet due:		
General Fund	43,013	-
Special assessments delinquent or not yet due:		
Special assessments bonds	904,029	-
Public works reserve	2,249	-
Permanent improvement revolving	271,424	-
Loans receivable:		
EDA	75,000	11,758
Other Receivables:		
General Fund	<u>52,705</u>	<u>-</u>
Total deferred/unearned revenue for governmental funds	<u>\$1,625,830</u>	<u>\$11,758</u>

CITY OF WEST ST. PAUL, MINNESOTA
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Note 4 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2010 is as follows:

Primary Government	Beginning Balance	Restated ⁽¹⁾	Beginning Balance, as Restated	Increases	Decreases	Ending Balance
Governmental activities:						
Capital assets, not being depreciated:						
Land	\$3,407,762	\$ -	\$3,407,762	\$ -	\$ -	\$3,407,762
Construction in progress	2,424,247	-	2,424,247	7,494,521	(72,395)	9,846,373
Software in progress	-	113,958	113,958	7,500	-	121,458
Total capital assets, not being depreciated	5,832,009	113,958	5,945,967	7,502,021	(72,395)	13,375,593
Capital assets, being depreciated:						
Buildings	4,154,546	-	4,154,546	-	(217,615)	3,936,931
Improvements other than buildings	1,142,987	-	1,142,987	-	-	1,142,987
Machinery and equipment	3,527,147	-	3,527,147	65,944	(65,998)	3,527,093
Software	-	177,510	177,510	-	-	177,510
Infrastructure	58,672,782	-	58,672,782	218,468	-	58,891,250
Total capital assets, being depreciated	67,497,462	177,510	67,674,972	284,412	(283,613)	67,675,771
Less accumulated depreciation for:						
Buildings	1,704,011	-	1,704,011	98,992	(171,103)	1,631,900
Improvements other than buildings	820,212	-	820,212	35,235	-	855,447
Machinery and equipment	2,198,501	-	2,198,501	239,299	(56,921)	2,380,879
Software	-	142,008	142,008	35,502	-	177,510
Infrastructure	24,830,848	-	24,830,848	1,371,981	-	26,202,829
Total accumulated depreciation	29,553,572	142,008	29,695,580	1,781,009	(228,024)	31,248,565
Total capital assets being depreciated - net	37,943,890	35,502	37,979,392	(1,496,597)	(55,589)	36,427,206
Governmental activities capital assets - net	\$43,775,899	\$149,460	\$43,925,359	\$6,005,424	\$(127,984)	\$49,802,799

⁽¹⁾Restated for previously unreported intangible assets as of December 31, 2009.

Primary Government	Beginning Balance	Restated ⁽¹⁾	Beginning Balance, as Restated	Additions	Deletions	Ending Balance
Business-type activities:						
Capital assets, not being depreciated:						
Land	\$1,144,168	\$ -	\$1,144,168	\$ -	\$ -	\$1,144,168
Construction in progress	67,246	-	67,246	-	(67,246)	-
Total capital assets, not being depreciated	1,211,414	0	1,211,414	0	(67,246)	1,144,168
Capital assets, being depreciated:						
Buildings and improvements	6,311,003	-	6,311,003	6,289	-	6,317,292
Vehicles, machinery and equipment	635,633	-	635,633	198,261	(114,092)	719,802
Distribution and collection systems	4,897,414	-	4,897,414	-	-	4,897,414
Total capital assets, being depreciated	11,844,050	0	11,844,050	204,550	(114,092)	11,934,508
Less accumulated depreciation for:						
Buildings and improvements	2,390,989	-	2,390,989	175,983	-	2,566,972
Vehicles, machinery and equipment	376,347	-	376,347	55,639	(114,092)	317,894
Distribution and collection systems	2,816,750	-	2,816,750	63,737	-	2,880,487
Total accumulated depreciation	5,584,086	0	5,584,086	295,359	(114,092)	5,765,353
Total capital assets being depreciated - net	6,259,964	0	6,259,964	(90,809)	0	6,169,155
Business-type activities capital assets - net	\$7,471,378	\$0	\$7,471,378	\$(90,809)	\$(67,246)	\$7,313,323

⁽¹⁾Restated for previously unreported intangible assets as of December 31, 2009.

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

Governmental activities:	
General government	\$135,914
Public safety	99,480
Public works, including depreciation of general infrastructure assets	1,476,313
Parks and recreation	69,302
Total depreciation/amortization expense - governmental activities	<u>\$1,781,009</u>
Business-type activities:	
Public utilities	\$162,439
Recreation	132,920
Total depreciation/amortization expense - business-type activities	<u>\$295,359</u>

CONSTRUCTION COMMITMENTS

At December 31, 2010, the City had construction project contracts in progress. The commitments related to the remaining contract balances at December 31, 2010 totaled \$157,514.

Note 5 LONG-TERM DEBT

GENERAL OBLIGATION BONDS

The City issues general obligation (G.O.) bonds, including G.O. bonds, G.O. special assessment bonds, G.O. capital notes, G.O. tax increment bonds, and G.O. revenue bonds, to provide funds for the acquisition and construction of major capital facilities and equipment. G.O. bonds have been issued for both governmental and business-type activities. G.O. bonds are direct obligations and pledge the full faith and credit of the City.

BUILD AMERICA BONDS

In 2009, the City issued \$6,500,000 Taxable General Obligation CIP Bonds, Series 2009B (Build America Bonds – Direct Pay).

REVENUE BONDS

In 1995, the City issued \$970,000 gross revenue Golf Course Bonds for the construction of a new public recreation golf course in the City. These bonds and interest thereon are payable solely from the gross revenues of the golf course and are not a general obligation of the City.

In 2009, the City issued \$1,545,000 General Obligation Sewer Revenue Bonds for the Sewer Inflow and Infiltration Project which would include sanitary sewer lining and replacement. These bonds and interest thereon are payable from the net revenues of the Sewer Systems, but are General Obligations of the City should the revenues pledged be insufficient to pay principal and interest as they become due.

CITY OF WEST ST. PAUL, MINNESOTA
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The City is also the current owner of the bonds which are included in the City's investment pool. The bonds and related investments are reported as if they were external transactions since the bonds are a legal debt issue, were purchased by the City on the open market, and could be re-sold on the open market.

REFUNDING

On December 29, 2010, the City issued the \$2,940,000 General Obligation Improvement and Current Refunding Bonds, Series 2010A with an average interest rate of 3.36% to refund the 2012 through 2015 maturities aggregating \$840,000 principal amount of the City's \$1,335,000 General Obligation Improvement Bonds, Series 2002A with an average interest rate of 4.04%. Refunding proceeds of \$475,000 were used in conjunction with existing cash reserves, to retire all outstanding principal of the refunded bonds on February 1, 2011 (the call date).

The City refunded the 2002A Bonds to reduce its total debt service payments over the next five years by \$398,722 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$48,722.

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
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Long-term debt at December 31, 2010 consisted of the following:

	Interest Rate	Issue Date	Maturity Date	Authorized and Issued	Outstanding
Governmental-Type Activities:					
G.O. Special Assessment Bonds:					
Improvement Bonds of 2002A	3.00-4.30%	12/1/2002	2/1/2015	\$1,335,000	\$1,020,000
Refunding Improvement Bonds of 2002B	2.50-4.00%	12/18/2002	8/1/2012	1,680,000	325,000
Improvement Bonds of 2004A	2.25-4.00%	12/1/2004	12/1/2018	1,360,000	940,000
Improvement Bonds of 2006A	3.50-3.90%	12/7/2006	12/1/2021	2,450,000	2,135,000
Improvement Bonds of 2008A	2.50-4.60%	12/23/2008	12/2/2023	2,370,000	2,210,000
Refunding Improvement Bonds of 2009A	2.00-3.50%	3/18/2009	2/1/2021	2,685,000	2,160,000
Improvement and Refunding Bonds of 2010A	3.00-3.75%	12/29/2010	2/1/2026	2,940,000	2,940,000
Total G.O. special assessment bonds				<u>14,820,000</u>	<u>11,730,000</u>
G.O. Bonds:					
G.O. TIF Bonds of 2005A	3.75-4.50%	11/1/2005	2/1/2031	1,605,000	1,525,000
G.O. Capital Improvement Bonds 2009B	1.50-6.00%	11/18/2009	2/1/2035	6,500,000	6,500,000
Total general obligation bonds				<u>8,105,000</u>	<u>8,025,000</u>
G.O. Capital Notes:					
Capital Note of 2006	4.75%	10/1/2006	10/1/2011	242,000	50,000
Capital Note of 2007	4.75%	10/1/2007	10/1/2012	190,000	79,000
Capital Note of 2008	4.95%	10/1/2008	10/1/2013	230,000	141,000
Capital Note of 2009	1.75-3.00%	10/1/2009	10/1/2014	169,500	137,600
Total capital notes				<u>831,500</u>	<u>407,600</u>
Unamortized bond discount				N/A	<u>(75,551)</u>
Unamortized bond premium				N/A	<u>152,612</u>
Compensated absences				N/A	<u>695,692</u>
Total governmental type activities					<u><u>\$20,935,353</u></u>
Business-Type Activities:					
Revenue bonds:					
Golf Course Bonds of 1995	6.50%	7/1/1995	12/1/2016	\$970,000	\$525,000
Refunding Improvement Bonds of 2009A	2.00-3.50%	3/18/2009	2/1/2018	1,315,000	1,115,000
G.O. Sewer Revenue Bonds of 2009C	2.00-3.50%	11/18/2009	2/1/2020	1,545,000	1,545,000
Total revenue bonds				<u>3,830,000</u>	<u>3,185,000</u>
Unamortized bond premium				N/A	50,125
Compensated absences				N/A	<u>60,595</u>
Total business-type activities				<u>\$3,830,000</u>	<u>\$3,295,720</u>

CITY OF WEST ST. PAUL, MINNESOTA
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Annual debt service requirements to maturity for long-term debt issues are as follows:

Due in Year	Governmental Activities					
	G.O.Bonds		G.O. Special Assessment Bonds		Tax Increment Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$130,000	\$343,018	\$2,000,000	\$325,483	\$30,000	\$65,463
2012	150,000	340,261	1,055,000	331,910	35,000	64,200
2013	155,000	336,349	1,095,000	298,898	40,000	62,700
2014	160,000	331,578	1,000,000	264,603	40,000	61,100
2015	160,000	326,138	975,000	232,808	45,000	59,400
2016	165,000	319,935	925,000	203,158	50,000	57,438
2017	170,000	312,813	965,000	171,688	50,000	55,312
2018	175,000	305,156	660,000	138,275	55,000	53,081
2019	180,000	296,944	550,000	113,685	60,000	50,637
2020	185,000	288,043	575,000	93,485	65,000	47,981
2021	195,000	278,544	595,000	71,826	70,000	45,113
2022	205,000	268,543	365,000	48,820	70,000	42,138
2023	220,000	257,781	380,000	34,333	75,000	39,056
2024	245,000	245,559	190,000	18,563	85,000	35,603
2025	265,000	231,687	195,000	11,344	90,000	317,758
2026	285,000	215,850	205,000	3,844	95,000	27,727
2027	310,000	198,000	-	-	100,000	23,400
2028	325,000	178,950	-	-	105,000	18,788
2029	345,000	158,850	-	-	115,000	13,838
2030	370,000	137,400	-	-	120,000	8,550
2031	390,000	114,600	-	-	130,000	2,925
2032	405,000	90,750	-	-	-	-
2033	420,000	66,000	-	-	-	-
2034	435,000	40,350	-	-	-	-
2035	455,000	13,650	-	-	-	-
Totals	<u>\$6,500,000</u>	<u>\$5,696,749</u>	<u>\$11,730,000</u>	<u>\$2,362,723</u>	<u>\$1,525,000</u>	<u>\$1,152,208</u>

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

Due in Year	Governmental Activities		Business-Type Activities	
	G.O. Capital Notes		Revenue Bonds	
	Principal	Interest	Principal	Interest
2011	\$167,900	\$15,583	\$265,000	\$91,788
2012	120,900	8,975	275,000	85,812
2013	82,900	4,287	290,000	79,313
2014	35,900	1,077	295,000	72,150
2015	-	-	300,000	63,663
2016	-	-	315,000	54,388
2017	-	-	320,000	44,637
2018	-	-	330,000	34,737
2019	-	-	340,000	24,326
2020	-	-	350,000	12,862
2021	-	-	50,000	3,675
2022	-	-	55,000	1,925
2023	-	-	-	-
2024	-	-	-	-
Totals	<u>\$407,600</u>	<u>\$29,922</u>	<u>\$3,185,000</u>	<u>\$569,276</u>

CHANGE IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2010, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
G.O. bonds	\$6,550,000	\$ -	(\$50,000)	\$6,500,000	\$130,000
G.O. improvement bonds	9,910,000	2,940,000	(1,120,000)	11,730,000	2,000,000
G.O. capital notes	610,500	-	(202,900)	407,600	167,900
G.O. TIF bonds	1,555,000	-	(30,000)	1,525,000	30,000
Unamortized bond discount	(78,503)	2,952	-	(75,551)	(5,287)
Unamortized bond premium	88,081	72,167	(7,636)	152,612	11,997
Compensated absences	676,058	505,071	(485,437)	695,692	198,748
Total government activity long-term liabilities	<u>\$19,311,136</u>	<u>\$3,520,190</u>	<u>(\$1,895,973)</u>	<u>\$20,935,353</u>	<u>\$2,533,358</u>
Business-type activities					
Revenue bonds	\$3,315,000	\$ -	(\$130,000)	\$3,185,000	\$265,000
Unamortized bond premium	47,946	2,179	-	50,125	5,012
Compensated absences	49,476	39,804	(28,685)	60,595	21,089
Total business-type activity long-term liabilities	<u>\$3,412,422</u>	<u>\$41,983</u>	<u>(\$158,685)</u>	<u>\$3,295,720</u>	<u>\$291,101</u>

Governmental compensated absences are typically liquidated (paid) by the General Fund.

CITY OF WEST ST. PAUL, MINNESOTA
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PLEDGED REVENUE

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

Bond Issue	Use of Proceeds	Revenue Pledged				Current Year 2010		
		Type	Percent of total debt service	Debt service as a % of net revenues	Term of Pledge	Remaining Principal and Interest	Principal and Interest paid	Pledged Revenue received
521 2002B Refunding Improvement Bonds \$1,680K	Infrastructure Improvement Projects	Assessments	6.59%	N/A	2002-2012	\$344,000	\$18,950	\$ -
522 2004A Improvement Bonds \$1,360 K	Infrastructure Improvement Projects	Assessments	14.43%	N/A	2004-2014	\$1,099,685	\$116,230	\$31,348
523 2006A Improvement Bonds \$2,450 K	Infrastructure Improvement Projects	Assessments	28.90%	N/A	2006-2016	\$2,657,778	\$115,738	\$34,337
524 2008A Improvement Bonds \$2,370 K	Infrastructure Improvement Projects	Assessments	13.48%	N/A	2008-2018	\$2,863,170	\$609,115	\$66,717
527 2009B Taxable GO Capital Improvement Bonds \$6,500 K	Capital Improvement Projects	Federal BAB's User Fees	16.71% 26.49%	N/A	2009-2034	\$12,196,749	\$241,750	\$212,450
528 2010A Improvement and Refunding Bonds \$4,275 K	Infrastructure Improvement Projects	Assessments	40.00%	N/A	2010-2011	\$3,187,595	\$ -	\$ -
375 2005A GO TIF Bonds \$1,605 K	Redevelopment and Renovation	Tax Increment	100.00%	N/A	2005-2033	\$2,391,225	\$126,588	\$96,588
525 2009A Improvement Refunding Bonds \$ 1,300 K	Infrastructure Improvement Projects	User Fees	100.00%	N/A	2009-2019	\$1,312,688	\$140,930	\$143,906
526 2009C GO Sewer Revenue Bonds \$1,545 K	Infrastructure Improvement Projects	User Fees	100.00%	N/A	2009-2019	\$1,789,013	\$29,745	\$29,745

Note 6 DEFINED BENEFIT PENSION PLANS - STATEWIDE

A. PLAN DESCRIPTION

All full-time and certain part-time employees of the City are covered by defined benefit plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund (GERF) and the Public Employees Police and Fire Fund (PEPFF) which are cost-sharing, multiple-employer retirement plans. These plans are established and administered in accordance with Minnesota Statute, Chapters 353 and 356.

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. All new members must participate in the Coordinated Plan. All police officers, firefighters and peace officers who qualify for membership by statute are covered by the PEPFF.

PERA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by State Statute, and vest after three years of credited service. The defined retirement 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.

The benefit provisions stated in the previous 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.

PERA issues a publicly available financial report that includes financial statements and required supplementary information for GERS and PEPFF. That report may be obtained on the internet at www.mnpera.org, by writing to PERA, 60 Empire Drive #200, St. Paul, Minnesota, 55103-2088 or by calling (651)296-7460 or 1-800-652-9026.

B. FUNDING POLICY

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. These statutes are established and amended by the state legislature. The City makes annual contributions to the pension plans equal to the amount required by state statutes. GERS Basic Plan members and Coordinated Plan members were required to contribute 9.10% and 6.0%, respectively, of their annual covered salary in 2010. PEPFF members were required to contribute 9.4% of their annual covered salary in 2010. The City was required to contribute the following percentages of annual covered payroll in 2010: 11.78% for Basic Plan GERS members, 7.0% for Coordinated Plan GERS members, and 14.1% for PEPFF members. Employer contribution rates for the Coordinated Plan will increase to 7.25% and rates for the PEPFF will increase to 14.4% effective January 1, 2011. The City's contributions to the General Employees Retirement Fund for the years ending December 31, 2010, 2009 and 2008 were \$190,900, \$177,597 and \$168,090 respectively. The City's contributions to the Public Employees Police and Fire Fund for the years ending December 31, 2010, 2009 and 2008 were \$312,648, \$302,252 and \$272,710 respectively. The City's contributions were equal to the contractually required contributions for each year as set by state statute.

Note 7 OTHER POST-EMPLOYMENT BENEFITS

In 2008, the City prospectively implemented the requirement of a new accounting pronouncement, GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*.

A. PLAN DESCRIPTION

In addition to providing the pension benefits described in Note 6, the City provides post-employment health care benefits (OPEB) for retired employees and police and firefighters disabled in the line of duty through a single-employer defined benefit plan. The City of West St. Paul, Minnesota's OPEB plan is administered by the City. The authority to provide these benefits is established in Minnesota Statutes Sections 471.61 Subd. 2a, and 299A.465. The benefits, benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and collective bargaining agreements with employee groups. The Plan is not accounted for as a trust fund, an irrevocable trust has not been established to account for the plan. The Plan does not issue a separate report.

B. BENEFITS PROVIDED

The City provides post-employment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement or disability benefits from a Minnesota public pension plan. The employee may continue to participate in the City's group health insurance plan that the employee was a participant of immediately prior to retirement. Employees may obtain dependent coverage at retirement only if the employee was receiving dependent coverage immediately prior to retirement. Covered spouses may continue coverage after the retiree's death. The surviving spouse of an active employee may continue coverage in the group health insurance plan after the employee's death.

All health care benefits are provided through the City's group health insurance plans. The retiree pays 100% of their premium cost for the City-sponsored group health insurance plan in which they participate. Since the premium is a blended rate determined on the entire active and retiree population, the retirees are receiving an implicit rate subsidy. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary.

C. PARTICIPANTS

As of the actuarial valuation dated January 1, 2008, participants consisted of:

Retirees and beneficiaries currently receiving benefits	14
Active employees	<u>72</u>
Total	<u><u>86</u></u>
Participating employers	<u><u>1</u></u>

D. FUNDING POLICY

Retiree health care benefits are currently funded on a pay-as-you-go basis. The City Council may change the funding policy at any time.

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

E. ANNUAL OPEB COSTS AND NET OPEB OBLIGATION

The City's annual other post employment benefit (OPEB) cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 days. The net OPEB obligation as of December 31, 2010, was calculated as follows:

Annual required contribution (ARC)	\$291,520
Interest on net OPEB obligation	13,448
Adjustment to ARC	<u>(18,998)</u>
Annual OPEB cost	285,970
Contributions made during the year	<u>(135,284)</u>
Increase (decrease) in net OPEB obligation	150,686
Net OPEB obligation - beginning of year	<u>336,190</u>
Net OPEB obligation - end of year	<u><u>\$486,876</u></u>

The City first had an actuarial valuation performed for the plan as of January 1, 2008 to determine the funded status of the plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended December 31, 2008. The City's annual OPEB cost (expense) of \$283,891 was equal to the ARC for the fiscal year, as the transition liability was set at zero as of December 31, 2007. The city's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
December 31, 2008	\$283,891	\$93,171	32.8%	\$190,720
December 31, 2009	280,754	135,284	48.2%	336,190
December 31, 2010	285,970	135,284	47.3%	485,876

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

F. FUNDED STATUS AND FUNDING PROGRESS

The City currently has no assets that have been irrevocably deposited in a trust for future health benefits, therefore, the actuarial value of assets is zero. The funded status of the plan was as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)* (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
January 1, 2008	\$ -	\$2,294,555	\$2,294,555	0.0%	\$4,918,450	46.65%

*Using the projected unit credit cost method.

Note, the first OPEB actuarial valuation was conducted as of January 1, 2008. There is no data available prior to the first valuation.

G. ACTUARIAL METHODS AND ASSUMPTIONS

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions (ARC) of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2008 actuarial valuation, the Projected Unit Credit actuarial cost method was used. The actuarial assumptions included a 4% investment rate of return (net of administrative expenses) and an initial annual health care cost trend rate of 10% reduced by 0.50% each year to arrive at an ultimate health care cost trend rate of 5.0%. The actuarial value of assets was \$0. The plan's unfunded actuarial accrued liability is being amortized using the level percentage of projected payroll method over 30 years on a closed basis. The remaining amortization period at December 31, 2010, was 27 years.

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

Note 8 INTERFUND RECEIVABLES/PAYABLES, LOANS AND TRANSFERS

Interfund loans receivable and payable are not expected to be collected within one year. These loans were provided to fund tax increment projects and will be repaid with future tax increment collections. A summary at December 31, 2010 is as follows:

Fund	Interfund Loans	
	Receivable	Payable
EDA	\$1,289,276	\$ -
TIF Districts	-	1,289,276
Total	<u>\$1,289,276</u>	<u>\$1,289,276</u>

Interfund transfers:

	Transfer In						Total
	General	Special Assessment Bonds	TIF Districts	Nonmajor Governmental Fund	Public Utilities Fund	Recreation Fund	
Transfer out:							
General	\$ -	\$ -	\$ -	\$170,276	\$ -	\$ -	\$170,276
EDA	13,165	-	-	-	-	-	13,165
Special Assessment Bonds	-	63,620	-	116,227	-	-	179,847
Permanent Improvement Revolving	-	-	-	122,948	-	-	122,948
TIF Districts	-	-	35,832	96,587	-	-	132,419
Nonmajor Governmental Fund	-	550	-	89,889	-	-	90,439
Public Utilities Fund	548,196	129,288	-	58,906	143,906	13,544	893,840
Total transfers	<u>\$561,361</u>	<u>\$193,458</u>	<u>\$35,832</u>	<u>\$654,833</u>	<u>\$143,906</u>	<u>\$13,544</u>	<u>\$1,602,934</u>

Interfund transfers allow the City to allocate financial resources to the funds that receive benefit from services provided by other funds or to establish or close-out funds. All of the City's interfund transfers fall under these categories. All of the 2010 transfers are considered routine and consistent with previous practices.

Note 9 TAX INCREMENT DISTRICTS

The City is the administrating authority for the various tax increment districts within the municipal development districts established under MS 472.A as redevelopment districts.

The City has authorized three tax increment pay-as-you-go revenue notes. These notes are not general obligations of the City and are payable solely from available tax increments. Accordingly, these notes are not reflected in the financial statements of the City.

Note 10 CONTINGENCIES

A. RISK MANAGEMENT

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

Workers compensation coverage is provided through a pooled self-insurance program through the League of Minnesota Cities Insurance Trust (LMCIT). The City pays an annual premium to 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 is not subject to a deductible. The City's workers compensation coverage is not retrospectively rated. However, the actual premium is adjusted based on audited payroll amounts. The amount of premium adjustment, if any, is considered immaterial and not recorded until received or paid.

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

The City continues to carry commercial insurance for all other risks of loss, including 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.

B. LITIGATION

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

C. FEDERAL AND STATE FUNDS

The City receives financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the applicable fund. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2010.

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

D. TAX INCREMENT DISTRICTS

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

Note 11 GOLF COURSE LAND USAGE AGREEMENT

A portion of the City's golf course is located on property owned by a third party. The City entered into an agreement with the third part which guarantees that the City will have exclusive rights to use this property in exchange for limited exclusive rights for the third party to use a portion of certain City owned parkland. The term of this agreement expires June 30, 2024.

Note 12 RESERVATIONS AND DESIGNATIONS OF FUND BALANCE

Fund balance reservations and designations at December 31, 2010 are as follows:

	<u>Reserved</u>	<u>Designation</u>
General Fund:		
Reserved for prepaids	\$278	\$ -
Designated for working capital	-	5,374,535
Designated for contingencies	-	527,811
Designated for police forfeitures	-	8,929
EDA:		
Reserved for interfund loan receivable	1,289,276	-
Reserved for loans receivable	86,759	-
Reserved for land held for resale	790,899	-
Designated for community development	-	1,424,684
Special Assessment Bonds:		
Reserved for debt service	2,945,434	-
Public Works Reserve:		
Designated for equipment	-	3,142,639
Designated for other capital projects	-	300,000
Permanent Improvement Revolving Fund:		
Designated for capital improvements	-	2,118,156
Other Nonmajor Governmental Funds		
Reserved for debt service	214,880	-
Designated for subsequent years	-	555,944
Designated for equipment purchased	-	1,809,327
Designated for working capital	-	3,014,991
	<u>\$5,327,526</u>	<u>\$18,277,016</u>
Total designations		

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

Note 13 RESTRICTIONS OF NET ASSETS

At December 31, 2010 and 2009, the City had net assets restricted for specific programs reported in the governmental activities. Detail of this restriction is as follows:

	<u>December 31,</u>	
	<u>2010</u>	<u>2009</u>
Restricted for:		
Tax increment purposes	\$921,097	\$376,366
CDBG grant	10,877	21,605
Landfill abatement	18,310	18,205
Police expenditures	51,990	51,623
Fire expenditures	592,439	588,273
Grants	<u>7,930</u>	<u>8,029</u>
 Total restricted for specific purposes	 <u><u>\$1,602,643</u></u>	 <u><u>\$1,064,101</u></u>

Note 14 CONDUIT DEBT

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

As of December 31, 2010, there were three series of Industrial Revenue Bonds outstanding, with an aggregate scheduled principal amount payable of \$6,015,506.

Note 15 JOINT VENTURES

A. DCC-JOINT POWERS DEBT COMMITMENT

On August 25, 2005, the City entered into a joint powers agreement with the Cities of Apple Valley, Burnsville, Eagan, Farmington, Hastings, Inver Grove Heights, Lakeville, Mendota Heights, Rosemount and South St. Paul, Minnesota and, Dakota County Minnesota, to establish the Dakota Communications Center (DCC), a Minnesota nonprofit corporation. The purpose of the DCC is to engage in the operation and maintenance of a county-wide public safety answering point and communications center for law enforcement, fire, emergency medical services, and other public safety services for the mutual benefit of residents residing in the abovementioned cities and county. Pursuant to the joint powers agreement, members are required to provide DCC their pro rata share of cost of operations and maintenance, and capital projects.

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

On May 1, 2008, the DCC issued Public Safety Revenue Bonds, Series 2008 in the amount of \$7,315,000 to provide financing for the acquisition of equipment and reimbursement for conversion costs. The bonds are special obligations of the DCC, payable from revenues to be received from members. Pursuant to the joint powers agreement, members will levy taxes for the payment of their pro rata share of the principal and interest payments due on the bonds. The bonds mature February 1, 2014, and bear interest rates ranging from 4.5% - 5.0%. The debt will be re-paid with member assessments over a seven year amortization. All members reserve the right to prepay, in whole or in part on any date, their allocated share of principal and interest on the bonds.

Payments from the City are provided from General Fund appropriations. The City's future member payments to DCC as of December 31, 2010 are as follows:

2011	\$73,950
2012	71,350
2013	<u>78,750</u>
Total	<u><u>\$224,050</u></u>

Pursuant to Section 9.5 of the joint powers agreement, member payments are submitted monthly and held in escrow by U.S. Bank National Association (trustee) until the funds are remitted to the bond holders according to the established bond principal and interest due dates. The interest earnings from the escrow account will reduce future member obligations on the debt. Information regarding the Dakota Communications Center can be obtained at the website www.mn-dcc.org/stats.asp.

B. SOUTH METRO FIRE DEPARTMENT

The City entered into a joint power agreement with the City of South St. Paul to consolidate the cities of West St. Paul and South St. Paul fire departments thereby creating a new entity known as the South Metro Fire Department (SMFD) as of January 1, 2008, the operational date.

The SMFD is governed by a five-member board of directors (Board) that include two council members from each joint city, and one public member which is not an employee nor a resident of either city. The City Council from each respective city appoints four out of the five members to the board. The process for filling the public member position is as follows:

1. The Board shall approve 3 names to be forwarded to each City Council.
2. Each City Council shall rank each nominee in order of preference.
3. If the highest ranked person is the same on each list, then that person is appointed by each Council.

As required by the agreement, the City transferred fire department property and equipment to the SMFD on January 1, 2008, retaining its rights to these assets in the event of SMFD's dissolution.

CITY OF WEST ST. PAUL, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

The property and equipment has an estimated original value of \$1,446,249 as of December 31, 2010.

The activities of the SMFD are funded entirely by the Cities of West St. Paul and South St. Paul, with each contributing an equal share of the SMFD annual budget which must be approved by the Board by a four-fifths vote of all of its members. In addition, each City performed in-kind contributed services of approximate equal value during 2010 with additional service agreements in future years. Information regarding the South Metro Fire Department can be obtained at the website www.southmetrofire.com.

Financial statements may be obtained by writing to the South Metro Fire Department, 1616 Humboldt Avenue, West St. Paul, MN 55118

Note 16 PRIOR PERIOD ADJUSTMENTS

During 2010, corrections to the prior year financial statements were made to correct assets held of resale, deferred revenue, special assessments, accounts receivable and accounts payables as of December 31, 2009.

A summary of these changes are as follows:

	General Fund	Economic Development Authority	Permanent Improving Revolving	Total Governmental Activities
Net assets:				
December 31, 2009, as previously reported	\$5,747,663	\$3,588,291	\$947,460	\$53,610,612
Prior period adjustments:				
Assets held for resale adjustment	-	(45,234)	-	(45,234)
Deferred revenue adjustment	-	35,278	-	35,278
Accounts payable adjustment	(43,024)	(2,436)	(932)	(46,392)
Accounts receivable adjustment	-	-	-	50,800
Special assessment adjustment	-	-	-	(599,910)
Net assets:				
January 1, 2010, as restated	<u>\$5,704,639</u>	<u>\$3,575,899</u>	<u>\$946,528</u>	<u>\$53,005,154</u>
	Public Utilities Fund	Recreation Fund	Total Business-Type Activities	
Net assets:				
December 31, 2009, as previously reported	\$3,242,076	\$3,303,114	\$6,545,190	
Prior period adjustments:				
Assets held for resale adjustment	-	-	-	
Deferred revenue adjustment	-	-	-	
Accounts payable adjustment	(2,366)	(1,864)	(4,230)	
Accounts receivable adjustment	-	-	-	
Special assessment adjustment	-	-	-	
Net assets:				
January 1, 2010, as restated	<u>\$3,239,710</u>	<u>\$3,301,250</u>	<u>\$6,540,960</u>	

Note 17 RECENTLY ISSUED ACCOUNTING STANDARDS

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

Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions*. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2010.

Statement No. 60 *Accounting and Financial Reporting for Service Concession Arrangements*. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2011.

Statement No. 61 *The Financial Reporting Entity Omnibus – An Amendment of GASB No. 14 and No. 34*. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2012.

Statement No. 62 *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2011.

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

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WEST ST. PAUL, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
For The Year Ended December 31, 2010
With Comparative Actual Amounts For The Year Ended December 31, 2009

Statement 11
Page 1 of 5

	2010				
	Budgeted Amounts		Actual Amounts	Actual Over (Under) Final Budget	2009 Actual Amounts
	Original	Final			
Revenues:					
Taxes:					
Current	\$6,171,807	\$6,171,807	\$5,827,272	(\$344,535)	\$5,211,018
Delinquent	79,999	79,999	90,217	10,218	67,393
Franchise tax - Xcel Energy 5% gross earnings	700,000	700,000	759,248	59,248	695,454
Water Surcharge	18,000	18,000	18,184	184	20,500
Gravel tax	3,000	3,000	27	(2,973)	-
Total taxes	<u>6,972,806</u>	<u>6,972,806</u>	<u>6,694,948</u>	<u>(277,858)</u>	<u>5,994,365</u>
Licenses and permits:					
Licenses:					
Liquor, beer and wine	124,000	124,000	117,983	(6,017)	94,759
General business	101,100	101,100	105,850	4,750	121,002
Miscellaneous	3,500	3,500	14,276	10,776	4,306
Permits:					
Building	150,000	150,000	203,828	53,828	151,966
Electrical	31,250	31,250	20,135	(11,115)	21,367
Mechanical	90,000	90,000	77,522	(12,478)	122,195
Total licenses and permits	<u>499,850</u>	<u>499,850</u>	<u>539,594</u>	<u>39,744</u>	<u>515,595</u>
Intergovernmental:					
State:					
Local government aid	773,960	773,960	773,763	(197)	1,182,950
Market value homestead credit	-	-	84,947	84,947	277,668
Police services	207,971	207,971	211,711	3,740	208,133
Highway maintenance	120,000	120,000	120,000	-	120,000
County grants	-	-	40,061	40,061	-
Miscellaneous	49,163	49,163	67,793	18,630	241,950
Total intergovernmental	<u>1,151,094</u>	<u>1,151,094</u>	<u>1,298,275</u>	<u>147,181</u>	<u>2,030,701</u>
Charges for services:					
Public safety services	151,668	151,668	143,372	(8,296)	129,735
Recreation programs and leagues	69,000	69,000	62,163	(6,837)	48,913
General government services	136,642	136,642	286,656	150,014	247,310
Administrative - construction	150,500	150,500	200,504	50,004	225,648
Total charges for services	<u>507,810</u>	<u>507,810</u>	<u>692,695</u>	<u>184,885</u>	<u>651,606</u>
Court fines and fees	<u>115,986</u>	<u>115,986</u>	<u>124,744</u>	<u>8,758</u>	<u>132,957</u>
Investment income	<u>90,000</u>	<u>90,000</u>	<u>40,587</u>	<u>(49,413)</u>	<u>101,249</u>
Miscellaneous:					
Penalties and interest on taxes and assessments	10,216	10,216	14,370	4,154	13,250
Special assessments	22,000	22,000	15,823	(6,177)	23,528
Contributions	8,250	8,250	15,595	7,345	17,059
Insurance policy dividends	5,000	5,000	4,310	(690)	-
Miscellaneous	82,000	82,000	15,800	(66,200)	23,935
Total miscellaneous	<u>127,466</u>	<u>127,466</u>	<u>65,898</u>	<u>(61,568)</u>	<u>77,772</u>
Total revenues	<u>9,465,012</u>	<u>9,465,012</u>	<u>9,456,741</u>	<u>(8,271)</u>	<u>9,504,245</u>

CITY OF WEST ST. PAUL, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
For The Year Ended December 31, 2010
With Comparative Actual Amounts For The Year Ended December 31, 2009

	2010				2009 Actual Amounts
	Budgeted Amounts		Actual Amounts	Actual Over (Under) Final Budget	
	Original	Final			
Expenditures:					
General government:					
Mayor/council:					
Personal services	\$51,296	\$52,835	\$51,728	(\$1,107)	\$51,728
Supplies	400	400	111	(289)	342
Contractual services	39,250	39,250	41,880	2,630	54,530
Other charges	22,000	22,000	20,990	(1,010)	20,896
Total mayor/council	112,946	114,485	114,709	224	127,496
Manager and administration:					
Personal services	371,377	381,401	375,716	(5,685)	395,485
Supplies	16,900	16,900	5,528	(11,372)	12,526
Contractual services	23,000	23,000	6,126	(16,874)	8,173
Other charges	12,650	12,650	11,905	(745)	14,210
Total manager and administration	423,927	433,951	399,275	(34,676)	430,394
Finance:					
Personal services	398,154	408,716	369,471	(39,245)	352,074
Supplies	4,500	4,500	2,545	(1,955)	5,594
Contractual services	30,100	30,100	11,895	(18,205)	13,235
Other charges	8,200	8,200	5,243	(2,957)	10,174
Total finance	440,954	451,516	389,154	(62,362)	381,077
Human relations:					
Personal services	129,721	130,201	66,020	(64,181)	82,506
Supplies	-	-	744	744	86
Contractual services	54,000	54,000	27,706	(26,294)	26,365
Other charges	1,700	1,700	3,975	2,275	1,305
Total human relations	185,421	185,901	98,445	(87,456)	110,262
Elections:					
Personal services	10,000	10,300	22,278	11,978	64
Supplies	1,600	1,600	677	(923)	739
Contractual services	700	700	1,083	383	399
Other charges	1,400	1,400	3,096	1,696	2,825
Total elections	13,700	14,000	27,134	13,134	4,027
City attorney:					
Contractual services	289,000	289,000	259,362	(29,638)	260,651
Charter commission:					
Contractual services	1,000	1,000	1,206	206	4,366
General government buildings:					
Personal services	72,232	74,218	55,681	(18,537)	66,276
Supplies	15,325	15,325	13,066	(2,259)	14,464
Contractual services	119,940	119,940	89,935	(30,005)	93,789
Other charges	16,350	16,350	26,006	9,656	10,399
Total general government buildings	223,847	225,833	184,688	(41,145)	184,928

CITY OF WEST ST. PAUL, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
For The Year Ended December 31, 2010
With Comparative Actual Amounts For The Year Ended December 31, 2009

	2010		Actual Amounts	Actual Over (Under) Final Budget	2009 Actual Amounts
	Budgeted Amounts				
	Original	Final			
Expenditures: (continued)					
General government: (continued)					
Planning and zoning					
Personal services	\$78,979	\$82,943	\$79,804	(\$3,139)	\$79,181
Supplies	200	200	-	(200)	79
Contractual services	4,900	4,900	2,821	(2,079)	5,447
Other charges	300	300	300	-	1,838
Total planning and zoning	84,379	88,343	82,925	(5,418)	86,545
Building inspection:					
Personal services	154,399	158,669	158,771	102	158,745
Supplies	4,000	4,000	3,135	(865)	4,795
Contractual services	74,700	74,700	47,919	(26,781)	89,210
Other charges	1,400	1,400	344	(1,056)	379
Total building inspection	234,499	238,769	210,169	(28,600)	253,129
Management information systems					
Personal services	123,358	126,674	105,715	(20,959)	29,353
Supplies	1,200	1,200	1,592	392	2,202
Contractual services	78,040	78,040	71,155	(6,885)	127,094
Other charges	1,000	1,000	24,133	23,133	58
Total management information systems	203,598	206,914	202,595	(4,319)	158,707
Administrative citations:					
Personal services	-	-	13	13	-
Contractual services	-	-	9,423	9,423	6,123
Total administrative citations	0	0	9,436	9,436	6,123
Total general government	2,213,271	2,249,712	1,979,098	(270,614)	2,007,705
Public safety:					
Dispatching:					
Supplies	-	-	-	-	193
Contractual services	530,900	530,900	523,674	(7,226)	497,962
Other charges	-	-	-	-	1,058
Total dispatching	530,900	530,900	523,674	(7,226)	499,213
Police protection:					
Personal services	3,065,518	3,150,023	3,050,774	(99,249)	3,031,316
Supplies	162,850	162,850	136,709	(26,141)	109,350
Contractual services	130,250	130,250	81,316	(48,934)	122,993
Other charges	39,500	39,500	52,285	12,785	36,274
Capital outlay	-	-	3,444	3,444	40
Total police protection	3,398,118	3,482,623	3,324,528	(158,095)	3,299,973

CITY OF WEST ST. PAUL, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
For The Year Ended December 31, 2010
With Comparative Actual Amounts For The Year Ended December 31, 2009

	2010				2009 Actual Amounts
	Budgeted Amounts		Actual Amounts	Actual Over (Under) Final Budget	
	Original	Final			
Expenditures: (continued)					
Public safety: (continued)					
Fire protection:					
Supplies	\$ -	\$ -	\$76	\$76	\$ -
Contractual services	1,910,995	1,910,995	1,911,057	62	1,749,670
Total fire protection	<u>1,910,995</u>	<u>1,910,995</u>	<u>1,911,133</u>	<u>138</u>	<u>1,749,670</u>
Civil defense:					
Supplies	2,000	2,000	444	(1,556)	2,082
Contractual services	350	350	1,025	675	311
Other charges	4,825	4,825	5,384	559	4,650
Capital outlay	-	-	160	160	-
Total civil defense	<u>7,175</u>	<u>7,175</u>	<u>7,013</u>	<u>(162)</u>	<u>7,043</u>
Animal control:					
Contractual services	5,500	5,500	3,996	(1,504)	7,428
Total public safety	<u>5,852,688</u>	<u>5,937,193</u>	<u>5,770,344</u>	<u>(166,849)</u>	<u>5,563,327</u>
Public works:					
Engineering:					
Personal services	116,563	119,707	119,624	(83)	117,948
Supplies	3,400	3,400	2,017	(1,383)	1,634
Contractual services	10,770	10,770	6,014	(4,756)	8,892
Other charges	1,375	1,375	999	(376)	6,413
Total engineering	<u>132,108</u>	<u>135,252</u>	<u>128,654</u>	<u>(6,598)</u>	<u>134,887</u>
Street department:					
Personal services	772,697	793,445	788,948	(4,497)	764,767
Supplies	157,900	157,900	158,480	580	138,436
Contractual services	60,800	60,800	62,613	1,813	64,040
Other charges	18,125	18,125	8,467	(9,658)	8,041
Total street department	<u>1,009,522</u>	<u>1,030,270</u>	<u>1,018,508</u>	<u>(11,762)</u>	<u>975,284</u>
Traffic signs:					
Supplies	6,050	6,050	4,348	(1,702)	6,617
Contractual services	13,150	13,150	9,151	(3,999)	10,551
Other charges	500	500	438	(62)	390
Total traffic signs	<u>19,700</u>	<u>19,700</u>	<u>13,937</u>	<u>(5,763)</u>	<u>17,558</u>
Street lighting:					
Supplies	375	375	176	(199)	85
Contractual services	129,000	129,000	126,526	(2,474)	122,152
Total street lighting	<u>129,375</u>	<u>129,375</u>	<u>126,702</u>	<u>(2,673)</u>	<u>122,237</u>
Total public works	<u>1,290,705</u>	<u>1,314,597</u>	<u>1,287,801</u>	<u>(26,796)</u>	<u>1,249,966</u>

CITY OF WEST ST. PAUL, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
For The Year Ended December 31, 2010
With Comparative Actual Amounts For The Year Ended December 31, 2009

	2010				2009 Actual Amounts
	Budgeted Amounts		Actual Amounts	Actual Over (Under) Final Budget	
	Original	Final			
Expenditures: (continued)					
Parks and recreation:					
Parks:					
Personal services	\$525,979	\$540,368	\$483,341	(\$57,027)	\$473,367
Supplies	45,650	45,650	42,540	(3,110)	40,828
Contractual services	62,230	62,230	64,542	2,312	66,001
Other charges	50,350	50,350	31,077	(19,273)	45,694
Total parks	<u>684,209</u>	<u>698,598</u>	<u>621,500</u>	<u>(77,098)</u>	<u>625,890</u>
Total parks and recreation	<u>684,209</u>	<u>698,598</u>	<u>621,500</u>	<u>(77,098)</u>	<u>625,890</u>
Unallocated general expenditures:					
Supplies	3,000	3,000	27	(2,973)	137
Contractual services	1,500	1,500	1,243	(257)	2,088
Other charges	1,000	1,000	2,002	1,002	4,589
Total unallocated general expenditures	<u>5,500</u>	<u>5,500</u>	<u>3,272</u>	<u>(2,228)</u>	<u>6,814</u>
Total expenditures	<u>10,046,373</u>	<u>10,205,600</u>	<u>9,662,015</u>	<u>(543,585)</u>	<u>9,453,702</u>
Revenues over (under) expenditures	<u>(581,361)</u>	<u>(740,588)</u>	<u>(205,274)</u>	<u>535,314</u>	<u>50,543</u>
Other financing sources (uses):					
Sale of capital assets	20,000	20,000	21,103	1,103	5,774
Transfers in	561,361	561,361	561,361	-	592,853
Transfers out	-	(170,276)	(170,276)	-	-
Total other financing sources (uses)	<u>581,361</u>	<u>411,085</u>	<u>412,188</u>	<u>1,103</u>	<u>598,627</u>
Net change in fund balance	<u>\$0</u>	<u>(\$329,503)</u>	<u>206,914</u>	<u>\$536,417</u>	<u>649,170</u>
Fund balance - January 1, as previously reported			5,747,663		5,098,493
Prior period adjustment			(43,024)		-
Fund balance - January 1 (as restated)			<u>5,704,639</u>		<u>5,098,493</u>
Fund balance - December 31			<u>\$5,911,553</u>		<u>\$5,747,663</u>

CITY OF WEST ST. PAUL, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - ECONOMIC DEVELOPMENT AUTHORITY
For The Year Ended December 31, 2010
With Comparative Actual Amounts For The Year Ended December 31, 2009

Statement 12

	2010				2009 Actual Amounts
	Budgeted Amounts		Actual Amounts	Actual Over (Under) Final Budget	
	Original	Final			
Revenues:					
Property taxes:					
Current	\$305,284	\$305,284	\$284,287	(\$20,997)	\$347,635
Delinquent	4,000	4,000	5,892	1,892	3,969
Intergovernmental:					
Market value homestead credit	-	-	4,199	4,199	18,564
County grants	21,900	21,900	178,700	156,800	22,200
Investment income	75,000	75,000	58,924	(16,076)	129,611
Charges for services	9,200	9,200	2,988	(6,212)	30,015
Miscellaneous:					
Other income	(94,000)	(94,000)	21,864	115,864	6,302
Total revenue	<u>321,384</u>	<u>321,384</u>	<u>556,854</u>	<u>235,470</u>	<u>558,296</u>
Expenditures:					
General government:					
Personal services	276,819	284,174	228,791	(55,383)	263,671
Supplies	1,500	1,500	980	(520)	2,340
Contractual services	95,200	95,200	199,569	104,369	188,108
Other charges	34,700	34,700	98,630	63,930	73,072
Total expenditures	<u>408,219</u>	<u>415,574</u>	<u>527,970</u>	<u>112,396</u>	<u>527,191</u>
Revenue over (under) expenditures	(86,835)	(94,190)	28,884	123,074	31,105
Other financing sources (uses):					
Transfers out	(13,165)	(13,165)	(13,165)	-	(48,485)
Net change in fund balance	<u>(\$100,000)</u>	<u>(\$107,355)</u>	<u>15,719</u>	<u>\$123,074</u>	<u>(17,380)</u>
Fund balance - January 1, as previously reported			3,588,291		3,605,671
Prior period adjustment			(12,392)		-
Fund Balance - January 1, as restated			<u>3,575,899</u>		<u>3,605,671</u>
Fund balance - December 31			<u>\$3,591,618</u>		<u>\$3,588,291</u>

CITY OF WEST ST. PAUL, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
 December 31, 2010

Note A LEGAL COMPLIANCE – BUDGETS

The General Fund and Economic Development Authority budgets are legally adopted on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control is at the department level for the major funds.

During 2010, the Economic Development Authority Special Revenue Fund had expenditures of \$527,970, which exceeded budgeted expenditures of \$415,574 by \$112,396.

General Fund exceeding the final budget by \$5,000 or more at the departmental level are as follows:

	<u>Final Budget</u>	<u>Actual</u>	<u>Over Budget</u>
General Fund:			
Elections	\$14,000	\$27,134	\$13,134
Administrative citations	-	9,436	9,436

CITY OF WEST ST. PAUL, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS FOR THE RETIREE HEALTH PLAN
For The Year Ended December 31, 2010

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Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1/1/2008	\$ -	\$2,294,555	\$2,294,555	0.0%	\$4,918,450	46.7%

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

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

DEBT SERVICE FUNDS

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

CAPITAL PROJECT FUNDS

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

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Special Revenue Funds

	Community Development Block Grant	Landfill Abatement Program	PERA Police	PERA Fire	Grants Management	Insurance Fund	Totals Nonmajor Special Revenue Funds
Assets							
Cash and investments	\$10,868	\$18,279	\$51,900	\$591,422	\$7,918	\$964,879	\$1,645,266
Accrued interest receivable	35	53	154	1,751	22	2,855	4,870
Due from other governmental units	-	-	-	-	-	23,160	23,160
Delinquent taxes receivable	-	-	-	-	-	6,725	6,725
Total assets	\$10,903	\$18,332	\$52,054	\$593,173	\$7,940	\$997,619	\$1,680,021
Liabilities and Fund Balance							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$21,329	\$21,329
Contracts payable	-	-	-	-	-	-	-
Due to other funds	26	22	64	734	10	1,168	2,024
Deferred revenue	-	-	-	-	-	6,725	6,725
Total liabilities	26	22	64	734	10	29,222	30,078
Fund balance:							
Reserved for debt service	-	-	-	-	-	-	-
Reserved for capital projects	-	-	-	-	-	-	-
Designated for subsequent years	10,877	18,310	-	-	7,930	-	37,117
Designated for equipment purchased	-	-	51,990	592,439	-	-	644,429
Designated for working capital	-	-	-	-	-	968,397	968,397
Designated for contingencies	-	-	-	-	-	-	-
Total fund balance	10,877	18,310	51,990	592,439	7,930	968,397	1,649,943
Total liabilities and fund balance	\$10,903	\$18,332	\$52,054	\$593,173	\$7,940	\$997,619	\$1,680,021

CITY OF WEST ST. PAUL, MINNESOTA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2010
With Comparative Totals December 31, 2009

	Debt Service Funds			
	General Obligation Bonds	General Obligation CIP Bonds	Capital Note Funds	Totals Nonmajor Debt Service Funds
Assets				
Cash and investments	\$19,096	\$43,637	\$129,338	\$192,071
Accrued interest receivable	56	129	383	568
Due from other governmental units	134	2,250	19,957	22,341
Delinquent taxes receivable	656	391	6,139	7,186
Total assets	\$19,942	\$46,407	\$155,817	\$222,166
Liabilities and Fund Balance				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Contracts payable	-	-	-	-
Due to other funds	28	-	72	100
Deferred revenue	656	391	6,139	7,186
Total liabilities	684	391	6,211	7,286
Fund balance:				
Reserved for debt service	19,258	46,016	149,606	214,880
Reserved for capital projects	-	-	-	-
Designated for subsequent years	-	-	-	-
Designated for equipment purchased	-	-	-	-
Designated for working capital	-	-	-	-
Designated for contingencies	-	-	-	-
Total fund balance	19,258	46,016	149,606	214,880
Total liabilities and fund balance	\$19,942	\$46,407	\$155,817	\$222,166

Capital Project Funds

Equipment Acquisition Revolving	Minnesota State-Aid Streets	Technology Replacement	Equipment Replacement	Parks Improvement	Totals Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds	
						2010	2009
						\$262,671	\$616,359
777	1,823	2,423	3,169	3,002	11,194	16,632	25,278
-	-	-	-	2,759	2,759	48,260	47,526
-	-	-	-	958	958	14,869	17,753
<u>\$263,448</u>	<u>\$618,182</u>	<u>\$821,304</u>	<u>\$1,074,358</u>	<u>\$1,021,326</u>	<u>\$3,798,618</u>	<u>\$5,700,805</u>	<u>\$5,738,776</u>
\$21,259	\$ -	\$ -	\$ -	\$336	\$21,595	\$42,924	\$26,431
-	41,130	-	-	-	41,130	41,130	66,748
375	661	1,101	1,274	1,205	4,616	6,740	-
-	-	-	-	958	958	14,869	17,753
<u>21,634</u>	<u>41,791</u>	<u>1,101</u>	<u>1,274</u>	<u>2,499</u>	<u>68,299</u>	<u>105,663</u>	<u>110,932</u>
-	-	-	-	-	-	214,880	199,791
-	-	-	-	-	-	-	530,222
-	-	-	-	518,827	518,827	555,944	-
91,814	-	-	1,073,084	-	1,164,898	1,809,327	1,919,082
150,000	576,391	820,203	-	500,000	2,046,594	3,014,991	2,929,186
-	-	-	-	-	-	-	49,563
<u>241,814</u>	<u>576,391</u>	<u>820,203</u>	<u>1,073,084</u>	<u>1,018,827</u>	<u>3,730,319</u>	<u>5,595,142</u>	<u>5,627,844</u>
<u>\$263,448</u>	<u>\$618,182</u>	<u>\$821,304</u>	<u>\$1,074,358</u>	<u>\$1,021,326</u>	<u>\$3,798,618</u>	<u>\$5,700,805</u>	<u>\$5,738,776</u>

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CITY OF WEST ST. PAUL, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For The Year Ended December 31, 2010
With Comparative Totals For The Year Ended December 31, 2009

Statement 15
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	Special Revenue Funds						Totals
	Community Development Block Grant	Landfill Abatement Program	PERA Police	PERA Fire	Grants Management	Insurance Fund	Nonmajor Special Revenue Funds
Revenues:							
General property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$280,993	\$280,993
Intergovernmental	-	-	-	-	-	4,084	4,084
Investment income	134	128	431	4,900	(89)	7,272	12,776
Insurance dividends	-	-	-	-	-	35,427	35,427
Other	-	-	-	-	-	248	248
Total revenues	<u>134</u>	<u>128</u>	<u>431</u>	<u>4,900</u>	<u>(89)</u>	<u>328,024</u>	<u>333,528</u>
Expenditures:							
Current:							
General government	10,862	-	-	-	-	39,002	49,864
Public safety	-	-	64	734	10	100,847	101,655
Public works	-	-	-	-	-	64,069	64,069
Parks and recreation	-	-	-	-	-	99,793	99,793
Unallocated general expenditures	-	23	-	-	-	110,332	110,355
Capital outlay	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total expenditures	<u>10,862</u>	<u>23</u>	<u>64</u>	<u>734</u>	<u>10</u>	<u>414,043</u>	<u>425,736</u>
Revenues over (under) expenditures	<u>(10,728)</u>	<u>105</u>	<u>367</u>	<u>4,166</u>	<u>(99)</u>	<u>(86,019)</u>	<u>(92,208)</u>
Other financing sources (uses):							
Issuance of debt	-	-	-	-	-	-	-
Payment to escrow agent	-	-	-	-	-	-	-
Insurance recoveries	-	-	-	-	-	4,853	4,853
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,853</u>	<u>4,853</u>
Net increase (decrease) in fund balance	(10,728)	105	367	4,166	(99)	(81,166)	(87,355)
Fund balance - January 1	<u>21,605</u>	<u>18,205</u>	<u>51,623</u>	<u>588,273</u>	<u>8,029</u>	<u>1,049,563</u>	<u>1,737,298</u>
Fund balance - December 31	<u>\$10,877</u>	<u>\$18,310</u>	<u>\$51,990</u>	<u>\$592,439</u>	<u>\$7,930</u>	<u>\$968,397</u>	<u>\$1,649,943</u>

CITY OF WEST ST. PAUL, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For The Year Ended December 31, 2010
With Comparative Totals For The Year Ended December 31, 2009

Debt Service Funds

	General Obligation Bonds	1997 G.O. Arena Revenue Bonds	TIF Bonds	General Obligation CIP Bonds	Capital Note Funds	Totals Nonmajor Debt Service Funds
Revenues:						
General property taxes	\$888	\$ -	\$ -	\$27,650	\$241,731	\$270,269
Intergovernmental	-	-	-	85,021	3,510	88,531
Investment income	(5)	-	-	412	1,566	1,973
Insurance dividends	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total revenues	<u>883</u>	<u>0</u>	<u>0</u>	<u>113,083</u>	<u>246,807</u>	<u>360,773</u>
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Unallocated general expenditures	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service:						
Principal	50,000	-	30,000	-	202,900	282,900
Interest	1,529	-	66,587	241,750	23,638	333,504
Interest	-	-	-	450	-	450
Total expenditures	<u>51,529</u>	<u>0</u>	<u>96,587</u>	<u>242,200</u>	<u>226,538</u>	<u>616,854</u>
Revenues over (under) expenditures	<u>(50,646)</u>	<u>0</u>	<u>(96,587)</u>	<u>(129,117)</u>	<u>20,269</u>	<u>(256,081)</u>
Other financing sources (uses):						
Issuance of debt	-	-	-	-	-	-
Payment to escrow agent	-	-	-	-	-	-
Insurance recoveries	-	-	-	-	-	-
Transfers in	-	-	96,587	175,133	89,889	361,609
Transfers out	-	(550)	-	-	(89,889)	(90,439)
Total other financing sources (uses)	<u>0</u>	<u>(550)</u>	<u>96,587</u>	<u>175,133</u>	<u>0</u>	<u>271,170</u>
Net increase (decrease) in fund balance	(50,646)	(550)	0	46,016	20,269	15,089
Fund balance - January 1	69,904	550	-	-	129,337	199,791
Fund balance - December 31	<u>\$19,258</u>	<u>\$0</u>	<u>\$0</u>	<u>\$46,016</u>	<u>\$149,606</u>	<u>\$214,880</u>

Capital Projects Funds

Equipment Acquisition Revolving	Minnesota State- Aid Streets	Technology Replacement	Equipment Replacement	Parks Improvement	Totals Nonmajor Capital Project Funds	Total Nonmajor Govt'l Funds	
						2010	2009
						\$ -	\$ -
-	-	-	-	485	485	93,100	814,079
2,503	4,753	6,916	8,826	8,401	31,399	46,148	100,216
-	-	-	-	-	-	35,427	31,101
-	-	-	-	88,234	88,234	88,482	49,125
<u>2,503</u>	<u>4,753</u>	<u>6,916</u>	<u>8,826</u>	<u>130,531</u>	<u>153,529</u>	<u>847,830</u>	<u>1,735,682</u>
-	-	8,875	30	-	8,905	58,769	23,745
-	-	-	-	-	-	101,655	164,229
-	661	-	-	-	661	64,730	52,189
-	-	-	-	45,304	45,304	145,097	118,224
1,416	-	1,622	1,795	-	4,833	115,188	106,265
85,194	80,871	176,216	-	5,205	347,486	347,486	1,143,026
-	-	-	-	-	-	282,900	355,000
-	-	-	-	-	-	333,504	135,555
-	-	-	-	-	-	450	-
<u>86,610</u>	<u>81,532</u>	<u>186,713</u>	<u>1,825</u>	<u>50,509</u>	<u>407,189</u>	<u>1,449,779</u>	<u>2,098,233</u>
<u>(84,107)</u>	<u>(76,779)</u>	<u>(179,797)</u>	<u>7,001</u>	<u>80,022</u>	<u>(253,660)</u>	<u>(601,949)</u>	<u>(362,551)</u>
-	-	-	-	-	-	-	1,069,499
-	-	-	-	-	-	-	(965,000)
-	-	-	-	-	-	4,853	9,190
-	122,948	109,081	61,195	-	293,224	654,833	307,965
-	-	-	-	-	-	(90,439)	(154,404)
<u>0</u>	<u>122,948</u>	<u>109,081</u>	<u>61,195</u>	<u>0</u>	<u>293,224</u>	<u>569,247</u>	<u>267,250</u>
<u>(84,107)</u>	<u>46,169</u>	<u>(70,716)</u>	<u>68,196</u>	<u>80,022</u>	<u>39,564</u>	<u>(32,702)</u>	<u>(95,301)</u>
<u>325,921</u>	<u>530,222</u>	<u>890,919</u>	<u>1,004,888</u>	<u>938,805</u>	<u>3,690,755</u>	<u>5,627,844</u>	<u>5,723,145</u>
<u>\$241,814</u>	<u>\$576,391</u>	<u>\$820,203</u>	<u>\$1,073,084</u>	<u>\$1,018,827</u>	<u>\$3,730,319</u>	<u>\$5,595,142</u>	<u>\$5,627,844</u>

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GENERAL FUND

The General Fund accounts for all financial resources except those required to be accounted for in another fund.

CITY OF WEST ST. PAUL, MINNESOTA
GENERAL FUND
BALANCE SHEET
December 31, 2010
With Comparative Amounts For December 31, 2009

Statement 16

Assets	2010	2009
Cash and investments	\$5,255,138	\$5,080,698
Accrued interest receivable	15,539	14,716
Due from State	7,551	125,742
Due from County	528,556	436,974
Due from other funds	24,140	-
Due from other governmental units	27,747	122,383
Accounts receivable	506,081	460,592
Allowance for uncollectible receivables	(27,334)	(54,545)
Prepaid items	278	-
Delinquent taxes receivable	131,417	120,877
Delinquent and deferred special assessment receivables	47,300	33,943
 Total assets	 \$6,516,413	 \$6,341,380
 Liabilities and Fund Balance		
Liabilities:		
Accrued salaries and withholdings payable	\$105,567	\$183,623
Accounts payable	139,060	155,204
Due to other governmental units	46,628	50,342
Deposits payable	82,182	45,148
Deferred revenue	231,423	159,400
Total liabilities	604,860	593,717
Fund balance:		
Reserved for prepaids	278	-
Unreserved:		
Designated for working capital	5,374,535	5,274,336
Designated for contingencies	527,811	468,023
Designated for police forfeitures	8,929	5,304
Total fund balance	5,911,553	5,747,663
 Total liabilities and fund balance	 \$6,516,413	 \$6,341,380

CITY OF WEST ST. PAUL, MINNESOTA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
For The Year Ended December 31, 2010
With Comparative Amounts For The Year Ended December 31, 2009

Statement 17
Page 1 of 5

	<u>2010</u>	<u>2009</u>
Revenues:		
Taxes:		
Current	\$5,827,272	\$5,211,018
Delinquent	90,217	67,393
Franchise tax - Xcel Energy 5% gross earnings	759,248	695,454
Water surcharge	18,184	20,500
Gravel tax	27	-
Total taxes	<u>6,694,948</u>	<u>5,994,365</u>
Licenses and permits:		
Licenses:		
Liquor, beer and wine	117,983	94,759
General business	105,850	121,002
Miscellaneous	14,276	4,306
Permits:		
Building	203,828	151,966
Electrical	20,135	21,367
Mechanical	77,522	122,195
Total licenses and permits	<u>539,594</u>	<u>515,595</u>
Intergovernmental:		
State:		
Local government aid	773,763	1,182,950
Market value homestead credit	84,947	277,668
Police services	211,711	208,133
Highway maintenance	120,000	120,000
County grants	40,061	-
Miscellaneous	67,793	241,950
Total intergovernmental	<u>1,298,275</u>	<u>2,030,701</u>
Charges for services:		
Surcharges	200,504	225,648
Public safety services	143,372	129,735
Recreation programs and leagues	62,163	48,913
General government services	286,656	247,310
Total charges for services	<u>692,695</u>	<u>651,606</u>
Court fines and fees	124,744	132,957
Investment income	40,587	101,249
Miscellaneous:		
Penalties and interest on taxes and assessments	14,370	13,250
Special assessments	15,823	23,528
Contributions	15,595	17,059
Insurance policy dividends	4,310	-
Miscellaneous	15,800	23,935
Total miscellaneous	<u>65,898</u>	<u>77,772</u>
Total revenues	<u>9,456,741</u>	<u>9,504,245</u>

CITY OF WEST ST. PAUL, MINNESOTA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
For The Year Ended December 31, 2010
With Comparative Amounts For The Year Ended December 31, 2009

	<u>2010</u>	<u>2009</u>
Expenditures:		
General government:		
Mayor/council:		
Personal services	\$51,728	\$51,728
Supplies	111	342
Contractual services	41,880	54,530
Other charges	20,990	20,896
Total mayor/council	<u>114,709</u>	<u>127,496</u>
Manager and administration:		
Personal services	375,716	395,485
Supplies	5,528	12,526
Contractual services	6,126	8,173
Other charges	11,905	14,210
Total manager and administration	<u>399,275</u>	<u>430,394</u>
Finance:		
Personal services	369,471	352,074
Supplies	2,545	5,594
Contractual services	11,895	13,235
Other charges	5,243	10,174
Total finance	<u>389,154</u>	<u>381,077</u>
Human relations:		
Personal services	66,020	82,506
Supplies	744	86
Contractual services	27,706	26,365
Other charges	3,975	1,305
Total human relations	<u>98,445</u>	<u>110,262</u>
Elections:		
Personal services	22,278	64
Supplies	677	739
Contractual services	1,083	399
Other charges	3,096	2,825
Total elections	<u>27,134</u>	<u>4,027</u>
City attorney:		
Contractual services	259,362	260,651
Charter commission:		
Contractual services	1,206	4,366
General government buildings:		
Personal services	55,681	66,276
Supplies	13,066	14,464
Contractual services	89,935	93,789
Other charges	26,006	10,399
Total general government buildings	<u>184,688</u>	<u>184,928</u>

CITY OF WEST ST. PAUL, MINNESOTA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
For The Year Ended December 31, 2010
With Comparative Amounts For The Year Ended December 31, 2009

Statement 17
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	<u>2010</u>	<u>2009</u>
Expenditures (continued):		
General government (continued):		
Planning and zoning:		
Personal services	\$79,804	\$79,181
Supplies	-	79
Contractual services	2,821	5,447
Other charges	300	1,838
Total planning and zoning	<u>82,925</u>	<u>86,545</u>
Building inspection:		
Personal services	158,771	158,745
Supplies	3,135	4,795
Contractual services	47,919	89,210
Other charges	344	379
Total building inspection	<u>210,169</u>	<u>253,129</u>
Management information systems:		
Personal services	105,715	29,353
Supplies	1,592	2,202
Contractual services	71,155	127,094
Other charges	24,133	58
Total management information systems	<u>202,595</u>	<u>158,707</u>
Administrative citations:		
Personal services	13	-
Contractual services	9,423	6,123
Total administrative citations	<u>9,436</u>	<u>6,123</u>
Total general government	<u>1,979,098</u>	<u>2,007,705</u>
Public safety:		
Dispatching:		
Supplies	-	193
Contractual services	523,674	497,962
Other charges	-	1,058
Total dispatching	<u>523,674</u>	<u>499,213</u>
Police protection:		
Personal services	3,050,774	3,031,316
Supplies	136,709	109,350
Contractual services	81,316	122,993
Other charges	52,285	36,274
Capital outlay	3,444	40
Total police protection	<u>3,324,528</u>	<u>3,299,973</u>

CITY OF WEST ST. PAUL, MINNESOTA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
For The Year Ended December 31, 2010
With Comparative Amounts For The Year Ended December 31, 2009

Statement 17
Page 4 of 5

	<u>2010</u>	<u>2009</u>
Expenditures (continued):		
Public safety (continued):		
Fire protection:		
Supplies	\$76	\$ -
Contractual services	1,911,057	1,749,670
Total fire protection	<u>1,911,133</u>	<u>1,749,670</u>
Civil defense:		
Supplies	444	2,082
Contractual services	1,025	311
Other charges	5,384	4,650
Capital outlay	160	-
Total civil defense	<u>7,013</u>	<u>7,043</u>
Animal control:		
Contractual services	3,996	7,428
Total public safety	<u>5,770,344</u>	<u>5,563,327</u>
Public works:		
Engineering:		
Personal services	119,624	117,948
Supplies	2,017	1,634
Contractual services	6,014	8,892
Other charges	999	6,413
Total engineering	<u>128,654</u>	<u>134,887</u>
Street department:		
Personal services	788,948	764,767
Supplies	158,480	138,436
Contractual services	62,613	64,040
Other charges	8,467	8,041
Total street department	<u>1,018,508</u>	<u>975,284</u>
Traffic signs:		
Supplies	4,348	6,617
Contractual services	9,151	10,551
Other charges	438	390
Total traffic signs	<u>13,937</u>	<u>17,558</u>
Street lighting:		
Supplies	176	85
Contractual services	126,526	122,152
Total street lighting	<u>126,702</u>	<u>122,237</u>
Total public works	<u>1,287,801</u>	<u>1,249,966</u>

CITY OF WEST ST. PAUL, MINNESOTA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
For The Year Ended December 31, 2010
With Comparative Amounts For The Year Ended December 31, 2009

	<u>2010</u>	<u>2009</u>
Expenditures (continued):		
Parks and recreation:		
Parks:		
Personal services	\$483,341	\$473,367
Supplies	42,540	40,828
Contractual services	64,542	66,001
Other charges	31,077	45,694
Total parks	<u>621,500</u>	<u>625,890</u>
Total parks and recreation	<u>621,500</u>	<u>625,890</u>
Unallocated general expenditures:		
Supplies	27	137
Contractual services	1,243	2,088
Other charges	2,002	4,589
Total unallocated general expenditures	<u>3,272</u>	<u>6,814</u>
Total expenditures	<u>9,662,015</u>	<u>9,453,702</u>
Revenues over (under) expenditures	<u>(205,274)</u>	<u>50,543</u>
Other financing sources (uses):		
Sale of capital assets	21,103	5,774
Transfers in	561,361	592,853
Transfers out	(170,276)	-
Total other financing sources (uses)	<u>412,188</u>	<u>598,627</u>
Net change in fund balance	<u>206,914</u>	<u>649,170</u>
Fund balance - January 1, as previously reported	5,747,663	5,098,493
Prior period adjustment	(43,024)	-
Fund balance - January 1, as restated	<u>5,704,639</u>	<u>5,098,493</u>
Fund balance - December 31	<u><u>\$5,911,553</u></u>	<u><u>\$5,747,663</u></u>

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INDIVIDUAL FUND STATEMENTS - SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for particular purposes. The City maintained the following Special Revenue Funds during 2010:

Community Development Block Grant - used to account for the receipt and disbursement of a \$593,000 Community Development Block Grant awarded to the City in March 1981 under the Metro Small Cities Program of the United States Department of Housing and Urban Development. The Dakota County HRA has administered all aspects of this program on behalf of the City. Final payment under this grant was received by the City in early 1985. Current activity in this fund represents accumulating repayments of loans made to property owners under the rehabilitation program. These accumulated monies can be used by the City Council for any community development purpose. During 1987, the City Council approved using these monies to abate street assessments resulting from the Street Reconstruction Program for low income property owners.

Landfill Abatement Program - used to account for recycling operations of the City of West St. Paul. Funding for these operations comes from a Dakota County Landfill Abatement Funding Assistance Program. Currently, the following types of activities are being accounted for through this fund:

- 1) Various forms of financial support for recycling efforts operating in the City.
- 2) Purchase and distribution of containers for recyclable goods to all City residents.
- 3) Contracting with a part-time recycling coordinator to manage the City's recycling efforts.

Economic Development Authority – used to account for the facilitation of redevelopment of property within the City. The City established the EDA according to Minnesota Statutes §469.109.

PERA Police Fund – used to account for refund of residual assets of the overfunded PERA monies for police staff.

PERA Fire Fund – used to account for refund of residual assets of the overfunded PERA monies for fire staff.

Grants Management Fund – used to account for the various grants received by the City for use in the various operating departments that are not of sufficient size or duration to justify the creation of a separate Special Revenue Fund.

Insurance Fund – used to account for claims paid under the City’s liability, property and casualty and miscellaneous insurance policy deductibles. This is not considered to be a self-insurance fund.

CITY OF WEST ST. PAUL, MINNESOTA
COMMUNITY DEVELOPMENT BLOCK GRANT
BALANCE SHEET
 December 31, 2010
 With Comparative Amounts For December 31, 2009

Statement 18

	<u>2010</u>	<u>2009</u>
Assets		
Cash and investments	\$10,868	\$21,498
Accrued interest receivable	<u>35</u>	<u>107</u>
Total assets	<u><u>\$10,903</u></u>	<u><u>\$21,605</u></u>
Liabilities and Fund Balance		
Liabilities:		
Due to other funds	<u>\$26</u>	<u>\$ -</u>
Fund balance:		
Unreserved:		
Designated for subsequent years	<u>10,877</u>	<u>21,605</u>
Total liabilities and fund balance	<u><u>\$10,903</u></u>	<u><u>\$21,605</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
COMMUNITY DEVELOPMENT BLOCK GRANT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
For The Year Ended December 31, 2010
With Comparative Amounts For The Year Ended December 31, 2009

Statement 19

	<u>2010</u>	<u>2009</u>
Revenue:		
Investment income	<u>\$134</u>	<u>\$432</u>
Expenditures:		
General government:		
Contractual services	<u>10,862</u>	<u>1,994</u>
Revenue over (under) expenditures	(10,728)	(1,562)
Fund balance - January 1	<u>21,605</u>	<u>23,167</u>
Fund balance - December 31	<u><u>\$10,877</u></u>	<u><u>\$21,605</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
LANDFILL ABATEMENT PROGRAM
BALANCE SHEET
 December 31, 2010
 With Comparative Amounts For December 31, 2009

Statement 20

	<u>2010</u>	<u>2009</u>
Assets		
Cash and investments	\$18,279	\$18,123
Accrued interest receivable	<u>53</u>	<u>82</u>
Total assets	<u><u>\$18,332</u></u>	<u><u>\$18,205</u></u>
Liabilities and Fund Balance		
Liabilities:		
Due to other funds	<u>\$22</u>	<u>\$ -</u>
Fund balance:		
Unreserved:		
Designated for subsequent years	<u>18,310</u>	<u>18,205</u>
Total liabilities and fund balance	<u><u>\$18,332</u></u>	<u><u>\$18,205</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
LANDFILL ABATEMENT PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
For The Year Ended December 31, 2010
With Comparative Amounts For The Year Ended December 31, 2009

Statement 21

	<u>2010</u>	<u>2009</u>
Revenue:		
Investment income	<u>\$128</u>	<u>\$230</u>
Expenditures:		
Unallocated general expenditures:		
Contractual services	-	620
Other charges	<u>23</u>	<u>23</u>
Total expenditures	<u>23</u>	<u>643</u>
Revenue over (under) expenditures	105	(413)
Fund balance - January 1	<u>18,205</u>	<u>18,618</u>
Fund balance - December 31	<u><u>\$18,310</u></u>	<u><u>\$18,205</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
ECONOMIC DEVELOPMENT AUTHORITY
BALANCE SHEET

Statement 22

December 31, 2010

With Comparative Amounts For December 31, 2009

	2010	2009
Assets		
Cash and investments	\$1,348,784	\$1,736,776
Accrued interest receivable	3,991	7,821
Due from county	24,020	28,604
Accounts receivable	150,000	1,000
Delinquent taxes receivable	7,759	9,828
Land held for resale	790,899	550,494
Loans receivable	86,759	104,518
Interfund loan receivable	1,289,276	1,315,951
Total assets	\$3,701,488	\$3,754,992
Liabilities and Fund Balance		
Liabilities:		
Accrued salaries and withholdings payable	\$8,896	\$11,396
Accounts payable	3,528	5,084
Due to other funds	2,028	-
Due to other governmental units	901	598
Deferred revenue	94,517	149,623
Total liabilities	109,870	166,701
Fund balance:		
Reserved for interfund loan receivable	1,289,276	1,315,951
Reserved for loans receivable	86,759	-
Reserved for land held for resale	790,899	550,494
Designated for community development	1,424,684	-
Unreserved	-	1,721,846
Total fund balance	3,591,618	3,588,291
Total liabilities and fund balance	\$3,701,488	\$3,754,992

CITY OF WEST ST. PAUL, MINNESOTA
ECONOMIC DEVELOPMENT AUTHORITY
SCHEDULE OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE
For The Year Ended December 31, 2010
With Comparative Amounts For The Year Ended December 31, 2009

Statement 23

	<u>2010</u>	<u>2009</u>
Revenue:		
General property taxes:		
Current	\$284,287	\$347,635
Delinquent	5,892	3,969
Intergovernmental:		
Market value homestead credit	4,199	18,564
County grants	178,700	22,200
Investment income	58,924	129,611
Charges for services	2,988	30,015
Miscellaneous:		
Other income	21,864	6,302
Total revenue	<u>556,854</u>	<u>558,296</u>
Expenditures:		
General government:		
Personal services	228,791	263,671
Supplies	980	2,340
Contractual services	199,569	188,108
Other charges	98,630	73,072
Total expenditures	<u>527,970</u>	<u>527,191</u>
Revenue over expenditures	28,884	31,105
Other financing sources (uses):		
Transfers out	<u>(13,165)</u>	<u>(48,485)</u>
Net change in fund balance	<u>15,719</u>	<u>(17,380)</u>
Fund balance - January 1, as previously reported	3,588,291	3,605,671
Prior period adjustment	<u>(12,392)</u>	<u>-</u>
Fund balance - January 1, as restated	<u>3,575,899</u>	<u>3,605,671</u>
Fund balance - December 31	<u><u>\$3,591,618</u></u>	<u><u>\$3,588,291</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
PERA POLICE
BALANCE SHEET
December 31, 2010
With Comparative Amounts For December 31, 2009

Statement 24

	2010	2009
Assets		
Cash and investments	\$51,900	\$51,388
Accrued interest receivable	154	235
Total assets	\$52,054	\$51,623
Liabilities and Fund Balance		
Liabilities:		
Due to other funds	\$64	\$ -
Fund balance:		
Unreserved:		
Undesignated	-	51,623
Designated for equipment	51,990	-
Total fund balance	51,990	51,623
Total liabilities and fund balance	\$52,054	\$51,623

CITY OF WEST ST. PAUL, MINNESOTA
PERA POLICE
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
For The Year Ended December 31, 2010
With Comparative Amounts For The Year Ended December 31, 2009

Statement 25

	<u>2010</u>	<u>2009</u>
Revenue:		
Investment income	<u>\$431</u>	<u>\$951</u>
Expenditures:		
Public safety:		
Other charges	<u>64</u>	<u>64</u>
Revenue over expenditures	367	887
Fund balance - January 1	<u>51,623</u>	<u>50,736</u>
Fund balance - December 31	<u><u>\$51,990</u></u>	<u><u>\$51,623</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
PERA FIRE
BALANCE SHEET
December 31, 2010
With Comparative Amounts For December 31, 2009

Statement 26

	<u>2010</u>	<u>2009</u>
Assets		
Cash and investments	\$591,422	\$585,596
Accrued interest receivable	<u>1,751</u>	<u>2,677</u>
Total assets	<u><u>\$593,173</u></u>	<u><u>\$588,273</u></u>
Liabilities and Fund Balance		
Liabilities:		
Due to other funds	<u>\$734</u>	<u>\$ -</u>
Fund balance:		
Unreserved:		
Undesignated	-	588,273
Designated for equipment	<u>592,439</u>	<u>-</u>
Total fund balance	<u><u>592,439</u></u>	<u><u>588,273</u></u>
Total liabilities and fund balance	<u><u>\$593,173</u></u>	<u><u>\$588,273</u></u>

CITY OF WEST ST. PAUL, MINNESOTA

PERA FIRE

Statement 27

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES**

For The Year Ended December 31, 2010

With Comparative Amounts For The Year Ended December 31, 2009

	<u>2010</u>	<u>2009</u>
Revenue:		
Investment income	<u>\$4,900</u>	<u>\$10,850</u>
Expenditures:		
Public safety:		
Other	<u>734</u>	<u>734</u>
Revenue over (under) expenditures	4,166	10,116
Fund balance - January 1	<u>588,273</u>	<u>578,157</u>
Fund balance - December 31	<u><u>\$592,439</u></u>	<u><u>\$588,273</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
GRANTS MANAGEMENT
BALANCE SHEET
December 31, 2010
With Comparative Amounts For December 31, 2009

Statement 28

	<u>2010</u>	<u>2009</u>
Assets		
Cash and investments	\$7,918	\$7,972
Accrued interest receivable	<u>22</u>	<u>57</u>
Total assets	<u><u>\$7,940</u></u>	<u><u>\$8,029</u></u>
Liabilities and Fund Balance		
Liabilities:		
Due to other funds	<u>\$10</u>	<u>\$ -</u>
Fund balance:		
Unreserved:		
Undesignated	-	8,029
Designated for subsequent years	<u>7,930</u>	<u>-</u>
Total fund balance	<u><u>7,930</u></u>	<u><u>8,029</u></u>
Total liabilities and fund balance	<u><u>\$7,940</u></u>	<u><u>\$8,029</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
GRANTS MANAGEMENT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
For The Year Ended December 31, 2010
With Comparative Actual Amounts For The Year Ended December 31, 2009

Statement 29

	<u>2010</u>	<u>2009</u>
Revenue:		
Investment income	<u>(\$89)</u>	<u>\$115</u>
Expenditures:		
Public safety:		
Supplies	-	5,002
Other charges	10	-
Total expenditures	<u>10</u>	<u>5,002</u>
Revenue over (under) expenditures	(99)	(4,887)
Other financing sources (uses):		
Transfers out	<u>-</u>	<u>(1,600)</u>
Net change in fund balance	(99)	(6,487)
Fund balance - January 1	<u>8,029</u>	<u>14,516</u>
Fund balance - December 31	<u><u>\$7,930</u></u>	<u><u>\$8,029</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
INSURANCE FUND
BALANCE SHEET
December 31, 2010
With Comparative Amounts For December 31, 2009

Statement 30

	<u>2010</u>	<u>2009</u>
Assets		
Cash and investments	\$964,879	\$1,038,872
Accrued interest receivable	2,855	4,582
Delinquent taxes receivable	6,725	7,412
Due from county	<u>23,160</u>	<u>21,268</u>
Total assets	<u><u>\$997,619</u></u>	<u><u>\$1,072,134</u></u>
Liabilities and Fund Balance		
Liabilities		
Accounts payable	\$21,329	\$15,159
Due to other funds	1,168	-
Deferred revenue	<u>6,725</u>	<u>7,412</u>
Total liabilities	<u><u>\$29,222</u></u>	<u><u>\$22,571</u></u>
Fund balance:		
Unreserved:		
Designated for targeted minimum balance	968,397	1,000,000
Unreserved	<u>-</u>	<u>49,563</u>
Total fund balance	<u><u>968,397</u></u>	<u><u>1,049,563</u></u>
Total liabilities and fund balance	<u><u>\$997,619</u></u>	<u><u>\$1,072,134</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
INSURANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
For The Year Ended December 31, 2010
With Comparative Amounts For The Year Ended December 31, 2009

Statement 31

	<u>2010</u>	<u>2009</u>
Revenue:		
General property taxes	\$280,993	\$261,814
Intergovernmental - MVHC	4,084	13,820
Investment income	7,272	17,345
Insurance dividends	35,427	31,101
Miscellaneous revenue	248	1,085
Total revenue	<u>328,024</u>	<u>325,165</u>
Expenditures:		
General government	39,002	20,832
Public safety	100,847	156,725
Public works	64,069	47,338
Parks and recreation	99,793	88,454
Unallocated general expenditures	<u>110,332</u>	<u>101,058</u>
Total expenditures	<u>414,043</u>	<u>414,407</u>
Revenue over (under) expenditures	(86,019)	(89,242)
Other financing sources (uses):		
Insurance recoveries	<u>4,853</u>	<u>9,190</u>
Net change in fund balance	(81,166)	(80,052)
Fund balance - January 1	<u>1,049,563</u>	<u>1,129,615</u>
Fund balance - December 31	<u><u>\$968,397</u></u>	<u><u>\$1,049,563</u></u>

INDIVIDUAL FUND STATEMENTS - DEBT SERVICE FUNDS

The Debt Service Funds account for the accumulation of resources and payment of bond principal and interest and related costs on general long-term debt.

General Obligation Bonds - used to accumulate monies for payment of general obligation bonds which have been issued to finance projects which have not been assessed.

TIF Bonds Fund - used to account for the payment of principal and interest on tax increment debt.

Capital Note Funds - used to accumulate monies for payment of various capital notes which were sold to provide funding for the acquisition of major capital equipment, as authorized by Minnesota Statutes Section 410.32.

Special Assessment Bond Funds - used to account for the payment of principal and interest on Special Assessment Bonds issued to fund the costs of constructing various street, sanitary sewer, storm sewer, and water projects benefiting specified properties in the City.

CITY OF WEST ST. PAUL, MINNESOTA
GENERAL OBLIGATION DEBT SERVICE FUND
COMBINING BALANCE SHEET
 December 31, 2010
 With Comparative Totals For December 31, 2009

Statement 32

	General Obligation Bonds	General Obligation CIP Bonds	Totals	
			2010	2009
Assets				
Cash and investments	\$19,096	\$43,766	\$62,862	\$65,798
Accrued interest receivable	56	-	56	481
Delinquent taxes receivable	656	391	1,047	1,723
Due from County	134	2,250	2,384	4,175
Total assets	\$19,942	\$46,407	\$66,349	\$72,177
Liabilities and Fund Balance				
Liabilities:				
Due to other funds	\$28	\$ -	\$28	\$ -
Deferred revenue	656	391	1,047	1,723
Total liabilities	684	391	1,075	1,723
Fund balance:				
Reserved for debt service	19,258	46,016	65,274	70,454
Total liabilities and fund balance	\$19,942	\$46,407	\$66,349	\$72,177

CITY OF WEST ST. PAUL, MINNESOTA

GENERAL OBLIGATION DEBT SERVICE FUND

Statement 33

COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE

For The Year Ended December 31, 2010

With Comparative Totals For The Year Ended December 31, 2009

	General Obligation Bonds	1997 G.O. Arena Revenue Bonds	General Obligation CIP Bonds	Totals	
				2010	2009
Revenue:					
General property taxes:					
Current	\$ -	\$ -	\$27,650	\$27,650	\$179,611
Delinquent	888	-	-	888	2,464
Total general property taxes	888	0	27,650	28,538	182,075
Intergovernmental	-	-	85,021	85,021	9,592
Investment income	(5)	-	412	407	905
Total revenue	883	0	113,083	113,966	192,572
Expenditures:					
Debt service:					
Principal	50,000	-	-	50,000	125,000
Interest and fiscal charges	1,529	-	241,750	243,279	38,711
Miscellaneous	-	-	450	450	-
Total expenditures	51,529	0	242,200	293,729	163,711
Revenue over (under) expenditures	(50,646)	0	(129,117)	(179,763)	28,861
Other financing sources (uses):					
Proceeds from issuance of debt	-	-	-	-	900,000
Payments to escrow agent	-	-	-	-	(965,000)
Transfers in	-	-	175,133	175,133	9,858
Transfers out	-	(550)	-	(550)	(152,804)
Total other financing sources	0	(550)	175,133	174,583	(207,946)
Net change in fund balances	(50,646)	(550)	46,016	(5,180)	(179,085)
Fund balance - January 1	69,904	550	-	70,454	249,539
Fund balance - December 31	\$19,258	\$0	\$46,016	\$65,274	\$70,454

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CITY OF WEST ST. PAUL, MINNESOTA

TIF BONDS FUND

Statement 34

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE

For The Year Ended December 31, 2010

With Comparative Totals For The Year Ended December 31, 2009

	<u>2010</u>	<u>2009</u>
Revenue	<u>\$ -</u>	<u>\$ -</u>
Expenditures:		
Debt service:		
Principal	30,000	25,000
Interest	<u>66,587</u>	<u>67,619</u>
Total expenditures	<u>96,587</u>	<u>92,619</u>
Revenue over (under) expenditures	(96,587)	(92,619)
Other financing sources (uses):		
Transfers in	<u>96,587</u>	<u>92,619</u>
Net change in fund balance	0	0
Fund balance - January 1	<u>-</u>	<u>-</u>
Fund balance - December 31	<u><u>\$0</u></u>	<u><u>\$0</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
CAPITAL NOTE DEBT SERVICE FUND
COMBINING BALANCE SHEET
December 31, 2010
With Comparative Totals For December 31, 2009

	<u>2003 Capital Note</u>	<u>2004 Capital Note</u>	<u>2005 Capital Note</u>
Assets			
Cash and investments	(\$63)	(\$13)	(\$16)
Accrued interest receivable	-	-	-
Due from county	20	138	3,553
Delinquent taxes receivable	-	-	1,956
Total assets	<u>(\$43)</u>	<u>\$125</u>	<u>\$5,493</u>
Liabilities and Fund Balance			
Liabilities:			
Due to other funds	\$ -	\$ -	\$ -
Deferred revenue	-	-	1,956
Total liabilities	<u>0</u>	<u>0</u>	<u>1,956</u>
Fund balance:			
Reserved for debt service	<u>(43)</u>	<u>125</u>	<u>3,537</u>
Total liabilities and fund balance	<u>(\$43)</u>	<u>\$125</u>	<u>\$5,493</u>

<u>2006 Capital Note</u>	<u>2007 Capital Note</u>	<u>2008 Capital Note</u>	<u>2009 Capital Note</u>	<u>Totals</u>	
				<u>2010</u>	<u>2009</u>
\$98,372	\$6,106	\$5,774	\$19,178	\$129,338	\$109,588
291	18	17	57	383	358
4,280	3,144	4,251	4,571	19,957	19,391
<u>1,275</u>	<u>971</u>	<u>1,148</u>	<u>789</u>	<u>6,139</u>	<u>7,310</u>
<u>\$104,218</u>	<u>\$10,239</u>	<u>\$11,190</u>	<u>\$24,595</u>	<u>\$155,817</u>	<u>\$136,647</u>
\$22	32	10	8	\$72	\$ -
1,275	971	1,148	789	6,139	7,310
<u>1,297</u>	<u>1,003</u>	<u>1,158</u>	<u>797</u>	<u>6,211</u>	<u>7,310</u>
<u>102,921</u>	<u>9,236</u>	<u>10,032</u>	<u>23,798</u>	<u>149,606</u>	<u>129,337</u>
<u>\$104,218</u>	<u>\$10,239</u>	<u>\$11,190</u>	<u>\$24,595</u>	<u>\$155,817</u>	<u>\$136,647</u>

CITY OF WEST ST. PAUL, MINNESOTA
CAPITAL NOTE DEBT SERVICE FUND
COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE
For The Year Ended December 31, 2010
With Comparative Totals For The Year Ended December 31, 2009

	2003 Capital Note	2004 Capital Note	2005 Capital Note	2006 Capital Note
Revenue:				
General property taxes:				
Current	\$ -	\$ -	\$42,340	50,982.00
Delinquent	-	-	718	1,874
Total general property taxes	<u>0</u>	<u>0</u>	<u>43,058</u>	<u>52,856</u>
Intergovernmental	-	-	625	753
Investment income	445	48	76	655
Total revenue	<u>445</u>	<u>48</u>	<u>43,759</u>	<u>54,264</u>
Expenditures:				
Debt service:				
Principal	-	-	39,000	49,000
Interest and fiscal charges	-	-	1,560	4,725
Miscellaneous	-	-	-	-
Total expenditures	<u>0</u>	<u>0</u>	<u>40,560</u>	<u>53,725</u>
Revenue over (under) expenditures	<u>445</u>	<u>48</u>	<u>3,199</u>	<u>539</u>
Other financing sources (uses):				
Issuance of debt	-	-	-	-
Transfers in	-	-	-	89,889
Transfers out	(62,423)	(12,067)	(15,399)	-
Total other financing sources (uses)	<u>(62,423)</u>	<u>(12,067)</u>	<u>(15,399)</u>	<u>89,889</u>
Net change in fund balance	(61,978)	(12,019)	(12,200)	90,428
Fund balance - January 1	<u>61,935</u>	<u>12,144</u>	<u>15,737</u>	<u>12,493</u>
Fund balance - December 31	<u><u>(\$43)</u></u>	<u><u>\$125</u></u>	<u><u>\$3,537</u></u>	<u><u>\$102,921</u></u>

2007 Capital Note	2008 Capital Note	2009 Capital Note	Totals	
			2010	2009
\$37,156	\$50,982	\$56,166	\$237,626	\$260,999
838	675	-	4,105	3,100
<u>37,994</u>	<u>51,657</u>	<u>56,166</u>	<u>241,731</u>	<u>264,099</u>
549	753	830	3,510	13,937
19	138	185.00	1,566	1,728
<u>38,562</u>	<u>52,548</u>	<u>57,181</u>	<u>246,807</u>	<u>279,764</u>
38,000	45,000	31,900	202,900	205,000
5,161	9,207	2,966	23,619	29,225
-	10	9	19	-
<u>43,161</u>	<u>54,217</u>	<u>34,875</u>	<u>226,538</u>	<u>234,225</u>
(4,599)	(1,669)	22,306	20,269	45,539
-	-	-	-	1,482
-	-	-	89,889	-
-	-	-	(89,889)	-
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,482</u>
(4,599)	(1,669)	22,306	20,269	47,021
<u>13,835</u>	<u>11,701</u>	<u>1,492</u>	<u>129,337</u>	<u>82,316</u>
<u>\$9,236</u>	<u>\$10,032</u>	<u>\$23,798</u>	<u>\$149,606</u>	<u>\$129,337</u>

CITY OF WEST ST. PAUL, MINNESOTA
SPECIAL ASSESSMENT DEBT SERVICE FUND
COMBINING BALANCE SHEET
December 31, 2010
With Comparative Totals For December 31, 2009

	1998 G.O. Improvement Bonds	1998 G.O. Refunding Bonds	2000 G.O. Improvement Bonds	2002 G.O. Improvement Bonds
Assets				
Cash and investments	(\$5)	(\$134)	(\$3)	\$992,364
Accrued interest receivable	-	-	-	2,933
Delinquent taxes receivable	-	-	-	2,852
Delinquent special assessments receivable	-	-	-	-
Deferred special assessments receivable	-	-	-	-
Due from other funds	-	-	-	-
Due from County	-	-	-	8,162
Total assets	<u>(\$5)</u>	<u>(\$134)</u>	<u>(\$3)</u>	<u>\$1,006,311</u>
Liabilities and Fund Balance				
Liabilities:				
Due to other funds	\$ -	\$ -	\$ -	\$544
Deferred revenue:				
Taxes	-	-	-	2,852
Special assessments	-	-	-	-
Total liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,396</u>
Fund balance:				
Reserved for debt service	(5)	(134)	(3)	1,002,915
Total liabilities and fund balance	<u>(\$5)</u>	<u>(\$134)</u>	<u>(\$3)</u>	<u>\$1,006,311</u>

2002 G.O. Refunding Bonds	2004 G.O. Improvement Bonds	2006 G.O. Improvement Bonds	2008 G.O. Improvement Bonds	2009 G.O. Refunding Bonds	2010 G.O. Improvement Bonds	Totals	
						2010	2009
\$235,941	\$235,485	\$112,530	\$74,145	\$615,010	\$518,633	\$2,783,966	\$1,620,589
698	695	326	218	1,538	1,483	7,891	7,487
5,797	2,957	3,699	6,834	12,698	-	34,837	38,481
-	1,686	1,277	4,920	729	3,657	12,269	4,812
-	70,875	109,905	235,331	-	471,360	887,471	257,375
-	-	-	-	34,288	-	34,288	-
15,472	9,666	10,092	25,775	52,046	-	121,213	123,107
<u>\$257,908</u>	<u>\$321,364</u>	<u>\$237,829</u>	<u>\$347,223</u>	<u>\$716,309</u>	<u>\$995,133</u>	<u>\$3,881,935</u>	<u>\$2,051,851</u>
\$370	\$296	\$127	\$38	\$548	\$ -	\$1,923	\$ -
5,797	2,957	3,699	6,834	12,698	-	34,837	38,481
-	72,561	111,182	240,252	729	475,017	899,741	262,187
6,167	75,814	115,008	247,124	13,975	475,017	936,501	300,668
251,741	245,550	122,821	100,099	702,334	520,116	2,945,434	1,751,183
<u>\$257,908</u>	<u>\$321,364</u>	<u>\$237,829</u>	<u>\$347,223</u>	<u>\$716,309</u>	<u>\$995,133</u>	<u>\$3,881,935</u>	<u>\$2,051,851</u>

CITY OF WEST ST. PAUL, MINNESOTA
SPECIAL ASSESSMENT DEBT SERVICE FUND
COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE
For The Year Ended December 31, 2010
With Comparative Totals For The Year Ended December 31, 2009

	1998 G.O. Improvement Bonds	1998 G.O. Refunding Bonds	2000 G.O. Improvement Bonds	2002 G.O. Improvement Bonds	2002 G.O. Refunding Bonds
Revenue:					
General property taxes:					
Current	\$ -	\$94,459	\$ -	\$93,322	\$181,459
Delinquent	-	4,147	-	2,172	4,741
Delinquent tax increment collections	-	-	-	-	-
Total general property taxes	<u>0</u>	<u>98,606</u>	<u>0</u>	<u>95,494</u>	<u>186,200</u>
Intergovernmental	-	1,519	-	1,378	2,680
Special assessments:					
Principal	-	-	-	-	-
Prepayments	-	-	-	-	-
Investment income	(5)	(849)	(3)	5,741	3,652
Miscellaneous revenue	-	-	-	-	-
Total revenue	<u>(5)</u>	<u>99,276</u>	<u>(3)</u>	<u>102,613</u>	<u>192,532</u>
Expenditures:					
Debt service:					
Principal	-	300,000	-	65,000	170,000
Interest and fiscal charges	-	6,000	-	43,688	19,320
Miscellaneous	-	-	-	-	179
Costs of issuance	-	-	-	7,563	-
Total expenditures	<u>0</u>	<u>306,000</u>	<u>0</u>	<u>116,251</u>	<u>189,499</u>
Revenue over (under) expenditures	<u>(5)</u>	<u>(206,724)</u>	<u>(3)</u>	<u>(13,638)</u>	<u>3,033</u>
Other financing sources (uses):					
Refunding bonds issued	-	-	-	485,885	-
Premium on debt issued	-	-	-	11,544	-
Payment of escrow agent	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	(2,272)	(176,227)	(1,348)	-	-
Total other financing sources (uses)	<u>(2,272)</u>	<u>(176,227)</u>	<u>(1,348)</u>	<u>497,429</u>	<u>0</u>
Net change in fund balance	(2,277)	(382,951)	(1,351)	483,791	3,033
Fund balance - January 1	<u>2,272</u>	<u>382,817</u>	<u>1,348</u>	<u>519,124</u>	<u>248,708</u>
Fund balance - December 31	<u>(\$5)</u>	<u>(\$134)</u>	<u>(\$3)</u>	<u>\$1,002,915</u>	<u>\$251,741</u>

2004 G.O. Improvement Bonds	2006 G.O. Improvement Bonds	2008 G.O. Improvement Bonds	2009 G.O. Refunding Bonds	2010 G.O. Improvement Bonds	Totals	
					2010	2009
\$112,332	\$112,332	\$213,899	\$623,874	\$ -	\$1,431,677	\$1,329,304
2,187	3,607	-	-	-	16,854	17,674
-	-	-	8,175	-	8,175	-
114,519	115,939	213,899	632,049	0	1,456,706	1,346,978
1,659	1,659	3,025	9,215	-	21,135	70,985
31,520	36,400	62,506	145	103,014	233,585	102,651
-	-	9,056	-	415,619	424,675	-
2,192	1,154	474	2,426	1,483	16,265	24,401
-	-	-	-	-	-	5,599
149,890	155,152	288,960	643,835	520,116	2,152,366	1,550,614
80,000	35,000	160,000	310,000	-	1,120,000	959,428
36,527	80,868	89,152	65,374	-	340,929	416,317
484	-	-	-	-	663	39,539
-	-	-	-	-	7,563	-
117,011	115,868	249,152	375,374	0	1,469,155	1,415,284
32,879	39,284	39,808	268,461	520,116	683,211	135,330
-	-	-	-	-	485,885	1,858,416
-	-	-	-	-	11,544	-
-	-	-	-	-	-	(2,775,000)
-	-	60,000	133,458	-	193,458	631,875
-	-	-	-	-	(179,847)	(488,929)
0	0	60,000	133,458	0	511,040	(773,638)
32,879	39,284	99,808	401,919	520,116	1,194,251	(638,308)
212,671	83,537	291	300,415	-	1,751,183	2,389,491
\$245,550	\$122,821	\$100,099	\$702,334	\$520,116	\$2,945,434	\$1,751,183

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INDIVIDUAL FUND STATEMENTS - CAPITAL PROJECT FUNDS

Capital Project Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Public Works Reserve – used to account for major capital improvements of a public works nature as set forth in the City Code, Section 315.03. Financing is provided by a specific annual property tax levy to the extent that miscellaneous revenue is not sufficient to cover the required expenditures.

Minnesota State-Aid Streets – used to account for construction done on designated state-aid streets. Financing is provided by State grants for specific state-aid street projects. State law requires that these grants be used for the projects specified in the grant application, or on similar state-aid street projects.

Equipment Acquisition Revolving – used to account for the acquisition of major pieces of capital equipment. Financing is provided by the issuance of an annual capital note, pursuant to Minnesota Statutes, Section 410.32.

Technology Replacement – used to account for the acquisition of computer hardware and software. Financing is provided by interest earnings on a specified pool of money, which was established in 2001.

Equipment Replacement – used to account for the acquisition of major pieces of capital equipment. Financing is provided by interest earnings on a specified pool of money, which was established in 2001.

Parks Improvement – used to account for the acquisition, development and maintenance of the City's park infrastructure. Financing is provided by park dedication fees, donations, property taxes and interest earnings on a specified pool of money. This fund was established in 2004.

Permanent Improvement Revolving – used to account for the costs of constructing various street, sanitary sewer, storm sewer, and water projects. These costs are accumulated until it becomes prudent to issue bonds. The bond proceeds are then placed here to finance future construction. Thus, the fund acts as a large, revolving pool of working capital.

TIF District Funds – used to account for the activities of the City's tax increment districts.

CITY OF WEST ST. PAUL, MINNESOTA
PUBLIC WORKS RESERVE FUND
BALANCE SHEET
December 31, 2010
With Comparative Amounts For December 31, 2009

Statement 39

	2010	2009
Assets		
Cash and investments	\$3,409,727	\$3,094,292
Accrued interest receivable	10,087	13,066
Delinquent taxes receivable	10,093	13,992
Deferred special assessments receivable	2,249	2,143
Due from county	28,724	39,047
Total assets	\$3,460,880	\$3,162,540
Liabilities and Fund Balance		
Liabilities:		
Accounts payable	\$1,463	\$683
Due to other funds	4,035	-
Due to other governments	401	-
Deferred revenue	12,342	16,135
Total liabilities	18,241	16,818
Fund balance:		
Designated for other capital projects	3,142,639	3,145,722
Designated for equipment	300,000	-
Total fund balance	3,442,639	3,145,722
Total liabilities and fund balance	\$3,460,880	\$3,162,540

CITY OF WEST ST. PAUL, MINNESOTA
PUBLIC WORKS RESERVE FUND
STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE

Statement 40

For The Year Ended December 31, 2010

With Comparative Amounts For The Year Ended December 31, 2009

	2010	2009
Revenue:		
General property taxes:		
Current	\$337,859	\$474,515
Delinquent	8,261	6,007
Total general property taxes	<u>346,120</u>	<u>480,522</u>
Franchise tax - cable TV	-	50,116
Intergovernmental:		
Market value homestead credit	4,990	25,339
Investment income	<u>30,577</u>	<u>53,894</u>
Total revenue	<u>381,687</u>	<u>609,871</u>
Expenditures:		
Current:		
General government:		
Contractual services	5,850	-
Mayor/council	-	1,610
Unallocated general expenditures	<u>5,075</u>	<u>5,101</u>
Total general government	<u>10,925</u>	<u>6,711</u>
Public works:		
Engineering	5,925	-
Streets	<u>49,839</u>	<u>96,550</u>
Total public works	<u>55,764</u>	<u>96,550</u>
Parks and recreation	<u>4,686</u>	<u>-</u>
Capital outlay:		
General government building	10,098	9,343
General government management information systems	-	9,968
Public safety	-	36,347
Public works	3,297	-
Parks and recreation	<u>-</u>	<u>40,107</u>
Total capital outlay	<u>13,395</u>	<u>95,765</u>
Total expenditures	<u>84,770</u>	<u>199,026</u>
Revenue over (under) expenditures	296,917	410,845
Fund balance - January 1	<u>3,145,722</u>	<u>2,734,877</u>
Fund balance - December 31	<u><u>\$3,442,639</u></u>	<u><u>\$3,145,722</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
MINNESOTA STATE-AID STREETS
BALANCE SHEET
December 31, 2010
With Comparative Amounts For December 31, 2009

Statement 41

	<u>2010</u>	<u>2009</u>
Assets		
Cash and investments	\$616,359	\$594,812
Accrued interest receivable	<u>1,823</u>	<u>2,435</u>
Total assets	<u><u>\$618,182</u></u>	<u><u>\$597,247</u></u>
Liabilities and Fund Balance		
Liabilities:		
Due to other funds	\$661	\$ -
Due to other governmental units	-	277
Contracts payable	<u>41,130</u>	<u>66,748</u>
Total liabilities	<u><u>41,791</u></u>	<u><u>67,025</u></u>
Fund balance:		
Reserved for capital projects	-	530,222
Designated for street improvements	<u>576,391</u>	<u>-</u>
Total fund balance	<u><u>576,391</u></u>	<u><u>530,222</u></u>
Total liabilities and fund balance	<u><u>\$618,182</u></u>	<u><u>\$597,247</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
MINNESOTA STATE-AID STREETS
STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE

Statement 42

For The Year Ended December 31, 2010

With Comparative Amounts For The Year Ended December 31, 2009

	<u>2010</u>	<u>2009</u>
Revenue:		
Intergovernmental:		
State grant	\$ -	\$774,982
Miscellaneous:		
Investment income	4,753	10,099
Total revenue	<u>4,753</u>	<u>785,081</u>
Expenditures:		
Street reconstruction:		
Public works	661	672
Capital outlay	80,871	953,682
Total expenditures	<u>81,532</u>	<u>954,354</u>
Revenue over (under) expenditures	(76,779)	(169,273)
Other financing sources (uses):		
Transfers in	<u>122,948</u>	<u>205,488</u>
Net change in fund balance	46,169	36,215
Fund balance - January 1	<u>530,222</u>	<u>494,007</u>
Fund balance - December 31	<u><u>\$576,391</u></u>	<u><u>\$530,222</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
EQUIPMENT ACQUISITION REVOLVING
BALANCE SHEET
December 31, 2010
With Comparative Amounts For December 31, 2009

Statement 43

	<u>2010</u>	<u>2009</u>
Assets		
Cash and investments	\$262,671	\$332,498
Accrued interest receivable	<u>777</u>	<u>1,272</u>
Total assets	<u><u>\$263,448</u></u>	<u><u>\$333,770</u></u>
Liabilities and Fund Balance		
Liabilities:		
Accounts payable	\$21,259	\$7,849
Due to other funds	<u>375</u>	<u>-</u>
	<u>21,634</u>	<u>7,849</u>
Fund balance:		
Unreserved:		
Designated for targeted minimum balance	150,000	325,921
Designated for equipment purchases	<u>91,814</u>	<u>-</u>
Total fund balance	<u>241,814</u>	<u>325,921</u>
Total liabilities and fund balance	<u><u>\$263,448</u></u>	<u><u>\$333,770</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
EQUIPMENT ACQUISITION REVOLVING
STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE

Statement 44

For The Year Ended December 31, 2010

With Comparative Amounts For The Year Ended December 31, 2009

	<u>2010</u>	<u>2009</u>
Revenue:		
Miscellaneous:		
Investment income	<u>\$2,503</u>	<u>\$5,073</u>
Expenditures:		
Current:		
General government:		
Unallocated general expenditures	1,416	1,268
Capital outlay:		
Public safety	43,750	60,266
Public works	41,444	27,441
Parks and recreation	-	26,708
Total expenditures	<u>86,610</u>	<u>115,683</u>
Revenue over (under) expenditures	(84,107)	(110,610)
Other financing sources (uses):		
Issuance of debt	<u>-</u>	<u>168,017</u>
Net change in fund balance	(84,107)	57,407
Fund balance - January 1	<u>325,921</u>	<u>268,514</u>
Fund balance - December 31	<u><u>\$241,814</u></u>	<u><u>\$325,921</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
TECHNOLOGY REPLACEMENT
BALANCE SHEET
December 31, 2010
With Comparative Amounts For December 31, 2009

Statement 45

	<u>2010</u>	<u>2009</u>
Assets		
Cash and investments	\$818,881	\$886,844
Accrued interest receivable	<u>2,423</u>	<u>4,075</u>
Total assets	<u><u>\$821,304</u></u>	<u><u>\$890,919</u></u>
Liabilities and Fund Balance		
Liabilities:		
Due to other funds	<u>\$1,101</u>	<u>\$ -</u>
Fund balance:		
Unreserved:		
Designated for working capital	<u>820,203</u>	<u>890,919</u>
Total liabilities and fund balance	<u><u>\$821,304</u></u>	<u><u>\$890,919</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
TECHNOLOGY REPLACEMENT
STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE

Statement 46

For The Year Ended December 31, 2010

With Comparative Amounts For The Year Ended December 31, 2009

	<u>2010</u>	<u>2009</u>
Revenue:		
Investment income	<u>\$6,916</u>	<u>\$16,274</u>
Expenditures:		
General government:		
Management information systems	8,875	919
Public safety:		
Police department	-	1,704
Unallocated general expenditures	1,622	1,118
Capital outlay:		
General government	176,216	7,417
Management information systems	-	3,261
Total expenditures	<u>186,713</u>	<u>14,419</u>
Revenue over (under) expenditures	(179,797)	1,855
Other financing sources (uses):		
Transfers in	<u>109,081</u>	<u>-</u>
Net change in fund balance	(70,716)	1,855
Fund balance - January 1	<u>890,919</u>	<u>889,064</u>
Fund balance - December 31	<u><u>\$820,203</u></u>	<u><u>\$890,919</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
EQUIPMENT REPLACEMENT
BALANCE SHEET
 December 31, 2010
 With Comparative Amounts For December 31, 2009

Statement 47

	<u>2010</u>	<u>2009</u>
Assets		
Cash and investments	\$1,071,189	\$1,000,296
Accrued interest receivable	<u>3,169</u>	<u>4,592</u>
Total assets	<u><u>\$1,074,358</u></u>	<u><u>\$1,004,888</u></u>
Liabilities and Fund Balance		
Liabilities:		
Due to other funds	<u>\$1,274</u>	<u>\$ -</u>
Fund balance:		
Unreserved:		
Designated for equipment acquisition	<u>1,073,084</u>	<u>1,004,888</u>
Total liabilities and fund balance	<u><u>\$1,074,358</u></u>	<u><u>\$1,004,888</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
EQUIPMENT REPLACEMENT
STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE

Statement 48

For The Year Ended December 31, 2010

With Comparative Amounts For The Year Ended December 31, 2009

	<u>2010</u>	<u>2009</u>
Revenue:		
Investment income	<u>\$8,826</u>	<u>\$18,545</u>
Expenditures:		
Current:		
General government:		
MIS	30	-
Parks and recreation	-	5,791
Public works:		
Engineering	-	4,179
Miscellaneous:		
Unallocated general expenditures	<u>1,795</u>	<u>2,178</u>
Total expenditures	<u>1,825</u>	<u>12,148</u>
Revenue over expenditures	7,001	6,397
Other financing sources (uses):		
Transfers in	<u>61,195</u>	<u>-</u>
Net change in fund balance	68,196	6,397
Fund balance - January 1	<u>1,004,888</u>	<u>998,491</u>
Fund balance - December 31	<u><u>\$1,073,084</u></u>	<u><u>\$1,004,888</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
PARKS IMPROVEMENT
BALANCE SHEET
December 31, 2010
With Comparative Amounts For December 31, 2009

Statement 49

	<u>2010</u>	<u>2009</u>
Assets		
Cash and investments	\$1,014,607	\$934,934
Accrued interest receivable	3,002	4,325
Delinquent taxes receivable	958	1,308
Due from county	<u>2,759</u>	<u>2,692</u>
Total assets	<u><u>\$1,021,326</u></u>	<u><u>\$943,259</u></u>
Liabilities and Fund Balance		
Liabilities:		
Accounts payable	\$336	\$3,146
Due to other funds	1,205	-
Deferred revenue - special assessments	958	1,308
Total liabilities	<u>2,499</u>	<u>4,454</u>
Fund balance:		
Unreserved:		
Designated for working capital	500,000	500,000
Designated for subsequent years	518,827	438,805
Total fund balance	<u>1,018,827</u>	<u>938,805</u>
Total liabilities and fund balance	<u><u>\$1,021,326</u></u>	<u><u>\$943,259</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
PARKS IMPROVEMENT
STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE

Statement 50

For The Year Ended December 31, 2010

With Comparative Amounts For The Year Ended December 31, 2009

	<u>2010</u>	<u>2009</u>
Revenue:		
Property taxes:		
Current	\$32,836	\$32,742
Delinquent	575	431
Intergovernmental:		
State:		
Market value homestead credit	485	1,748
Charges for services - parks and recreation	5,316	5,643
Miscellaneous:		
Investment income	8,401	17,669
Contributions	22,205	-
Other	60,713	42,397
Total revenue	<u>130,531</u>	<u>100,630</u>
Expenditures:		
Other charges - parks and recreation	45,304	23,979
Capital improvement projects:		
Parks and recreation	5,205	64,251
Total expenditures	<u>50,509</u>	<u>88,230</u>
Revenue over expenditures	80,022	12,400
Fund balance - January 1	<u>938,805</u>	<u>926,405</u>
Fund balance - December 31	<u><u>\$1,018,827</u></u>	<u><u>\$938,805</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
PUBLIC WORKS FACILITY
BALANCE SHEET
December 31, 2010
With Comparative Amounts For December 31, 2009

Statement 51

	<u>2010</u>	<u>2009</u>
Assets		
Cash and investments	\$202,426	\$5,925,654
Accrued interest receivable	<u>608</u>	<u>4,653</u>
Total assets	<u><u>\$203,034</u></u>	<u><u>\$5,930,307</u></u>
Liabilities and Fund Balance		
Liabilities:		
Accounts payable	\$99,259	\$234,743
Due to other governments	1,010	5,009
Due to other funds	3,763	-
Contracts payable	<u>367,153</u>	<u>21,253</u>
Total liabilities	<u><u>471,185</u></u>	<u><u>261,005</u></u>
Fund balance:		
Unreserved	(268,151)	-
Reserved for capital projects	<u>-</u>	<u>5,669,302</u>
Total fund balance	<u><u>(268,151)</u></u>	<u><u>5,669,302</u></u>
Total liabilities and fund balance	<u><u>\$203,034</u></u>	<u><u>\$5,930,307</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
PUBLIC WORKS FACILITY
STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE

Statement 52

For The Year Ended December 31, 2010

With Comparative Amounts For The Year Ended December 31, 2009

	<u>2010</u>	<u>2009</u>
Revenue:		
Miscellaneous:		
Investment income	\$28,745	\$22,280
Total revenue	<u>28,745</u>	<u>22,280</u>
Expenditures:		
Capital improvement projects:		
Maintenance center project	5,961,936	755,867
General government - materials and supplies	499	-
Miscellaneous expenses	3,763	1,280
Bond interest expense	-	95,831
Total expenditures	<u>5,966,198</u>	<u>852,978</u>
Revenue over (under) expenditures	(5,937,453)	(830,698)
Other financing sources (uses):		
Issuance of debt	<u>-</u>	<u>6,500,000</u>
Net change in fund balance	(5,937,453)	5,669,302
Fund balance - January 1	<u>5,669,302</u>	<u>-</u>
Fund balance - December 31	<u><u>(\$268,151)</u></u>	<u><u>\$5,669,302</u></u>

CITY OF WEST ST. PAUL, MINNESOTA
PERMANENT IMPROVEMENT REVOLVING FUND
BALANCE SHEET
December 31, 2010
With Comparative Amounts For December 31, 2009

Statement 53

	2010	2009
Assets		
Cash and investments	\$2,242,545	\$936,466
Accrued interest receivable	6,643	8,837
Due from county	4,757	41,186
Due from other governmental units	1,935	-
Delinquent special assessments receivable	-	4,578
Deferred special assessments receivable	271,424	1,775,313
Total assets	\$2,527,304	\$2,766,380
Liabilities and Fund Balance		
Liabilities:		
Payroll withholdings payable	\$5,129	\$4,285
Accounts payable	34,167	3,336
Contracts payable	96,622	31,408
Due to other governments	294	-
Due to other funds	1,512	-
Deferred revenue - special assessments	271,424	1,779,891
Total liabilities	409,148	1,818,920
Fund balance:		
Unreserved:		
Designated for capital improvements	2,118,156	947,460
Total liabilities and fund balance	\$2,527,304	\$2,766,380

CITY OF WEST ST. PAUL, MINNESOTA
PERMANENT IMPROVEMENT REVOLVING FUND
STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE
For The Year Ended December 31, 2010
With Comparative Amounts For The Year Ended December 31, 2009

Statement 54

	<u>2010</u>	<u>2009</u>
Revenue:		
Special assessments:		
Principal	\$315,958	\$430,441
Interest	248	1,071
Intergovernmental:		
State	1,935	21,660
County grants	123,579	-
Investment income	11,609	33,677
Miscellaneous	1,003	-
Total revenue	<u>454,332</u>	<u>486,849</u>
Expenditures:		
Public works:		
Sidewalk replacement	1,261	109,436
Miscellaneous other expenditures	5,711	4,542
Capital improvement projects:		
Street reconstruction program:		
Noncapitalized street reconstruction	82,309	82,451
Capitalized street reconstruction	1,545,254	1,278,079
Bond issuance costs	39,245	-
Total expenditures	<u>1,673,780</u>	<u>1,474,508</u>
Revenue over (under) expenditures	<u>(1,219,448)</u>	<u>(987,659)</u>
Other financing sources (uses):		
Bond sale proceeds	2,454,115	-
Premium on debt issued	59,909	-
Transfers out	(122,948)	(205,488)
Total other financing sources (uses)	<u>2,391,076</u>	<u>(205,488)</u>
Net change in fund balance	<u>1,171,628</u>	<u>(1,193,147)</u>
Fund balance - January 1, as previously reported	947,460	2,140,607
Prior period adjustment	(932)	-
Fund balance - January 1, as restated	<u>946,528</u>	<u>2,140,607</u>
Fund balance - December 31	<u>\$2,118,156</u>	<u>\$947,460</u>

CITY OF WEST ST. PAUL, MINNESOTA
TIF DISTRICTS
COMBINING BALANCE SHEET
December 31, 2010
With Comparative Amounts For December 31, 2009

Statement 55

	TIF 1-1	TIF 1-2	TIF 1-3	TIF 1-4	Totals	
					2010	2009
Assets						
Cash and investments	\$1,897,322	\$90,941	\$10,596	\$137,084	\$2,135,943	\$1,628,750
Accrued interest receivable	5,612	267	32	406	6,317	6,821
Tax increment receivable	12,432	25,454	40,549	-	78,435	12,103
Accounts receivable	-	-	-	-	-	11,942
Due from other governmental units	(1,171)	-	298	-	(873)	42,656
Total assets	\$1,914,195	\$116,662	\$51,475	\$137,490	\$2,219,822	\$1,702,272
Liabilities and Fund Balance						
Liabilities:						
Accounts payable	\$ -	\$40	\$76	\$ -	\$116	\$2,835
Due to other governmental units	2,790	1,215	2,840	490	7,335	7,120
Due to other funds	1,884	5	-	109	1,998	-
Deferred revenue	12,432	25,454	40,549	-	78,435	12,103
Interfund loan payable	-	-	1,289,276	-	1,289,276	1,315,951
Total liabilities	17,106	26,714	1,332,741	599	1,377,160	1,338,009
Fund balance:						
Unreserved:						
Undesignated	1,897,089	89,948	(1,281,266)	136,891	842,662	364,263
Total liabilities and fund balance	\$1,914,195	\$116,662	\$51,475	\$137,490	\$2,219,822	\$1,702,272

CITY OF WEST ST. PAUL, MINNESOTA

TIF DISTRICTS

Statement 56

COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE

For The Year Ended December 31, 2010

With Comparative Actual Amounts For The Year Ended December 31, 2009

	TIF 1-1	TIF 1-2	TIF 1-3	TIF 1-4	Totals	
					2010	2009
Revenue:						
Property taxes:						
Tax increment collections	\$614,105	\$211,063	\$7,040	\$103,138	\$935,346	\$1,001,534
Delinquent tax increment collections	3,895	-	-	-	3,895	37,456
Investment income	15,281	387	842	1,000	17,510	28,061
Intergovernmental	-	487	1,351	-	1,838	-
Total revenue	<u>633,281</u>	<u>211,937</u>	<u>9,233</u>	<u>104,138</u>	<u>958,589</u>	<u>1,067,051</u>
Expenditures:						
General government	5,366	130,891	51,417	1,291	188,965	256,319
Construction/acquisition costs	100,187	-	-	94,451	194,638	149,205
Total expenditures	<u>105,553</u>	<u>130,891</u>	<u>51,417</u>	<u>95,742</u>	<u>383,603</u>	<u>405,524</u>
Revenue over (under) expenditures	<u>527,728</u>	<u>81,046</u>	<u>(42,184)</u>	<u>8,396</u>	<u>574,986</u>	<u>661,527</u>
Other financing sources (uses):						
Transfers in	-	35,832	-	-	35,832	386,834
Transfers out	(35,832)	(96,587)	-	-	(132,419)	(479,453)
Total other financing sources (uses)	<u>(35,832)</u>	<u>(60,755)</u>	<u>0</u>	<u>0</u>	<u>(96,587)</u>	<u>(92,619)</u>
Net change in fund balance	491,896	20,291	(42,184)	8,396	478,399	568,908
Fund balance (deficit) - January 1	<u>1,405,193</u>	<u>69,657</u>	<u>(1,239,082)</u>	<u>128,495</u>	<u>364,263</u>	<u>(204,645)</u>
Fund balance (deficit) - December 31	<u>\$1,897,089</u>	<u>\$89,948</u>	<u>(\$1,281,266)</u>	<u>\$136,891</u>	<u>\$842,662</u>	<u>\$364,263</u>

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INDIVIDUAL FUND STATEMENTS - ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the government's Council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's Council has decided that periodic determination of net income is appropriate for accountability purposes. The City maintained the following Enterprise Funds during 2006:

Public Utilities Fund - used to account for the provision of sewer service to properties within the City. This fund is maintained pursuant to City Code, Section 705.01. Sewer system users are billed regularly for the services provided, with said collections used to cover the cost of central sewage processing by the Metropolitan Council Environmental Services and the City costs of maintenance, operations, administration, and billing.

Recreation Fund - used to account for City-owned recreation operations including the following:

- Golf course
- Civic center arena
- Swimming pool

CITY OF WEST ST. PAUL, MINNESOTA
PUBLIC UTILITIES FUND
COMBINING SCHEDULE OF NET ASSETS

Statement 57

December 31, 2010

With Comparative Amounts For December 31, 2009

Assets	Storm Sewer	Sanitary Sewer	G.O. Sewer Revenue Bonds	Totals	
				2010	2009
Current assets:					
Cash and investments	\$454,359	\$506,287	\$259,137	\$1,219,783	\$1,103,936
Due from other governments	6,340	(5,496)	12,587	13,431	-
Receivables:					
User accounts - current and delinquent	57,362	436,607	-	493,969	624,478
Accounts	11,082	-	-	11,082	-
Property taxes	-	-	2,185	2,185	-
Customer assessments	-	704,001	-	704,001	704,603
Deferred charges	-	48,253	-	48,253	18,744
Interest receivable on investments	1,344	1,780	766	3,890	5,635
Total current assets	<u>530,487</u>	<u>1,691,432</u>	<u>274,675</u>	<u>2,496,594</u>	<u>2,457,396</u>
Capital assets:					
Land	-	10,945	-	10,945	10,945
Buildings and improvements	-	2,236,070	-	2,236,070	2,229,781
Vehicles, machinery, and equipment	-	402,111	-	402,111	317,942
Distribution and collection systems	-	4,897,414	-	4,897,414	4,897,414
Construction in progress	-	-	-	-	67,246
Total capital assets	<u>0</u>	<u>7,546,540</u>	<u>0</u>	<u>7,546,540</u>	<u>7,523,328</u>
Less: accumulated depreciation	-	(3,789,739)	-	(3,789,739)	(3,741,393)
Net capital assets	<u>0</u>	<u>3,756,801</u>	<u>0</u>	<u>3,756,801</u>	<u>3,781,935</u>
Total assets	<u>530,487</u>	<u>5,448,233</u>	<u>274,675</u>	<u>6,253,395</u>	<u>6,239,331</u>
Liabilities					
Current liabilities:					
Payroll withholdings payable	-	9,378	-	9,378	12,798
Accounts payable	-	10,724	-	10,724	145,560
Due to other funds	1,302	34,598	58	35,958	-
Due to other governments	755	133,453	-	134,208	757
Accrued bond interest payable	-	2,669	17,482	20,151	2,826
Accrued compensated absences	-	19,844	-	19,844	4,805
Bonds payable, current portion	-	235,012	-	235,012	99,374
Total current liabilities	<u>2,057</u>	<u>445,678</u>	<u>17,540</u>	<u>465,275</u>	<u>266,120</u>
Noncurrent liabilities:					
Accrued compensated absences	-	-	-	-	14,950
Other post employment benefits payable	-	18,438	-	18,438	12,613
Bonds payable, net of current portion	-	2,475,113	-	2,475,113	2,703,572
Total noncurrent liabilities	<u>0</u>	<u>2,493,551</u>	<u>0</u>	<u>2,493,551</u>	<u>2,731,135</u>
Total liabilities	<u>2,057</u>	<u>2,939,229</u>	<u>17,540</u>	<u>2,958,826</u>	<u>2,997,255</u>
Net assets:					
Invested in capital assets, net of related debt	-	1,046,676	-	1,046,676	983,363
Restricted for debt service	-	-	257,135	257,135	-
Unrestricted	528,430	1,462,328	-	1,990,758	2,258,713
Total net assets	<u>\$528,430</u>	<u>\$2,509,004</u>	<u>\$257,135</u>	<u>\$3,294,569</u>	<u>\$3,242,076</u>

CITY OF WEST ST. PAUL, MINNESOTA
PUBLIC UTILITIES FUND
COMBINING SCHEDULE OF REVENUE, EXPENSES AND
CHANGES IN NET ASSETS
For The Year Ended December 31, 2010
With Comparative Totals For The Year Ended December 31, 2009

Statement 58

	Storm Sewer	Sanitary Sewer	G.O. Sewer Revenue Bonds	Totals	
				2010	2009
Operating revenue:					
User charges for services	\$336,744	\$2,420,547	\$ -	\$2,757,291	\$2,940,335
Retained fees	-	4,356	-	4,356	4,420
Special assessments	-	4,850	-	4,850	19,982
Miscellaneous revenue	-	5,875	-	5,875	400
Total operating revenue	<u>336,744</u>	<u>2,435,628</u>	<u>0</u>	<u>2,772,372</u>	<u>2,965,137</u>
Operating expenses:					
Personal services	-	258,867	-	258,867	257,268
Supplies	860	13,500	-	14,360	17,371
Contractual services	17,298	1,495,859	450	1,513,607	1,612,456
Miscellaneous other charges	10,602	97,981	58	108,641	1,748,908
Depreciation	-	162,439	-	162,439	142,427
Total operating expenses	<u>28,760</u>	<u>2,028,646</u>	<u>508</u>	<u>2,057,914</u>	<u>3,778,430</u>
Operating income	<u>307,984</u>	<u>406,982</u>	<u>(508)</u>	<u>714,458</u>	<u>(813,293)</u>
Nonoperating revenue (expense):					
Property taxes	-	-	156,857	156,857	-
Investment income	4,150	6,579	1,823	12,552	12,311
Intergovernmental	-	-	2,284	2,284	-
Bond interest expense	-	(34,131)	(47,227)	(81,358)	(45,616)
Total nonoperating revenue (expense)	<u>4,150</u>	<u>(27,552)</u>	<u>113,737</u>	<u>90,335</u>	<u>(33,305)</u>
Income before transfers	<u>312,134</u>	<u>379,430</u>	<u>113,229</u>	<u>804,793</u>	<u>(846,598)</u>
Transfers:					
Transfers in	-	-	143,906	143,906	-
Transfers out	<u>(192,615)</u>	<u>(701,225)</u>	<u>-</u>	<u>(893,840)</u>	<u>(559,338)</u>
Total transfers	<u>(192,615)</u>	<u>(701,225)</u>	<u>143,906</u>	<u>(749,934)</u>	<u>(559,338)</u>
Change in net assets	<u>119,519</u>	<u>(321,795)</u>	<u>257,135</u>	<u>54,859</u>	<u>(1,405,936)</u>
Net assets - January 1, as previously reported	408,911	2,833,165	-	3,242,076	4,648,012
Prior period adjustment	-	(2,366)	-	(2,366)	-
Net assets - January 1, as restated	<u>408,911</u>	<u>2,830,799</u>	<u>0</u>	<u>3,239,710</u>	<u>4,648,012</u>
Net assets - December 31	<u>\$528,430</u>	<u>\$2,509,004</u>	<u>\$257,135</u>	<u>\$3,294,569</u>	<u>\$3,242,076</u>

CITY OF WEST ST. PAUL, MINNESOTA
PUBLIC UTILITIES FUND
COMBINING SCHEDULE OF CASH FLOWS

Statement 59

For The Year Ended December 31, 2010

With Comparative Amounts For The Year Ended December 31, 2009

	Storm Sewer	Sanitary Sewer	G.O. Sewer Revenue Bonds	Totals	
				2010	2009
Cash flows from operating activities:					
Receipts from customers and users	\$336,567	\$2,549,357	\$ -	\$2,885,924	\$2,799,220
Payment to suppliers	(27,463)	(1,601,011)	(450)	(1,628,924)	(3,424,806)
Payment to employees	-	(258,739)	-	(258,739)	(248,885)
Miscellaneous revenue	-	5,875	-	5,875	400
Net cash flows from operating activities	<u>309,104</u>	<u>695,482</u>	<u>(450)</u>	<u>1,004,136</u>	<u>(874,071)</u>
Cash flows from noncapital financing activities:					
Transfers in	-	-	143,906	143,906	-
Transfers out	(192,615)	(701,225)	-	(893,840)	(559,338)
Increase in customer assessments receivable	-	(602)	-	(602)	(704,604)
Property taxes	-	-	154,672	154,672	-
Intergovernmental	(5,585)	5,496	(10,303)	(10,392)	(457)
Net cash flows from noncapital financing activities	<u>(198,200)</u>	<u>(696,331)</u>	<u>288,275</u>	<u>(606,256)</u>	<u>(1,264,399)</u>
Cash flows from capital and related financing activities:					
Acquisition of capital assets	-	(137,297)	-	(137,297)	(108,517)
Proceeds from debt issuance	-	-	-	-	2,907,946
Principal paid on capital debt	-	(95,000)	-	(95,000)	(1,405,000)
Interest paid on capital debt	-	(34,288)	(29,745)	(64,033)	(48,171)
Net cash flows from capital and related financing activities	<u>0</u>	<u>(266,585)</u>	<u>(29,745)</u>	<u>(296,330)</u>	<u>1,346,258</u>
Cash flows from investing activities:					
Investment income	4,937	8,303	1,057	14,297	20,458
Net increase (decrease) in cash and cash equivalents	115,841	(259,131)	259,137	115,847	(771,754)
Cash and cash equivalents - January 1	338,518	765,418	-	1,103,936	1,875,690
Cash and cash equivalents - December 31	<u>\$454,359</u>	<u>\$506,287</u>	<u>\$259,137</u>	<u>\$1,219,783</u>	<u>\$1,103,936</u>
Reconciliation of operating income to net cash provided (used) by operating activities:					
Operating income	\$307,984	\$406,982	(\$508)	714,458	(\$813,293)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:					
Depreciation	-	162,439	-	162,439	142,428
Changes in assets and liabilities:					
Decrease (increase) in receivables	(177)	119,604	-	119,427	(165,517)
Increase (decrease) in other assets	-	(27,143)	-	(27,143)	(18,744)
Increase (decrease) in payables	1,297	27,686	58	29,041	(27,328)
Increase (decrease) in accrued compensated absences	-	5,914	-	5,914	8,383
Total adjustments	<u>1,120</u>	<u>288,500</u>	<u>58</u>	<u>289,678</u>	<u>(60,778)</u>
Net cash provided by operating activities	<u>\$309,104</u>	<u>\$695,482</u>	<u>(\$450)</u>	<u>\$1,004,136</u>	<u>(\$874,071)</u>

CITY OF WEST ST. PAUL, MINNESOTA
RECREATION FUND
COMBINING SCHEDULE OF NET ASSETS

Statement 60

December 31, 2010

With Comparative Amounts For December 31, 2009

Assets	Golf Course	Civic Center Arena	Swimming Pool	Totals	
				2010	2009
Current assets:					
Cash and investments	(\$14)	\$185,168	\$16,204	\$201,358	\$187,429
Due from other governments	5,074	-	3,895	8,969	-
Receivables:					
User accounts - current and delinquent	-	34,883	-	34,883	47,339
Delinquent taxes receivable	1,644	-	1,259	2,903	3,650
Interest receivable on investments	-	548	48	596	975
Inventory	2,250	-	-	2,250	2,226
Other	-	-	-	-	500
Total current assets	8,954	220,599	21,406	250,959	242,119
Capital assets:					
Land	1,070,302	32,296	30,625	1,133,223	1,133,223
Buildings and improvements	276,975	2,084,298	1,719,949	4,081,222	4,081,222
Vehicles, machinery, and equipment	198,841	118,850	-	317,691	317,691
Total capital assets	1,546,118	2,235,444	1,750,574	5,532,136	5,532,136
Less: accumulated depreciation	(277,320)	(1,157,853)	(540,441)	(1,975,614)	(1,842,694)
Net capital assets	1,268,798	1,077,591	1,210,133	3,556,522	3,689,442
Total assets	1,277,752	1,298,190	1,231,539	3,807,481	3,931,561
Liabilities					
Current liabilities:					
Payroll withholdings payable	1,659	3,226	(12)	4,873	17,765
Accounts payable	470	8,332	122	8,924	12,067
Due to other funds	216	246	9	471	-
Due to other governments	1,051	805	-	1,856	740
Accrued bond interest payable	1,611	-	-	1,611	1,611
Accrued compensated absences	-	1,245	-	1,245	3,222
Bonds payable, current portion	35,000	-	-	35,000	35,000
Total current liabilities	40,007	13,854	119	53,980	70,405
Noncurrent liabilities:					
Accrued compensated absences	-	39,506	-	39,506	26,499
Other postemployment benefits payable	2,337	4,044	2,103	8,484	6,543
Bonds payable, net of current portion	490,000	-	-	490,000	525,000
Total noncurrent liabilities	492,337	43,550	2,103	537,990	558,042
Total liabilities	532,344	57,404	2,222	591,970	628,447
Net assets:					
Invested in capital assets, net of related debt	743,798	1,077,591	1,210,133	3,031,522	3,129,442
Unrestricted	1,610	163,195	19,184	183,989	173,672
Total net assets	\$745,408	\$1,240,786	\$1,229,317	\$3,215,511	\$3,303,114

CITY OF WEST ST. PAUL, MINNESOTA
RECREATION FUND
COMBINING SCHEDULE OF REVENUE, EXPENSES AND
CHANGES IN NET ASSETS
For The Year Ended December 31, 2010
With Comparative Totals For The Year Ended December 31, 2009

Statement 61

	Golf Course	Civic Center Arena	Swimming Pool	Totals	
				2010	2009
Operating revenue:					
User charges for services	\$145,991	\$207,519	\$1,317	\$354,827	\$420,397
Miscellaneous	16,864	1,953	-	18,817	24,355
Total operating revenue	<u>162,855</u>	<u>209,472</u>	<u>1,317</u>	<u>373,644</u>	<u>444,752</u>
Operating expenses:					
Personal services	55,205	141,955	2,160	199,320	325,590
Supplies	31,008	7,732	14,474	53,214	46,950
Contractual services	80,636	68,720	20,475	169,831	119,830
Miscellaneous other charges	7,551	426	7	7,984	8,704
Capital outlay	-	-	1,609	1,609	-
Depreciation	26,097	57,659	49,164	132,920	133,749
Total operating expenses	<u>200,497</u>	<u>276,492</u>	<u>87,889</u>	<u>564,878</u>	<u>634,823</u>
Operating income (loss)	<u>(37,642)</u>	<u>(67,020)</u>	<u>(86,572)</u>	<u>(191,234)</u>	<u>(190,071)</u>
Nonoperating revenue (expense):					
Property taxes	61,097	-	46,992	108,089	100,112
Intergovernmental	893	-	689	1,582	5,245
Investment income	16	1,756	108	1,880	4,388
Bond interest expense	(19,600)	-	-	(19,600)	(20,701)
Total nonoperating revenue (expense)	<u>42,406</u>	<u>1,756</u>	<u>47,789</u>	<u>91,951</u>	<u>89,044</u>
Income (loss) before transfers and capital contributions	4,764	(65,264)	(38,783)	(99,283)	(101,027)
Transfers and capital contributions:					
Transfers in	13,544	-	-	13,544	16,570
Change in net assets	<u>18,308</u>	<u>(65,264)</u>	<u>(38,783)</u>	<u>(85,739)</u>	<u>(84,457)</u>
Net assets - January 1, as previously reported	728,032	1,306,982	1,268,100	3,303,114	3,387,571
Prior period adjustment	(932)	(932)	-	(1,864)	-
Net assets - January 1, as restated	<u>727,100</u>	<u>1,306,050</u>	<u>1,268,100</u>	<u>3,301,250</u>	<u>3,387,571</u>
Net assets - December 31	<u>\$745,408</u>	<u>\$1,240,786</u>	<u>\$1,229,317</u>	<u>\$3,215,511</u>	<u>\$3,303,114</u>

CITY OF WEST ST. PAUL, MINNESOTA
RECREATION FUND
COMBINING SCHEDULE OF CASH FLOWS

Statement 62

For The Year Ended December 31, 2010
 With Comparative Totals For The Year Ended December 31, 2009

	Golf Course	Civic Center Arena	Swimming Pool	Totals	
				2010	2009
Cash flows from operating activities:					
Receipts from customers and users	\$150,971	\$207,154	\$9,158	\$367,283	\$427,438
Payment to suppliers	(118,588)	(79,700)	(36,546)	(234,834)	(171,984)
Payment to employees	(66,933)	(132,012)	(2,160)	(201,105)	(336,047)
Miscellaneous revenue	16,864	1,953	-	18,817	23,889
Net cash flows from operating activities	<u>(17,686)</u>	<u>(2,605)</u>	<u>(29,548)</u>	<u>(49,839)</u>	<u>(56,704)</u>
Cash flows from noncapital financing activities:					
Property taxes	61,524	-	47,312	108,836	100,112
Intergovernmental	(3,479)	414	(3,206)	(6,271)	5,855
Transfers in	13,544	-	-	13,544	16,570
Net cash flows from noncapital financing activities	<u>71,589</u>	<u>414</u>	<u>44,106</u>	<u>116,109</u>	<u>122,537</u>
Cash flows from capital and related financing activities:					
Proceeds from the sale of capital assets	-	-	-	-	-
Principal paid on capital debt	(35,000)	-	-	(35,000)	(35,000)
Interest paid on capital debt	(19,600)	-	-	(19,600)	(20,825)
Net cash flows from capital and related financing activities	<u>(54,600)</u>	<u>0</u>	<u>0</u>	<u>(54,600)</u>	<u>(55,825)</u>
Cash flows from investing activities:					
Investment income	108	2,057	94	2,259	4,307
Net increase (decrease) in cash and cash equivalents	(589)	(134)	14,652	13,929	14,315
Cash and cash equivalents - January 1	575	185,302	1,552	187,429	173,114
Cash and cash equivalents - December 31	<u>(\$14)</u>	<u>\$185,168</u>	<u>\$16,204</u>	<u>\$201,358</u>	<u>\$187,429</u>
Reconciliation of operating income to net cash provided (used) by operating activities:					
Operating income	<u>(\$37,642)</u>	<u>(\$67,020)</u>	<u>(\$86,572)</u>	<u>(\$191,234)</u>	<u>(\$190,071)</u>
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:					
Depreciation	26,097	57,659	49,164	132,920	133,750
Changes in assets and liabilities:					
Decrease (increase) in receivables	4,980	(365)	7,841	12,456	5,713
Increase (decrease) in other assets	476	-	-	476	(1,085)
Increase (decrease) in payables	(11,597)	(5,850)	19	(17,428)	5,446
Increase (decrease) in accrued compensated absences	-	12,971	-	12,971	(10,457)
Total adjustments	<u>19,956</u>	<u>64,415</u>	<u>57,024</u>	<u>141,395</u>	<u>133,367</u>
Net cash provided by operating activities	<u>(\$17,686)</u>	<u>(\$2,605)</u>	<u>(\$29,548)</u>	<u>(\$49,839)</u>	<u>(\$56,704)</u>

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FIDUCIARY FUNDS

CITY OF WEST ST. PAUL, MINNESOTA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For The Year Ended December 31, 2010

Statement 63

	Balance January 1, 2009	Additions	Deletions	Balance December 31, 2010
<u>Gang Strike Force Fund</u>				
Assets:				
Cash and investments	\$766,615		(\$766,615)	\$ -
Total assets	<u>\$766,615</u>	<u>\$0</u>	<u>(\$766,615)</u>	<u>\$0</u>
Liabilities:				
Due to other governmental units	\$502,010		(\$502,010)	\$ -
Accounts payable	264,605		(264,605)	-
Total liabilities	<u>\$766,615</u>	<u>\$0</u>	<u>(\$766,615)</u>	<u>\$0</u>
<u>South Metro Fire Fund:</u>				
Assets:				
Cash and investments	\$ -	\$140,253	(\$140,253)	\$ -
Total assets	<u>\$0</u>	<u>\$140,253</u>	<u>(\$140,253)</u>	<u>\$0</u>
Liabilities:				
Due to other governmental units	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-
Total liabilities	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

III. STATISTICAL SECTION (UNAUDITED)

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III. STATISTICAL SECTION (UNAUDITED)

This part of the City of West St. Paul, Minnesota'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 of West St. Paul, Minnesota's overall financial health.

Contents

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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.

CITY OF WEST ST. PAUL, MINNESOTA**NET ASSETS BY COMPONENT**Last Eight Fiscal Years⁽¹⁾

(Accrual Basis of Accounting)

	Fiscal Year		
	2003	2004	2005
Governmental activities:			
Invested in capital assets, net of related debt	\$27,458,440	\$27,388,025	\$28,530,217
Restricted	7,497,280	7,156,411	7,304,612
Unrestricted	12,313,518	11,890,845	9,643,747
Total governmental activities net assets	<u>\$47,269,238</u>	<u>\$46,435,281</u>	<u>\$45,478,576</u>
Business-type activities:			
Invested in capital assets, net of related debt	\$6,053,964	\$6,039,322	\$5,919,902
Restricted	-	-	-
Unrestricted	2,954,589	2,481,016	2,460,843
Total business-type activities net assets	<u>\$9,008,553</u>	<u>\$8,520,338</u>	<u>\$8,380,745</u>
Primary government:			
Invested in capital assets, net of related debt	\$33,512,404	\$33,427,347	\$34,450,119
Restricted	7,497,280	7,156,411	7,304,612
Unrestricted	15,268,107	14,371,861	12,104,590
Total primary government net assets	<u>\$56,277,791</u>	<u>\$54,955,619</u>	<u>\$53,859,321</u>

⁽¹⁾The City implemented GASB Statement No. 34 for the fiscal year ended December 31, 2003. Therefore, information for years prior to 2003 is not available.

Table 1

Fiscal Year				
2006	2007	2008	2009	2010
\$28,838,130	\$28,849,102	\$28,259,027	\$30,796,241	\$31,069,506
7,105,350	7,041,256	7,390,280	12,968,106	5,065,984
11,335,204	13,668,115	14,788,580	9,846,265	18,126,311
<u>\$47,278,684</u>	<u>\$49,558,473</u>	<u>\$50,437,887</u>	<u>\$53,610,612</u>	<u>\$54,261,801</u>
\$5,857,428	\$5,736,609	\$5,744,038	\$5,657,805	\$4,078,198
-	-	-	-	257,135
2,340,294	2,283,949	2,291,545	887,385	2,174,747
<u>\$8,197,722</u>	<u>\$8,020,558</u>	<u>\$8,035,583</u>	<u>\$6,545,190</u>	<u>\$6,510,080</u>
\$34,695,558	\$34,585,711	\$34,003,065	\$36,454,046	\$35,147,704
7,105,350	7,041,256	7,390,280	12,968,106	5,323,119
13,675,498	15,952,064	17,080,125	10,733,650	20,301,058
<u>\$55,476,406</u>	<u>\$57,579,031</u>	<u>\$58,473,470</u>	<u>\$60,155,802</u>	<u>\$60,771,881</u>

CITY OF WEST ST. PAUL, MINNESOTA

CHANGES IN NET ASSETS

Last Eight Fiscal Years⁽¹⁾

(Accrual Basis of Accounting)

	Fiscal Year		
	2003	2004	2005
Expenses			
Governmental activities:			
General government	\$2,867,679	\$3,824,547	\$3,625,984
Public safety	4,760,028	4,485,265	4,883,434
Public works	2,977,382	2,680,865	2,817,726
Parks and recreation	763,272	700,766	678,888
Interest and fees on long-term debt	519,701	531,889	529,178
Total governmental activities expenses	<u>11,888,062</u>	<u>12,223,332</u>	<u>12,535,210</u>
Business-type activities:			
Public utilities	1,688,851	1,826,699	1,776,694
Recreation	663,548	661,034	668,694
Total business-type activities expenses	<u>2,352,399</u>	<u>2,487,733</u>	<u>2,445,388</u>
Total primary government expenses	<u><u>\$14,240,461</u></u>	<u><u>\$14,711,065</u></u>	<u><u>\$14,980,598</u></u>
Program revenues			
Governmental activities:			
Charges for services:			
General government	\$863,367	\$940,156	\$816,436
Public safety	448,516	419,966	519,993
Public works	54,451	91,733	94,653
Parks and recreation	79,729	32,028	60,168
Operating grants and contributions	529,660	547,533	527,126
Capital grants and contributions	663,975	2,017,748	627,689
Total governmental activities program revenues	<u>2,639,698</u>	<u>4,049,164</u>	<u>2,646,065</u>
Business-type activities:			
Charges for services:			
Public utilities	1,973,946	1,950,711	2,007,210
Recreation	482,861	494,184	473,027
Operating grants and contributions	-	-	-
Capital grants and contributions	-	24,974	-
Total business-type activities program revenues	<u>2,456,807</u>	<u>2,469,869</u>	<u>2,480,237</u>
Total primary government program revenues	<u><u>\$5,096,505</u></u>	<u><u>\$6,519,033</u></u>	<u><u>\$5,126,302</u></u>
Net (expense) revenue:			
Governmental activities	(\$9,248,364)	(\$8,174,168)	(\$9,889,145)
Business-type activities	104,408	(17,864)	34,849
Total primary government net (expense) revenue	<u><u>(9,143,956)</u></u>	<u><u>(8,192,032)</u></u>	<u><u>(9,854,296)</u></u>

Fiscal Year				
2006	2007	2008	2009	2010
\$2,950,118	\$2,586,165	\$2,796,893	\$3,360,035	\$3,302,702
5,248,453	6,072,424	5,927,420	5,890,526	6,049,004
2,907,025	3,165,152	3,867,676	3,435,137	3,213,509
665,065	808,763	912,410	838,059	860,994
545,727	573,403	556,157	397,208	824,286
<u>12,316,388</u>	<u>13,205,907</u>	<u>14,060,556</u>	<u>13,920,965</u>	<u>14,250,495</u>
1,991,350	1,884,927	2,361,447	3,824,046	2,139,272
685,347	692,598	686,534	655,524	584,478
<u>2,676,697</u>	<u>2,577,525</u>	<u>3,047,981</u>	<u>4,479,570</u>	<u>2,723,750</u>
<u>\$14,993,085</u>	<u>\$15,783,432</u>	<u>\$17,108,537</u>	<u>\$18,400,535</u>	<u>\$16,974,245</u>
\$699,460	\$720,739	\$515,872	\$617,830	\$747,044
414,528	452,865	274,322	297,953	393,749
182,852	176,451	217,132	297,969	219,053
63,526	260,802	78,598	64,684	67,479
562,144	882,769	748,435	1,401,375	808,067
2,007,373	587,582	530,873	581,053	797,237
<u>3,929,883</u>	<u>3,081,208</u>	<u>2,365,232</u>	<u>3,260,864</u>	<u>3,032,629</u>
2,377,834	2,492,158	2,787,280	2,965,137	2,772,372
467,611	469,462	435,019	444,752	373,644
560	-	-	-	-
-	105	158,345	-	-
<u>2,846,005</u>	<u>2,961,725</u>	<u>3,380,644</u>	<u>3,409,889</u>	<u>3,146,016</u>
<u>\$6,775,888</u>	<u>\$6,042,933</u>	<u>\$5,745,876</u>	<u>\$6,670,753</u>	<u>\$6,178,645</u>
(\$8,386,505)	(\$10,124,699)	(\$11,695,324)	(\$10,660,101)	(\$11,217,866)
169,308	384,200	332,663	(1,069,681)	422,266
<u>(8,217,197)</u>	<u>(9,740,499)</u>	<u>(11,362,661)</u>	<u>(11,729,782)</u>	<u>(10,795,600)</u>

CITY OF WEST ST. PAUL, MINNESOTA

CHANGES IN NET ASSETS

Last Eight Fiscal Years⁽¹⁾

(Accrual Basis of Accounting)

	Fiscal Year		
	2003	2004	2005
General revenues and other changes in net assets			
Governmental activities:			
Taxes:			
Property taxes	\$5,659,786	\$5,018,466	\$6,447,982
Tax increment collections	48,149	-	139,217
Franchise and other taxes	558,632	562,465	632,746
Grants and contributions not restricted to specific programs	1,167,551	1,589,976	752,494
Unrestricted investment earnings	587,327	346,232	540,474
Gain on sale of capital assets	9,340	11,236	19,229
Miscellaneous revenues	87,485	140,127	124,798
Transfers	577,437	229,378	275,500
Total governmental activities	<u>8,695,707</u>	<u>7,897,880</u>	<u>8,932,440</u>
Business-type activities:			
Property taxes	-	-	27,937
Grants and contributions not restricted to specific programs	-	-	2,063
Unrestricted investment earnings	94,503	54,528	71,058
Gain on sale of capital assets	-	-	-
Miscellaneous revenues	-	1,378	-
Transfers	(577,437)	(229,378)	(275,500)
Total business-type activities	<u>(482,934)</u>	<u>(173,472)</u>	<u>(174,442)</u>
Total primary government	<u>\$8,212,773</u>	<u>\$7,724,408</u>	<u>\$8,757,998</u>
Change in net assets:			
Governmental activities	(\$552,657)	(\$276,288)	(\$956,705)
Business-type activities	(378,526)	(191,336)	(139,593)
Total primary government	<u>(\$931,183)</u>	<u>(\$467,624)</u>	<u>(\$1,096,298)</u>

⁽¹⁾The City implemented GASB Statement No. 34 for the fiscal year ended December 31, 2003. Therefore, information for years prior to 2003 is not available.

Fiscal Year				
2006	2007	2008	2009	2010
\$7,148,433	\$7,588,912	\$8,114,780	\$9,230,584	\$8,593,238
312,082	736,055	885,302	1,001,532	1,017,676
728,551	775,255	784,951	778,465	727,378
660,873	962,269	1,439,729	1,780,315	899,359
790,632	1,166,186	789,661	493,389	259,595
-	40,596	45,165	5,774	6,523
54,165	48,531	-	-	84,894
491,877	(321,950)	515,150	542,768	736,390
<u>10,186,613</u>	<u>10,995,854</u>	<u>12,574,738</u>	<u>13,832,827</u>	<u>12,325,053</u>
28,351	90,211	100,036	100,112	264,946
1,721	-	5,192	5,245	3,866
109,098	132,134	92,284	16,699	14,432
376	800	-	-	-
-	435	-	-	-
(491,877)	321,950	(515,150)	(542,768)	(736,390)
<u>(352,331)</u>	<u>545,530</u>	<u>(317,638)</u>	<u>(420,712)</u>	<u>(453,146)</u>
<u>\$9,834,282</u>	<u>\$11,541,384</u>	<u>\$12,257,100</u>	<u>\$13,412,115</u>	<u>\$11,871,907</u>
\$1,800,108	\$871,155	\$879,414	\$3,172,726	\$1,107,187
(183,023)	929,730	15,025	(1,490,393)	(30,880)
<u>\$1,617,085</u>	<u>\$1,800,885</u>	<u>\$894,439</u>	<u>\$1,682,333</u>	<u>\$1,076,307</u>

CITY OF WEST ST. PAUL, MINNESOTA
FUND BALANCES, GOVERNMENTAL FUNDS

Last Eight Fiscal Years⁽¹⁾

(Modified Accrual Basis of Accounting)

	Fiscal Year		
	2003	2004	2005
General Fund:			
Reserved	\$ -	\$ -	\$ -
Unreserved			
Designated for subsequent years' budget	72,550	75,000	83,725
Designated for working capital	3,490,143	3,469,774	3,667,070
Designated for contingencies	821,210	816,417	770,846
Designated for police forfeitures	-	-	-
Undesignated	491,487	280,141	-
Total general fund	<u>\$4,875,390</u>	<u>\$4,641,332</u>	<u>\$4,521,641</u>
All other governmental funds:			
Reserved	\$2,409,488	\$2,523,129	\$3,789,964
Unreserved, reported in:			
Special revenue funds	2,315,070	998,406	1,000,000
Capital projects funds	5,628,387	3,966,143	3,889,151
Undesignated	4,240,303	6,531,263	4,861,916
Total all other governmental funds	<u>\$14,593,248</u>	<u>\$14,018,941</u>	<u>\$13,541,031</u>

⁽¹⁾The City implemented GASB Statement No. 34 for the fiscal year ended December 31, 2003. Therefore, information for years prior to 2003 is not available.

Table 3

Fiscal Year				
2006	2007	2008	2009	2010
\$ -	\$ -	\$ -	\$ -	\$278
-	-	-	-	-
3,918,128	4,152,541	4,096,047	5,274,336	5,374,535
495,324	980,223	980,223	468,023	527,811
22,223	22,223	22,223	5,304	8,929
-	-	-	-	-
\$4,435,675	\$5,154,987	\$5,098,493	\$5,747,663	\$5,911,553
\$4,140,803	\$4,140,803	\$4,366,569	\$10,016,943	\$5,327,248
1,000,000	1,000,000	1,000,000	1,737,298	3,074,627
3,894,047	3,964,170	3,887,555	7,253,715	9,291,114
6,032,981	5,801,188	7,135,022	2,086,109	574,511
\$15,067,831	\$14,906,161	\$16,389,146	\$21,094,065	\$18,267,500

CITY OF WEST ST. PAUL, MINNESOTA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

Last Eight Fiscal Years⁽¹⁾

	Fiscal Year		
	2003	2004	2005
Revenues:			
General property taxes	\$5,021,210	\$5,613,840	\$6,461,819
Tax increment collections	-	48,149	139,217
Franchise and other taxes	562,465	558,632	632,746
Licenses and permits	609,384	710,632	602,122
Intergovernmental	3,811,605	1,938,928	1,283,509
Special assessments	473,016	463,801	439,923
Charges for services	623,497	674,711	687,304
Fines and forfeits	84,095	68,905	91,986
Investment income	346,232	587,327	540,474
Contributions and donations	11,242	14,913	20,703
Sale of land held for resale	105,937	-	-
Miscellaneous	166,277	120,563	164,941
Insurance policy dividends	-	10,057	104,495
Total revenues	<u>11,814,960</u>	<u>10,810,458</u>	<u>11,169,239</u>
Expenditures:			
Current:			
General government	1,959,718	2,643,264	3,247,668
Public safety	4,194,462	4,563,019	4,661,066
Public works	1,495,343	1,630,255	1,421,692
Parks and recreation	669,323	734,512	641,397
Unallocated general expenditures	173,719	131,253	225,597
Capital outlay	2,896,523	2,915,948	1,720,909
Debt service:			
Principal	1,163,173	1,257,034	1,349,482
Interest	509,877	531,818	534,528
Bond issuance costs	-	25,152	23,669
Miscellaneous	-	-	-
Total expenditures	<u>13,062,138</u>	<u>14,432,255</u>	<u>13,826,008</u>
Revenues over (under) expenditures	<u>(1,247,178)</u>	<u>(3,621,797)</u>	<u>(2,656,769)</u>
Other financing sources (uses):			
Sale of capital assets	31,097	9,340	19,229
Issuance of debt	225,000	1,540,000	1,790,000
Capital lease	-	703,000	-
Bond discount	-	(16,345)	(25,561)
Bond premium	-	-	-
Insurance recoveries	-	-	-
Transfers in	2,437,486	1,297,232	1,941,046
Transfers out	(2,208,108)	(719,795)	(1,665,546)
Total other financing sources (uses)	<u>485,475</u>	<u>2,813,432</u>	<u>2,059,168</u>
Net change in fund balance	<u>(\$761,703)</u>	<u>(\$808,365)</u>	<u>(\$597,601)</u>
Debt service as a percentage of noncapital expenditures	16.5%	15.8%	15.8%

⁽¹⁾The City implemented GASB Statement No. 34 for the fiscal year ended December 31, 2003. Therefore, information for years prior to 2003 is not available.

Table 4

Fiscal Year				
2006	2007	2008	2009	2010
\$7,093,714	\$7,589,626	\$8,026,104	\$8,198,676	\$8,595,194
311,127	737,231	890,559	1,038,990	939,241
728,551	770,594	775,702	766,070	777,432
557,771	725,347	470,559	515,595	539,594
2,549,294	2,144,118	2,039,715	3,003,528	1,727,742
531,896	470,834	526,298	557,691	990,289
681,772	615,954	572,455	681,621	695,683
98,384	117,986	119,783	132,957	124,744
790,632	1,151,057	789,661	493,389	250,374
17,690	-	-	-	-
-	-	-	-	-
157,604	444,912	94,268	146,371	192,541
5,935	16,872	17,160	9,190	4,310
<u>13,524,370</u>	<u>14,784,531</u>	<u>14,322,264</u>	<u>15,544,078</u>	<u>14,837,144</u>
2,639,410	2,467,715	2,903,076	2,970,876	2,764,914
4,982,224	5,908,111	5,738,646	5,727,556	5,868,395
1,543,044	1,711,250	1,645,992	1,512,683	1,415,267
635,065	725,223	800,658	744,114	771,283
163,397	112,637	158,914	113,079	123,535
3,280,104	1,887,240	2,614,096	3,355,188	8,148,622
1,485,546	1,640,579	1,497,996	5,054,428	1,402,900
534,765	590,245	510,674	647,703	674,433
30,055	-	64,703	-	46,808
-	1,130	904	40,819	1,113
<u>15,293,610</u>	<u>15,044,130</u>	<u>15,935,659</u>	<u>20,166,446</u>	<u>21,217,270</u>
<u>(1,769,240)</u>	<u>(259,599)</u>	<u>(1,613,395)</u>	<u>(4,622,368)</u>	<u>(6,380,126)</u>
21,192	35,102	45,165	5,774	21,103
2,692,000	190,000	2,600,000	9,427,915	2,940,000
-	-	-	-	-
(18,008)	-	(28,440)	-	-
-	-	-	-	71,453
-	-	-	-	4,853
1,122,751	834,908	693,134	1,919,527	1,445,484
(607,861)	(334,758)	(177,984)	(1,376,759)	(709,094)
<u>3,210,074</u>	<u>725,252</u>	<u>3,131,875</u>	<u>9,976,457</u>	<u>3,773,799</u>
<u>\$1,440,834</u>	<u>\$465,653</u>	<u>\$1,518,480</u>	<u>\$5,354,089</u>	<u>(\$2,606,327)</u>
17.1%	17.0%	15.6%	34.2%	15.4%

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

Table 5

Fiscal Year Ended December 31,	Residential Property	Commercial/Industrial Property	All Other	Total Tax Capacity	Less: Fiscal Disparity Contribution	Adjusted Tax Capacity Value	Total Direct Tax Rate	Estimated Market Value	Tax Capacity as a Percent of EMV
2001	\$7,980,663	\$4,430,987	\$2,765,883	\$15,177,533	\$1,448,332	\$12,411,650	25.200	\$907,271,500	1.37%
2002	6,987,235	2,663,187	2,848,691	12,499,113	931,299	9,650,422	44.520	1,007,948,500	0.96%
2003	7,848,732	2,818,253	2,890,421	13,557,406	1,112,696	10,666,985	38.720	1,126,369,000	0.95%
2004	8,807,151	1,932,827	3,844,079	14,584,057	1,174,964	10,739,978	41.680	1,243,913,500	0.86%
2005	10,059,828	3,182,145	2,873,191	16,115,164	1,222,578	13,241,973	42.289	1,382,649,200	0.96%
2006	11,320,958	3,553,175	2,878,158	17,752,291	1,338,159	14,874,133	42.761	1,530,023,000	0.97%
2007	12,330,829	4,865,981	2,419,777	19,616,587	1,487,932	17,196,810	42.082	1,687,050,300	1.02%
2008	12,573,491	5,234,351	2,489,211	20,297,053	1,855,711	17,807,842	43.706	1,734,621,300	1.03%
2009	12,188,009	5,568,526	2,418,915	20,175,450	2,001,404	17,756,535	44.608	1,707,579,700	1.04%
2010	11,048,101	5,569,775	2,596,131	19,214,007	3,271,505	16,617,876	50.873	1,594,050,200	1.04%

Source: Dakota County Assessing Services

Note: The year associated with a Tax Capacity or a Market Value means one of two things:
 Assessment Year: the year for which the property market values are determined. Market values must be assessed annually on January 2nd. Pay year or tax payment year: the year in which the taxes are payable. Current year taxes - are based on the prior January 2nd assessment. To more accurately compare the information on this table to the financial statements the year is the pay year.

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

Table 6

Fiscal Year	City Rate Applicable to Debt	City Rate Applicable to Operations	Total City Direct Rate	Overlapping Rates*			Total
				School District	Other Districts	County	
2001	7.27	17.93	25.200	43.090	6.380	25.320	99.990
2002	10.76	33.76	44.520	15.270	5.020	33.100	97.910
2003	10.31	28.41	38.720	14.400	5.230	32.460	90.810
2004	10.46	31.22	41.680	12.920	4.930	30.300	89.830
2005	10.37	31.92	42.289	21.878	4.907	28.267	97.341
2006	10.61	32.15	42.761	21.428	4.616	26.318	95.123
2007	8.28	33.80	42.082	19.838	4.416	25.127	91.463
2008	10.09	33.62	43.706	18.914	4.393	25.184	92.197
2009	10.03	34.58	44.608	18.051	4.328	25.821	92.808
2010	11.04	39.84	50.873	18.850	4.421	27.269	101.413

Source: Dakota County website www.dakotacounty.us

Note: The City's basic property tax rate may be increased only by a majority vote of the City's residents. Rates for debt service are set based on each year's requirements.

*Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all City property owners; for example, although the county property tax rates apply to all City property owners

CITY OF WEST ST. PAUL, MINNESOTA
PRINCIPAL PROPERTY TAXPAYERS
 Current Year and Nine Years Ago

Table 7

Taxpayer	2010			2001		
	Taxable Capacity Value	Rank	Percentage of Total City Capacity Value	Taxable Capacity Value	Rank	Percentage of Total City Capacity Value
Robert Street 2008 LLC	\$308,058	1	1.53%	\$288,564	1	1.43%
Target Corporation	282,324	2	1.40%	223,158	4	1.11%
Signal Hills Co. II	279,336	3	1.38%	170,481	7	0.84%
Wal-Mart	221,532	4	1.10%	na	na	na
Lowes Home Centers Inc.	215,274	5	1.07%	na	na	na
Menards	211,238	6	1.05%	na	na	na
Xcel Energy	182,818	7	0.91%	265,560	2	1.32%
Westview Apartments	175,000	8	0.87%	160,645	9	0.80%
Mailand Property Ltd. Partnership	174,582	9	0.87%	242,198	3	1.20%
Walker Senior Housing Corp.	161,250	10	0.80%	201,576	5	1.00%
Total	<u>\$2,211,412</u>		<u>10.96%</u>	<u>\$1,552,182</u>		<u>7.69%</u>
Total All Property	<u>\$20,175,450</u>			<u>\$19,214,007</u>		

Source: 2010 information from Ehler's Annual Disclosure.
 2001 from City's 2001 CAFR.

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

Table 8

Fiscal Year Ended December 31,	Taxes Levied For The Fiscal Year	Collected Within The Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2001	\$4,149,050	\$4,109,018	99.04%	\$40,032	\$4,149,050	100.00%
2002	5,751,650	5,686,864	98.87%	64,786	5,751,650	100.00%
2003	5,559,625	5,502,703	98.98%	54,487	5,557,190	99.96%
2004	6,209,900	6,112,388	98.43%	95,855	6,208,243	99.97%
2005	6,941,900	6,854,442	98.74%	84,764	6,939,206	99.96%
2006	7,607,225	7,482,046	98.35%	122,118	7,604,163	99.96%
2007	8,094,100	7,969,034	98.45%	116,487	8,085,521	99.89%
2008	8,522,075	8,409,350	98.68%	86,473	8,495,823	99.69%
2009	8,745,974	8,629,734	98.67%	102,232	8,731,966	99.84%
2010*	9,265,888	8,844,367	95.45%	-	8,844,367	95.45%

Sources: City Budget Book (Levy) and Dakota County tax collection reports of Finance.

* The total amount of property taxes levied is partially supported by property tax relief payments on behalf of lower-valued residential properties. In FY 2010, 75% this payment, known as Market Value Homestead Credit was withheld by the State of Minnesota, resulting in a lower overall collection percentage.

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

Fiscal Year	Governmental Activities				Total Governmental Activities	Percentage of Tax Capacity
	General Obligation Bonds	Improvement Bonds	Tax Incremental Bonds	Capital Leases		
2001	\$863,000	\$10,205,000	-	-	\$11,068,000	71.84%
2002	867,000	10,595,000	-	-	11,462,000	91.70%
2003	895,000	9,785,000	-	-	10,680,000	78.78%
2004	860,000	10,275,000	-	608,355	11,743,355	80.52%
2005	816,000	9,370,000	1,605,000	476,548	12,267,548	76.12%
2006	826,000	10,790,000	1,605,000	338,026	13,559,026	76.38%
2007	766,000	9,615,000	1,605,000	192,447	12,178,447	62.08%
2008	746,000	10,985,000	1,580,000	39,450	13,350,450	65.78%
2009	7,160,500	9,105,000	1,555,000	-	17,820,500	88.33%
2010	6,907,600	11,015,000	1,525,000	-	19,447,600	101.22%

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

^(a)See Table 14 for personal income and population data.

Table 9

Business-Type Activities					
<u>Sewer/ Water Bonds</u>	<u>Term Loan Payable</u>	<u>Total Business-Type Activities</u>	<u>Total Primary Government</u>	<u>Percentage of County-Wide Personal Income^(a)</u>	<u>Per Capita^(a)</u>
1,765,000	\$2,310,000	\$4,075,000	\$15,143,000	N/A	\$780
1,710,000	2,245,000	3,955,000	15,417,000	1.11%	786
1,650,000	2,155,000	3,805,000	14,485,000	1.00%	734
1,585,000	2,055,000	3,640,000	15,383,355	1.00%	790
1,520,000	1,950,000	3,470,000	15,737,548	0.99%	835
1,450,000	1,840,000	3,290,000	16,849,026	N/A	895
1,375,000	1,740,000	3,115,000	15,293,447	N/A	809
1,300,000	1,635,000	2,935,000	16,285,450	N/A	857
2,755,000	1,365,000	4,120,000	21,940,500	N/A	1,123
2,660,000	1,240,000	3,900,000	23,347,600	N/A	1,195

CITY OF WEST ST. PAUL, MINNESOTA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Table 10

Fiscal Year	General Obligation Bonds	Less: Amount Available In Debt Service Fund	Total	Percentage of Est. Actual Taxable Value of Property ^(a)	Per Capita ^(b)
2001	\$863,000	\$201,850	\$661,150	0.07%	\$35.14
2002	867,000	182,003	684,997	0.07%	36.14
2003	895,000	141,987	753,013	0.07%	40.04
2004	860,000	102,651	757,349	0.06%	40.25
2005	816,000	105,296	710,704	0.05%	37.77
2006	826,000	117,328	708,672	0.05%	37.66
2007	766,000	120,243	645,757	0.04%	34.32
2008	746,000	152,363	593,637	0.03%	31.55
2009	7,160,500	199,241	6,961,259	0.41%	368.05
2010	6,907,600	214,880	6,692,720	0.42%	353.85

(a) See Table 5 for property value data.

(b) See Table 14 for population data.

CITY OF WEST ST. PAUL, MINNESOTA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 December 31, 2010

Table 11

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable*	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
Dakota County	\$63,225,000	3.74%	\$2,365,627
School Districts:			
ISD No. 197	74,230,000	26.18%	19,435,789
Metropolitan Council	1,676,000	0.41%	6,838
Subtotal - overlapping debt			21,808,254
City direct debt			19,447,600
Total direct and overlapping debt			\$41,255,854

Sources: Assessed value data used to estimate applicable percentages provided by the County Board of Equalization and Assessment. Debt outstanding data provided by each governmental unit.

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

*For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value. This approach was also used for the County's capital lease, loan, and other debt. The applicable percentage of the County Economic Development Bonds, which are backed by county sales taxes, was estimated by dividing the City's retail sales by the County's retail sales.

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

Legal Debt Margin Calculation for Fiscal Year 2010

Market value	<u>\$1,594,050,200</u>
Debt limit (3% of market value) (a)	<u>47,821,506</u>
Debt applicable to limit:	
General obligation bonds	7,530,100
Less: Amount set aside for repayment of general obligation debt	<u>265,000</u>
Total net debt applicable to limit	<u>7,795,100</u>
Legal debt margin	<u><u>\$40,026,406</u></u>

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Debt limit	\$18,291,194	\$20,158,970	\$22,527,380	\$24,878,270
Total net debt applicable to limit	<u>864,030</u>	<u>782,938</u>	<u>773,326</u>	<u>772,626</u>
Legal debt margin	<u><u>\$17,427,164</u></u>	<u><u>\$19,376,032</u></u>	<u><u>\$21,754,054</u></u>	<u><u>\$24,105,644</u></u>
Total net debt applicable to the limit as a percentage of debt limit	4.72%	3.88%	3.43%	3.11%

Note: Under state finance law, the City's outstanding general obligation debt should not exceed 15 percent of total assessed property value. However, the City has established a more conservative internal limit of no more than 5 percent. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

(a) In 2008 debt limitation increased from 2% of market value to 3%.

Table 12

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$27,652,984	\$30,600,460	\$33,741,006	\$52,038,639	\$51,227,391	\$47,821,506
<u>621,066</u>	<u>645,757</u>	<u>645,757</u>	<u>593,637</u>	<u>461,259</u>	<u>7,795,100</u>
<u><u>\$27,031,918</u></u>	<u><u>\$29,954,703</u></u>	<u><u>\$33,095,249</u></u>	<u><u>\$51,445,002</u></u>	<u><u>\$50,766,132</u></u>	<u><u>\$40,026,406</u></u>
2.56%	2.11%	1.91%	1.14%	0.90%	16.30%

CITY OF WEST ST. PAUL, MINNESOTA

PLEDGED-REVENUE COVERAGE

Last Ten Fiscal Years

Fiscal Year	Sewer Revenue Bonds					Coverage
	Utility Service Charges	Less Operating Expenses	Net Available Revenue	Debt Service		
				Principal	Interest	
2001	\$1,710,583	\$1,459,244	\$251,339	\$60,000	\$81,580	1.78
2002	1,815,702	1,376,430	439,272	55,000	85,495	3.13
2003	1,927,375	1,626,499	300,876	60,000	83,020	2.10
2004	1,953,124	1,469,313	483,811	65,000	80,320	3.33
2005	1,999,199	1,550,140	449,059	65,000	77,395	3.15
2006	2,364,928	1,776,688	588,240	70,000	74,470	4.07
2007	2,445,899	1,956,727	489,172	75,000	71,320	3.34
2008	2,747,281	2,121,595	625,686	80,000	67,945	4.23
2009	2,940,335	3,636,003	(695,668)	95,000	45,616	(4.95)
2010	2,757,291	1,895,475	861,816	135,012	47,227	4.73

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation, or amortization expenses. Golf course revenue bonds are excluded since they are an internal issue.

Table 13

Special Assessment Collections	Improvement Bonds			Tax Increment Collections	Tax Increment Bonds		
	Debt Service		Coverage		Debt Service		Coverage
	Principal	Interest			Principal	Interest	
\$282,077	\$2,840,000	\$527,686	0.08	N/A	N/A	N/A	N/A
220,160	1,050,800	443,062	0.15	N/A	N/A	N/A	N/A
199,686	810,000	387,938	0.17	N/A	N/A	N/A	N/A
160,797	870,000	393,962	0.13	N/A	N/A	N/A	N/A
161,694	905,000	401,431	0.12	N/A	N/A	N/A	N/A
135,485	1,030,000	364,239	0.10	51,769	-	51,769	1.00
109,947	1,175,000	411,260	0.07	69,025	-	69,025	1.00
77,718	1,000,000	373,735	0.06	93,556	25,000	68,556	1.00
102,651	1,090,000	424,397	0.07	92,619	25,000	67,619	1.00
233,585	1,190,000	340,929	0.15	96,587	30,000	66,587	1.00

<u>Fiscal Year</u>	<u>Population *</u>	<u>County-Wide Personal Income **</u>	<u>Per Capita Personal Income **</u>	<u>Unemployment Rate ***</u>
2001	19,405	N/A	N/A	3.20%
2002	19,624	\$1,384,000,000	\$37,543	4.00%
2003	19,740	14,487,000,000	38,819	4.20%
2004	19,481	15,432,000,000	40,788	4.00%
2005	18,849	15,878,000,000	41,416	4.10%
2006	18,816	16,627,273,000	43,095	4.00%
2007	18,914	17,541,000,000	45,045	4.00%
2008	19,002	18,243,000,000	46,357	6.90%
2009	19,540	17,594,416,000	44,374	8.00%
2010	19,540	18,138,935,743	N/A	6.30%

* Source of data: Metropolitan Council, except 2001 for which the source is the U.S. Bureau of Census. Updated data is not available for 2010.

** Source of data: Bureau of Economic Analysis, Rates prior to 2010 are for Dakota County - 2010 rates are extrapolated using the Statewide percentage change from 2009 to 2010. Per capita income data for 2010 is not available.

*** Source of data: Minnesota Department of Employment and Economic Development.

Note: Population, median age, and education level information are based on surveys conducted during the last quarter of the calendar year. Personal income information is a total for the year. Unemployment rate information is an adjusted yearly average.

CITY OF WEST ST. PAUL, MINNESOTA

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Table 15

Employer	2010		Employer	2001	
	Employees	Percentage of Total City Employment		Employees	Percentage of Total City Employment
Dakota County	593	(a)	I.S.D. No. 197	750	(a)
Super Target	375	(a)	TapeMark Company	320	(a)
Southview Acres Health Center	345	(a)	Southview Acres Health Center	320	(a)
Wal-Mart Superstore	240	(a)	Super Target	295	(a)
I.S.D. No. 197	<u>177</u>	(a)	Dakota County	<u>274</u>	(a)
Total	<u><u>1,730</u></u>		Total	<u><u>1,959</u></u>	

Source: Ehlers and Associates, Inc.

Employment rates are not compiled for individual communities within Dakota County
 Only information for the top 5 employers is available for each year presented.

CITY OF WEST ST. PAUL, MINNESOTA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

Last Ten Fiscal Years

Function/Program	Full-Time Equivalent Employees as of December 31,		
	2001	2002	2003
General government:			
Administration	4.0	4.0	4.0
Finance	5.0	6.0	6.0
Community Development	1.0	6.0	6.0
Building	1.0	1.0	1.0
MIS	1.0	1.0	1.0
Police:			
Officers	25.0	26.0	26.0
Civilians	5.0	5.0	4.0
Dispatch	5.0	5.0	7.0
Fire:			
Firefighters and officers	20.0	20.0	20.0
Civilians	0.5	0.5	0.5
Public works:			
Engineering	5.0	3.0	3.0
Streets	12.0	12.0	12.0
Sewer	3.0	3.0	3.0
Building inspections	1.0		
Parks and recreation	7.0	7.0	7.0
Golf course manager	1.0	2.0	2.0
Ice arena / pool manager	1.0	1.0	1.0
Total	97.5	102.5	103.5

Source: City Budget Books

Notes: 1. The numbers above represent full-time and permanent part-time budgeted positions. Seasonal employees are not included.

2. Building inspections was moved to Community Development in 2002.

Table 16

Full-Time Equivalent Employees as of December 31,						
2004	2005	2006	2007	2008	2009	2010
4.0	4.0	5.0	5.0	5.0	4.0	4.0
5.0	5.0	4.0	5.0	5.0	5.0	5.0
6.0	5.0	5.0	5.0	5.0	4.0	3.8
1.0	1.0	1.0	1.5	1.5	2.0	2.0
-	-	1.0	1.0	1.0	1.0	1.0
26.0	26.0	28.0	30.0	30.0	30.0	30.0
4.0	4.0	5.5	6.0	6.0	5.8	5.6
7.0	7.0					
19.0	19.0	19.0	20.0	-	-	-
0.5	0.5	0.5	0.5	-	-	-
3.0	1.0	2.0	2.0	2.0	2.0	2.0
11.0	11.0	10.0	11.0	11.0	11.0	11.0
3.0	3.0	3.0	3.0	3.0	3.0	3.0
7.0	7.0	6.0	7.0	7.0	7.0	7.0
2.0	1.0	1.0	1.0	1.0	1.0	1.0
1.0	1.0	1.0	1.0	1.0	1.0	1.0
<u>99.5</u>	<u>95.5</u>	<u>92.0</u>	<u>99.0</u>	<u>78.5</u>	<u>76.8</u>	<u>75.4</u>

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

Function/Program	Fiscal Year		
	2001	2002	2003
Police:			
Part 1 Crimes reports	937	1,097	1,282
Part 2 Crimes reports	1,107	1,215	1,148
Total arrests	643	945	888
Part 1 arrests	156	284	313
Cases investigated	357	383	334
Building inspection:			
Permits issued:			
Residential	N/A	N/A	716
Commercial		N/A	103
Public works:			
Streets patched (person hrs)	N/A	N/A	N/A
Parks and recreation:			
Recreation programs offered	N/A	N/A	N/A
Ice Arena annual admissions	N/A	N/A	N/A
Golf course:			
Rounds played	19,209	17,098	18,425
Golf cars rented	N/A	N/A	N/A
Wastewater:			
Average sewer lines cleaned (miles)	N/A	N/A	N/A

Sources: Various City departments.

Table 17

Fiscal Year						
2004	2005	2006	2007	2008	2009	2010
1,227	1,323	1,177	N/A	N/A	N/A	1,007
1,021	1,220	1,184	N/A	N/A	N/A	1,042
792	978	1,099	N/A	N/A	N/A	801
301	331	392	N/A	N/A	N/A	334
158	442	387	N/A	N/A	N/A	N/A
655	627	451	1,023	623	790	744
111	101	83	156	83	55	886
3,220	2,310	3,380	2,195	3,035	3,409	2,900
N/A	N/A	150	160	167	170	60
N/A	N/A	65,000	65,425	65,700	65,750	N/A
15,345	14,472	13,330	12,487	12,348	14,713	14,837
N/A	N/A	N/A	566	608	1,086	1,176
41	41	30	38	31	43	30

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

Function/Program	Fiscal Year		
	2001	2002	2003
Police:			
Stations	1	1	1
Police Vehicles:			
Marked	7	7	8
Unmarked	6	6	6
Gun Range			
Holding cells	3	3	3
Fire:			
Stations	1	1	1
Engines	3	3	3
Ladder	1	1	1
Ambulances	2	2	2
Rescue truck	-	-	-
Vehicles	2	2	2
SCBA	20	20	20
Public works:			
Streets (miles)	69.16	69.16	69.16
Alley (miles)	5	5	5
Streetlights	240	240	240
Parks and recreation:			
Acreage	136.5	136.5	136.5
Parks and playgrounds	17	17	17
Baseball/softball diamonds	9	9	9
Soccer/football fields	3	3	3
Community (senior) centers	1	1	1
Outdoor skating rinks	11	11	11
Executive golf course (par 29)	1	1	1
Public swimming pool	1	1	1
Public ice arena	1	1	1
Wastewater:			
Sanitary sewers (miles)	63	63	63
Storm sewers (miles)	35	35	35

Sources: Various City departments.

Table 18

							Fiscal Year			
2004	2005	2006	2007	2008	2009	2010				
1	1	1	1	1	1	1				
9	10	10	10	11	11	11				
7	8	8	8	8	8	8				
1	1	1	1	1	1	1				
3	3	3	3	3	3	3				
1	1	1	1	1	1	1				
3	3	3	3	N/A	N/A	N/A				
1	1	1	1	N/A	N/A	N/A				
2	2	2	2	N/A	N/A	N/A				
1	1	1	1	N/A	N/A	N/A				
2	2	2	2	N/A	N/A	N/A				
20	20	20	20	N/A	N/A	N/A				
69.16	69.16	69.16	71.16	71.16	71.20	71.20				
5	5	5	5	5	5	5				
240	240	240	240	240	243	253				
136.5	136.5	136.5	152.0	152.0	155.0	155.0				
17	17	17	17	17	17	17				
9	9	9	9	9	9	9				
3	3	3	3	3	3	3				
1	1	1	1	1	1	1				
11	11	11	12	12	12	12				
1	1	1	1	1	1	1				
1	1	1	1	1	1	1				
1	1	1	1	1	1	1				
63	63	63	63	63	63	63				
35	35	35	35	35	35	35				

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