

ANNUAL COMPREHENSIVE FINANCIAL REPORT

for fiscal year ending December 31, 2024



CITY OF OAKDALE, MINNESOTA

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Oakdale, MN 55128

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www.oakdalemn.gov

CITY OF OAKDALE
WASHINGTON COUNTY, MINNESOTA

Annual Comprehensive
Financial Report

for the Fiscal Year Ended
December 31, 2024

Kyle Stasica
Finance Director

Report Prepared by
Finance Department

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CITY OF OAKDALE

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INTRODUCTORY SECTION



June 3, 2025

To the Honorable Mayor, Members of the City Council, and Residents of the City of Oakdale:

Minnesota Statutes require that cities issue an annual financial report prepared in accordance with generally accepted accounting principles (GAAP), and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants or the Office of the State Auditor. Pursuant to that requirement, we hereby issue this Annual Comprehensive Financial Report of the City of Oakdale, Minnesota (the City) for the fiscal year ended December 31, 2024.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the financial information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed 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 conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls is designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by LB Carlson, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2024 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 audit has issued an unmodified ("clean") opinion on the City's financial statements for the year ended December 31, 2024. The independent auditors' report is located at the front of the financial section of this report. 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 to be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The Township of Oakdale was formed in 1858, and covered 36 square miles that incorporated Lake Elmo, Landfall, and Oakdale. In 1926, Lake Elmo split off and in 1959, Landfall split off. In 1968, the City was incorporated as a village and then became a statutory city on January 1, 1974. In the early 1990s, Oakdale annexed Sections 32 and 33 from Lake Elmo. As such, the City, as it exists today, is approximately 11.45 square miles in area with a population of approximately 28,000. A suburb of the eastern metropolitan area, the City is a 10-minute drive from Saint Paul and a 20-minute drive from Minneapolis and is considered a "second-ring suburb" by definition.

The City is a statutory city under the Plan A form of government. Policy making and legislative authority are vested in a City Council, consisting of a mayor and four councilmembers, each elected at-large and on a nonpartisan basis for four-year terms. Terms of office are staggered, with elections held in even-numbered years. The City Council is responsible for passing ordinances, adopting the budget, and appointing members to the various citizen advisory bodies. The City Council also appoints the city administrator, who is responsible for overall management of city operations.

The City provides a full range of municipal services including police and fire protection, ambulance services, parks and park facilities, engineering services, recreational programming, street construction and maintenance, forestry services, planning and zoning, protective inspections, water and sewer utilities, and general administrative functions. All city funds, departments, advisory bodies, and other organizations for which the City is financially accountable are presented within the ACFR. Further information regarding city services can be obtained from the City's website at www.oakdalemn.gov.

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City submit requests for appropriations to the city administrator each year. In coordination with the finance director with continuing input from departments, the city administrator uses these requests as the starting point for developing the recommended budget and presents the recommended budget to the City Council for review. The City will adopt a proposed tax levy prior to September 30. According to Minnesota Statutes, this proposed tax levy can be subsequently decreased but not increased (the state does allow a few exceptions) when it is adopted as a final tax levy in December. The City Council is required to hold a public hearing on the proposed budget and to adopt a final budget by December 31, the close of the City's fiscal year.

The appropriated budget is prepared by fund, program, and activity. The city administrator may make transfers between departments or activities. Transfers between funds must be approved by the City Council. Budget-to-actual comparisons are available for review by the City Council and management at any time through our OpenGov budget software. For the General Fund, this comparison is presented in Statement 7 as part of the basic financial statements for governmental funds.

Local Economy

The City is located within Washington County and is part of the Minneapolis-Saint Paul seven county metropolitan area; an economically diverse environment with an equally diverse labor force. The City is home to a number of businesses that collectively employ over 13,000 people. Some major industries include: manufacturing, professional and scientific services, and retail and food services. Additionally, adjacent to the City is the global headquarters of 3M, with research and manufacturing facilities, as well as administrative offices.

Since 2016, Slumberland Corporation has occupied a 550,000 square foot campus for its national headquarters. In addition to its own operations, Slumberland is leasing the remainder of the site, known as 4Front Technology and Office Campus. Several large corporations are tenants in the complex, including Wei Labs, Optimize Social Media, Carestream Health, and MD Biosciences. Additionally, 4Front and United Properties completed a new 200,000 square foot light manufacturing building in 2023 that is leased to Superior Third Party Logistics. A newly constructed Aldi and Starbucks opened in 2024 in the retail portion of the campus and additional shovel-ready pad sites remains. There are approximately 40 acres of land for additional development on the remainder of the campus.

The City is also home to several upscale business centers and industrial parks that provide a variety of employment opportunities. Some major tenants include: MoTech Corporation, RR Donnelley Publishing, Integrated Systems, Twin City Hardware, and Spartan Promotional Group. Additionally, Pace Analytical Life Sciences operates a 60,000 square foot facility providing services to the pharmaceutical, biopharmaceutical, and medical device industries in the City that expanded its campus again in 2022 into an adjacent 15,000 square foot building.

There are several major commercial retail developments located in the City. Near the southern border, Oakdale Village has national retailers and restaurants including Best Buy, Home Goods, Buffalo Wild Wings, Guitar Center, Olive Garden, and several local restaurants. Near the 694 and 10th Street interchange there are three major retail centers: Bergen Plaza anchored by a remodeled Cub Foods which hosts a number of national and local shopping, dining, and entertainment opportunities; Tartan Crossing which hosts a 90,000 square foot Hy-Vee grocery store, Hardees restaurant, Starbucks Coffee, and a gas station/convenience store; and HOM Furniture/Dock 86 which opened in 2021 in a former movie theatre space. Oakdale Marketplace and Oakdale Station are strategically located along the border with the rapidly growing City of Lake Elmo with notable tenants including Target and Pinz with room for additional growth. The construction supplies and home improvement markets are also strong in the City, supported by a 200,000 square foot Menards store and a 175,000 square foot Fleet Farm store.

Long-Term Financial Planning

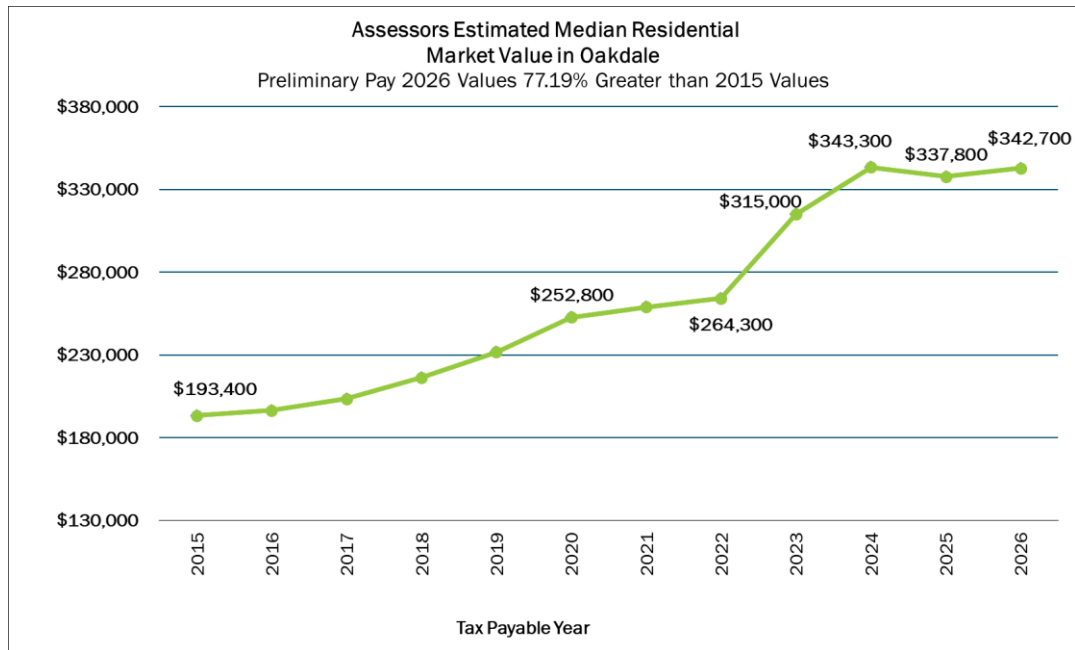
The City places a high priority on planning for future growth and redevelopment. City staff use many tools to examine and address the changes in the community: annual budgeting, a 5-year Capital Improvement Plan (CIP), and a 10-year financial forecast. Used in conjunction with the Comprehensive Plan, these tools give Council and staff a better understanding of the long-range financial implications of current-year budgeting decisions, as well as maintain a long-term focus on sound planning practices to ensure strong financial health.

Each annual CIP update provides a comprehensive guide to the major road, park, utility, building, development, and equipment needs anticipated for the next five years. As part of that process, the City analyzes fund balances and updates long-term financial projections as it is the City's policy to maintain adequate reserves in all funds to respond to both anticipated and unexpected financial needs. This annual update allows staff to plan for alternate funding strategies or make project adjustments if necessary.

Related to the establishment of tax increment financing (TIF) districts, the City has entered into several pay-as-you-go notes with private developers to facilitate certain development and redevelopment projects within the City. But for the use of tax increment financing and the City-financing of a portion of the extraordinary costs related to the projects, the development/redevelopment activities would not have occurred. The tax abatements have resulted in substantial taxable value increases for the City that will assist with long-term financial planning of financing required capital improvements, while maintaining reasonable annual levies and tax rate. Once decertified, the captured tax capacity of the TIF districts have resulted (and will continue in the future as newer districts are decertified) to enhance and diversify the City's tax base.

Housing Values

The most recent Washington County Assessment Report reflects a 1.5 percent increase in the City's median residential valued house. Note that total city-wide values increased 3.8 percent, due to over 20.0 percent growth in apartment values. The median valued residential house has grown 77.2 percent since 2015. The overall growth since 2015 has generally been a result of appreciation of existing housing stock. Continued development planned throughout the City and significant growth in overall city-wide property valuation is expected in the upcoming years. Note the table below displays the values by tax payable year. Actual market trend data used to develop each is from approximately a year and a quarter prior. For example, the 2026 data is from market data from October 1, 2023 through September 30, 2024.



Market Values

The City consistently adds tax base each year. For the preliminary 2026 tax payable values, there is an estimated 3.8 percent or \$161,755,900 increase in the City's value of taxable properties. The City's value is expected to continue its growth with significant developments in the planning stages or currently underway. This growth is diversified amongst residential, apartments and commercial/industrial properties.

Property Type	2024 Parcels	2025 Parcels	Parcels % Change	Pay 2025 Total Value	Pay 2026 Total New Construction	Pay 2026 Total Appreciation	Pay 2026 Total Value	Total Value % Change
Residential*	9,749	9,931	1.87%	\$3,088,305,900	\$33,112,700	\$39,879,900	\$3,161,298,500	2.36%
Agricultural	4	4	0.00%	\$6,926,500	\$0	(\$3,009,400)	\$3,917,100	-43.45%
Apartments	65	61	-6.15%	\$449,383,200	\$111,167,700	(\$19,741,400)	\$540,809,500	20.34%
Commercial/Industrial	394	386	-2.03%	\$671,209,000	\$7,383,500	(\$7,037,100)	\$671,555,400	0.05%
Total	10,212	10,382	1.66%	\$4,215,824,600	\$151,663,900	\$10,092,000	\$4,377,580,500	3.84%

Relevant Financial Policies

The City has financial policies and plans that establish the principles that guide the City Council and staff to make consistent and informed financial decisions. These include: Fund Balance Policy, Investments and Cash Management Policy, and CIP. These policies, along with the established internal controls, contribute to greater financial accountability and transparency.

It is important for the financial stability of the City to maintain reserve fund balances for unanticipated expenditures or unforeseen emergencies, as well as to provide adequate working capital for current operations. The City's fund balance policy identifies that the unassigned fund balance in the General Fund be in a range between 5.5 and 6 months (45.83 percent and 50.00 percent) of the subsequent years budgeted expenditures for working capital. As of December 31, 2024, there was an unassigned fund balance of approximately \$14.7 million which was 63 percent of the subsequent years budgeted expenditures for working capital.

Cash temporarily idle during the year was invested in U.S. government agency obligations, municipal securities, certificates of deposit, and money market instruments. The City's investment policy calls for the investment of public funds in a manner that will provide the highest investment return with minimum risk, while meeting the daily cash flow demands of the City.

Each year, the City adopts a 5-year CIP. The CIP is a 5-year plan that identifies the City's infrastructure, development objectives, and the allocation of resources for these projects. This CIP provides policy makers and the community with a strategic approach to implementation and administration of improvement projects. The 2025–2029 CIP identifies \$139 million of capital projects, along with the associated funding. The 5-year CIP also includes revenue and expenditure projections for the funds identified in the document.

Infrastructure Improvements

The City is committed to maintaining its significant investment in the community's infrastructure. In 2024, nearly \$14.0 million was invested to maintain the infrastructure and included the following significant projects:

- Begin construction of a new public works facility.
- Reconstruction of Hadley Avenue North from 40th Street to 49th Street, along with some of the surrounding neighborhoods.
- Construction of the new park Willowbrooke Commons.
- Lighting upgrade at the Walton Park ballfields to upgrade to LED fixtures.

Major Initiatives

In 2024, the City welcomed new residents into four completed housing developments with a combined 1,031 market rate apartments, townhomes and affordable senior units and 98 single family homes. This was one of the busiest years in the City's history and the City has been trending as one of the top growth markets in the Minneapolis-Saint Paul region.

There are several significant projects underway in the City, both in community growth and infrastructure needs. The largest of these is a residential-focused project known as Willowbrooke. This 206-acre site, previously owned by 3M, was sold to national builders. Complete construction will include over 1,400 housing units, interconnected greenspace for recreation, multi-modal pedestrian options, City parks and open space. While the planning for this development has been underway for nearly a decade, the development work is now in full swing with over 800 units either under construction or recently completed. The first and largest of the three parks to be built within the Willowbrooke neighborhood, Willowbrooke Commons, opened in the Fall of 2024. The park includes a community gathering and play area shelter, a central seating node overlooking the pond, a restroom building, pre-K and K–5 playground, a challenge course, adult fitness equipment, and a hammock area for teens. Construction on the remaining two parks will start in the Summer of 2025 and be complete in the Fall of 2026.

The Metro Gold Line Bus Rapid Transit (BRT) service completed substantial construction in 2024 and opened for revenue service in March of 2025. The Metro Gold Line BRT connects the eastern suburbs to Saint Paul with high frequency all-day transit service. Two major stations of this 9-mile line are located in the City: Helmo and Greenway. The larger of the two, Helmo Station, is anticipated to include approximately 155,000 square feet of retail, industrial, and office space, and between 750 and 950 housing units. The first phase of Helmo Station, a 318-unit luxury apartment building with a ground floor restaurant and coffee shop opened in 2024.

The City has been planning several years for two major facility upgrades – a renovation and expansion of the police department, and a new public works facility. Both facilities are severely undersized for current operations and the City has been working to identify funding strategies for each project. The police department, which includes plans to renovate the existing space that has been occupied since 1992, as well as significantly expand on the overall footprint due to many factors including significant growth in the City. The public works facility, which has been expanded three times since it was built in 1985, will move to a new location due to wetland constraints on the current site and other building shortfalls. The City has partnered with 3M and received a donation of a 10-acre site in 2024 for the location for the new Public Works facility. Currently, construction began on the public works facility in November of 2024 with expected completion late 2025. For the expansion of the police department, the City recently selected an architectural firm with construction estimated to begin in 2026. The police department expansion will include a renovation of the entire existing city hall.

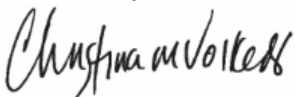
Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its ACFR for the year ended December 31, 2023. This was the 34th consecutive year that the government has achieved this prestigious award. To be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized report. Staff believes this year's report will satisfy the requirements as well, and will submit the finished ACFR to GFOA for consideration.

On September 26, 2024, Moody's Investor Services reaffirmed the City's general obligation unlimited tax (GOULT) rating at Aa1. The Aa1 rating reflects the City's very strong financial position, growing tax base with solid resident wealth and income, and moderate debt burden. These strengths are balanced against elevated fixed costs and an above-average pension burden. Moody's last upgraded the City's rating to Aa1 from Aa2 in June 2022.

We wish to express our sincere thank you to the Mayor and City Council for their responsible and thoughtful leadership. This appreciation is also extended to the Department Directors for their continued cooperation and support in planning and conducting the financial operations of the City. Finally, we wish to express our thanks to the entire Finance Department staff for their efforts in assisting with this document. The preparation of this report would simply not have been possible without their ongoing efficient and dedicated service.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Christina M. Volkert". The signature is fluid and cursive, with the first name "Christina" being more prominent.

Christina M. Volkert
City Administrator



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Oakdale
Minnesota**

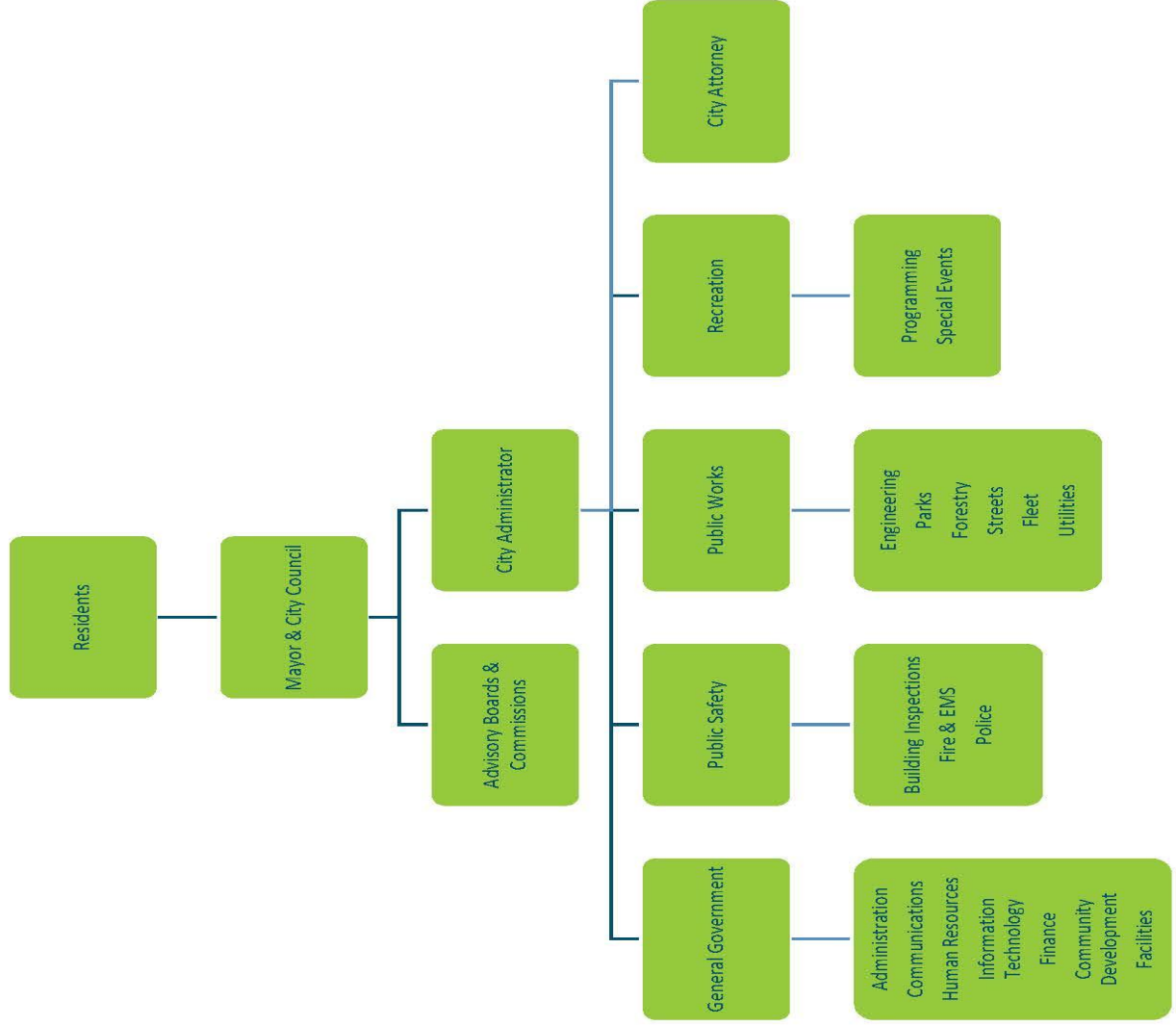
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morill

Executive Director/CEO

City of Oakdale



CITY OF OAKDALE

Elected Officials and Appointed Personnel December 31, 2024

ELECTED OFFICIALS

		<u>Term Expires</u>
Kevin Zabel	Mayor	December 31, 2026
Noah Her	Councilmember	December 31, 2024
Jake Ingebrigtsen	Councilmember	December 31, 2024
Andy Morcomb	Councilmember	December 31, 2026
Susan Willenbring	Councilmember	December 31, 2026

APPOINTED PERSONNEL

Christina Volkers	City Administrator
Andrew Gitzlaff	Community Development Director
Melanie Lee	Human Resources Director
Nick Newton	Police Chief
Kevin Wold	Fire Chief
Kyle Stasica	Finance Director

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FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the City Council and Management
City of Oakdale, Minnesota

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINIONS

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 Oakdale, Minnesota (the City) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the 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 as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

BASIS FOR OPINIONS

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statements date, including any currently known information that may raise substantial doubt shortly thereafter.

(continued)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

(continued)

REQUIRED SUPPLEMENTARY INFORMATION

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

SUPPLEMENTARY INFORMATION

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual fund statements and schedules, as listed in the table of contents, are presented for purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

OTHER INFORMATION

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

(continued)

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Respectfully submitted,

A handwritten signature in black ink that reads "LB Carlson, LLP". The signature is written in a cursive, flowing style.

LB CARLSON, LLP
Minneapolis, Minnesota

June 3, 2025

CITY OF OAKDALE

Management's Discussion and Analysis Year Ended December 31, 2024

As management of the City of Oakdale, Minnesota (the City), we have provided readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, located earlier in this report.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$117,508,670 (net position). Of this amount, \$34,899,879 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors; \$19,264,258 is restricted for specific purposes (*restricted net position*); and \$63,344,533 represents the net investment in capital assets. The City's total net position increased \$10,874,237 during the year ended December 31, 2024.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$68,191,878, an increase of \$22,761,276.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$14,726,502, or 63.0 percent, of total General Fund expenditures based on 2025 budgeted expenditure levels.
- During fiscal year 2024, the City determined that a tax increment financing interfund loan was mistakenly reported as an operating transfer in the City's prior year financial statements resulting in an error correction. Fund balances in the General Fund and Street Maintenance Capital Projects Fund were understated by \$684,282 and \$1,881,776, respectively, and fund balances in the Tax Increment #2-12 Capital Projects Fund and nonmajor governmental funds were overstated by \$2,379,294 and \$186,764, respectively.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City'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 basic financial statements. This report also contains other supplementary information, in addition to the basic financial statements.

Government-Wide Financial Statements – The government-wide financial statements are designed to provide readers with a broad overview of the City’s finances, in a manner similar to a private sector business.

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

The *Statement of Activities* presents information showing how the City’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of 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 that are principally supported by general property 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 include general government, public safety, public works, and community services and recreation. The business-type activities include water, sewer, street lights, and surface water.

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, 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 can be divided into two categories: governmental funds and proprietary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near-term financial decisions. Both the governmental funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains four major governmental funds. Information is presented separately in the governmental funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Street Maintenance Capital Projects Fund, Tax Increment #2-12 Capital Projects Fund, and Public Works Facility Capital Projects Fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for this fund to demonstrate compliance with this budget.

Proprietary Funds – The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, street lights, and surface water operations. Internal service funds are accounting devices used to accumulate and allocate costs internally among the City’s various functions. The City uses an internal service fund to account for its pension and other post-employment benefits. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide separate information for the water, sewer, street lights, and surface water operations, all of which are considered to be major funds of the City. The internal service fund is presented as a single column in the proprietary fund financial statements.

Notes to Basic Financial Statements – The notes to basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information – In addition to the basic financial statements, the financial section also presents required supplementary information, and the combining and individual fund statements and schedules (presented as supplementary information) referred to earlier in connection with nonmajor governmental funds, which are presented immediately following the basic financial statements.

Further, a statistical section has been included as part of the Annual Comprehensive Financial Report (ACFR) to facilitate additional analysis, and is the third and final section of the report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the City’s financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$117,508,670 at the close of the most recent fiscal year.

By far, the largest portion of the City’s net position reflects its net investment in capital assets (e.g., land, buildings and structures, furniture and equipment, and infrastructure) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City’s investments in its capital assets are 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 Oakdale's Net Position

Table 1
Summary of Net Position
as of December 31, 2024 and 2023

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Current and other assets	\$ 83,505,907	\$ 58,775,279	\$ 16,219,658	\$ 14,329,495	\$ 99,725,565	\$ 73,104,774
Capital assets, net	52,667,310	45,208,618	36,449,666	35,941,864	89,116,976	81,150,482
Total assets	<u>\$ 136,173,217</u>	<u>\$ 103,983,897</u>	<u>\$ 52,669,324</u>	<u>\$ 50,271,359</u>	<u>\$ 188,842,541</u>	<u>\$ 154,255,256</u>
Deferred outflows of resources						
Pension plan deferments	\$ 11,289,669	\$ 14,113,925	\$ –	\$ –	\$ 11,289,669	\$ 14,113,925
OPEB plan deferments	355,560	338,319	–	–	355,560	338,319
Total deferred outflows of resources	<u>\$ 11,645,229</u>	<u>\$ 14,452,244</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ 11,645,229</u>	<u>\$ 14,452,244</u>
Total assets and deferred outflows of resources	<u>\$ 147,818,446</u>	<u>\$ 118,436,141</u>	<u>\$ 52,669,324</u>	<u>\$ 50,271,359</u>	<u>\$ 200,487,770</u>	<u>\$ 168,707,500</u>
Liabilities						
Other liabilities	\$ 6,303,265	\$ 3,414,112	\$ 223,662	\$ 131,106	\$ 6,526,927	\$ 3,545,218
Noncurrent liabilities	60,049,782	41,003,437	136,182	152,724	60,185,964	41,156,161
Total liabilities	<u>\$ 66,353,047</u>	<u>\$ 44,417,549</u>	<u>\$ 359,844</u>	<u>\$ 283,830</u>	<u>\$ 66,712,891</u>	<u>\$ 44,701,379</u>
Deferred inflows of resources						
Lease revenue for subsequent years	\$ 996,861	\$ 965,472	\$ –	\$ –	\$ 996,861	\$ 965,472
Pension plan deferments	13,013,273	12,938,156	–	–	13,013,273	12,938,156
OPEB plan deferments	957,419	1,123,212	–	–	957,419	1,123,212
State aid received for subsequent years	1,298,656	2,344,848	–	–	1,298,656	2,344,848
Total deferred inflows of resources	<u>\$ 16,266,209</u>	<u>\$ 17,371,688</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ 16,266,209</u>	<u>\$ 17,371,688</u>
Net position						
Net investment in capital assets	\$ 26,894,867	\$ 23,970,442	\$ 36,449,666	\$ 35,941,864	\$ 63,344,533	\$ 59,912,306
Restricted	19,264,258	18,768,575	–	–	19,264,258	18,768,575
Unrestricted	19,040,065	13,907,887	15,859,814	14,045,665	34,899,879	27,953,552
Total net position	<u>\$ 65,199,190</u>	<u>\$ 56,646,904</u>	<u>\$ 52,309,480</u>	<u>\$ 49,987,529</u>	<u>\$ 117,508,670</u>	<u>\$ 106,634,433</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 147,818,446</u>	<u>\$ 118,436,141</u>	<u>\$ 52,669,324</u>	<u>\$ 50,271,359</u>	<u>\$ 200,487,770</u>	<u>\$ 168,707,500</u>

An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of \$34,899,879 may be used to meet the City's ongoing obligations to citizens and creditors.

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

There was an increase in net position in the governmental activities of \$8,552,286 and an increase in the business-type activities of \$2,321,951, for a total increase of \$10,874,237 in net position. The increase in governmental activities current and other assets, capital assets, and noncurrent liabilities is due to the issuance of bonds for capital of which a portion is unspent as of year end. The change in the City's share of the Public Employees Retirement Association (PERA) pension plan contributed to the change in deferred outflows of resources, noncurrent liabilities, and deferred inflows of resources.

City of Oakdale's Changes in Net Position

Table 2
Change in Net Position
for the Years Ended December 31, 2024 and 2023

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program revenues						
Charges for services	\$ 6,354,017	\$ 8,637,035	\$ 9,761,277	\$ 8,203,514	\$ 16,115,294	\$ 16,840,549
Operating grants and contributions	1,840,520	2,408,500	409,888	571,734	2,250,408	2,980,234
Capital grants and contributions	3,263,298	5,824,646	—	7,853	3,263,298	5,832,499
General revenues						
General property taxes	17,784,684	15,976,001	—	—	17,784,684	15,976,001
Tax increment taxes	912,219	779,683	—	—	912,219	779,683
Local option sales tax	2,810,881	1,806,007	—	—	2,810,881	1,806,007
Grants and contributions not restricted to specific programs	654,154	215,772	—	—	654,154	215,772
Investment earnings	2,200,717	1,862,143	625,251	468,697	2,825,968	2,330,840
Gain on disposal of capital assets	31,083	120,158	—	—	31,083	120,158
Total revenues	35,851,573	37,629,945	10,796,416	9,251,798	46,647,989	46,881,743
Expenses						
General government	5,905,159	4,953,282	—	—	5,905,159	4,953,282
Public safety	12,454,791	13,147,924	—	—	12,454,791	13,147,924
Public works	7,421,815	7,640,477	—	—	7,421,815	7,640,477
Community services and recreation	633,972	685,137	—	—	633,972	685,137
Interest and fiscal charges	915,822	593,487	—	—	915,822	593,487
Water	—	—	2,852,397	3,005,788	2,852,397	3,005,788
Sewer	—	—	3,980,776	3,847,314	3,980,776	3,847,314
Street lights	—	—	869,108	791,674	869,108	791,674
Surface water	—	—	739,912	—	739,912	—
Total expenses	27,331,559	27,020,307	8,442,193	7,644,776	35,773,752	34,665,083
Increase (decrease) in net position before transfers	8,520,014	10,609,638	2,354,223	1,607,022	10,874,237	12,216,660
Transfers	32,272	(10,294,918)	(32,272)	10,294,918	—	—
Change in net position	8,552,286	314,720	2,321,951	11,901,940	10,874,237	12,216,660
Net position – beginning	56,646,904	56,332,184	49,987,529	38,085,589	106,634,433	94,417,773
Net position – ending	\$ 65,199,190	\$ 56,646,904	\$ 52,309,480	\$ 49,987,529	\$ 117,508,670	\$ 106,634,433

Governmental Activities – The City's net position for governmental activities increased by \$8,552,286, or 15.1 percent, after \$32,272 of net transfers from business-type activities. Key elements of this increase are seen in the table above.

Revenues decreased overall by \$1,778,372, or 4.7 percent.

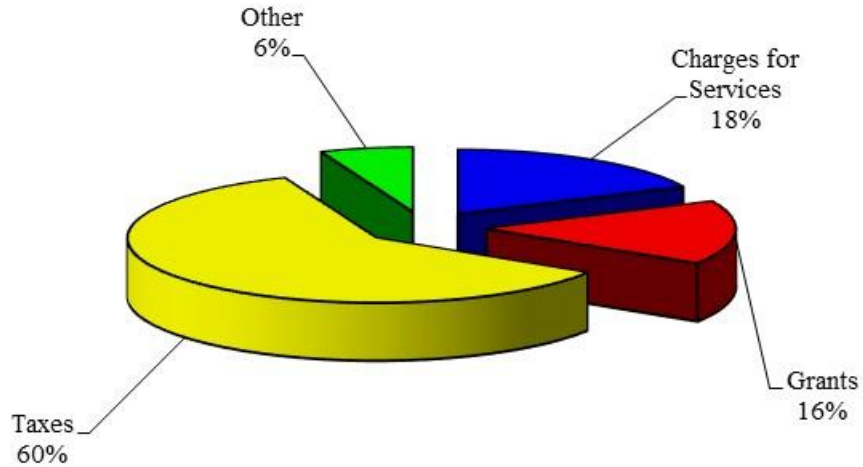
- The largest changes occurred in charges for services, capital grants and contributions, general property taxes, and local option sales tax. Charges for services decreased with less building activity in the current year and the surface water operation being reported in the business-type activities in the current year. Capital grants decreased with less funding and assessments for street projects and a decrease in park dedication fees received. The increase in general property taxes and local option sales tax is due to the increase in the levied amount approved by the City Council and a full year of collections on the local option sales tax approved by residents of the City.

Expenses increased overall by \$311,252, or 1.2 percent.

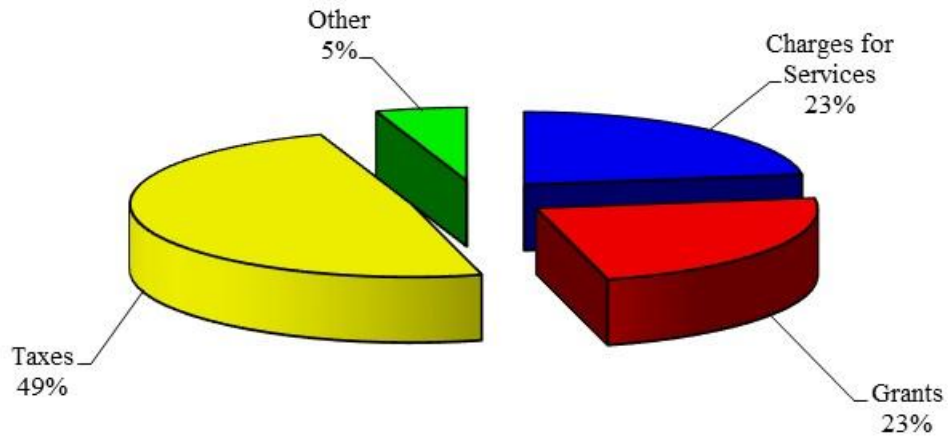
- The City experienced an increase as anticipated with spending plans and inflationary increases in the current year.

As seen in the following graph, taxes make up about 60 percent of the total revenues for 2024. Grants (operating, capital, and unrestricted grants and contributions), including state aids such as local government aid, make up about 16 percent of the total. Charges for services make up about 18 percent of the total, and are followed by other at 6 percent of the total.

2024 Revenues by Source – Governmental Activities

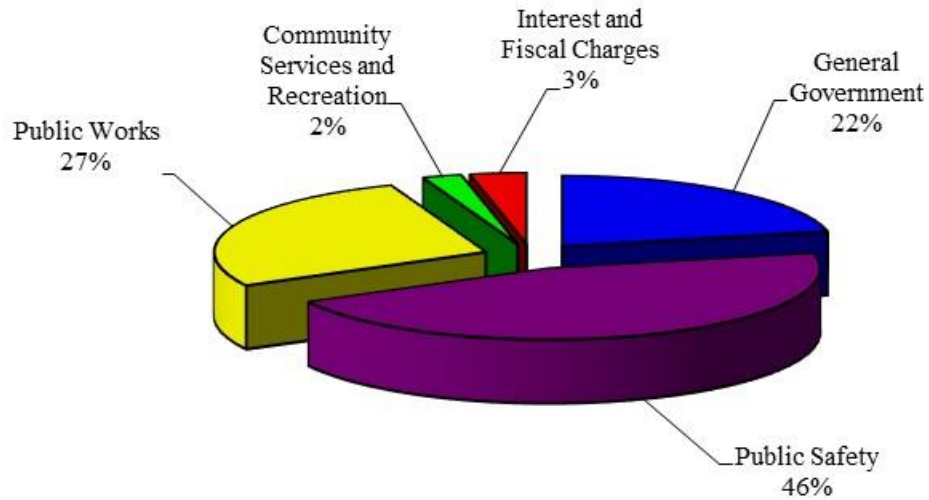


2023 Revenues by Source – Governmental Activities

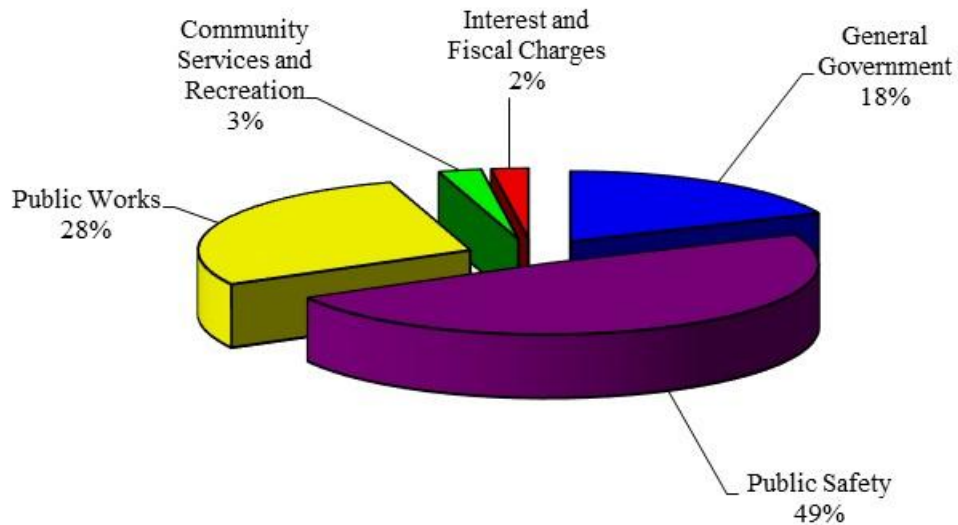


The expenses in the graphs below for governmental activities show the amounts spent on different activities for 2024 and 2023. General government and interest and fiscal charges increased to 22 percent and 3 percent, respectively, while public safety, public works and community services and recreation decreased to 46 percent, 27 percent, and 2 percent, respectively, of total expenses.

2024 Expenses – Governmental Activities



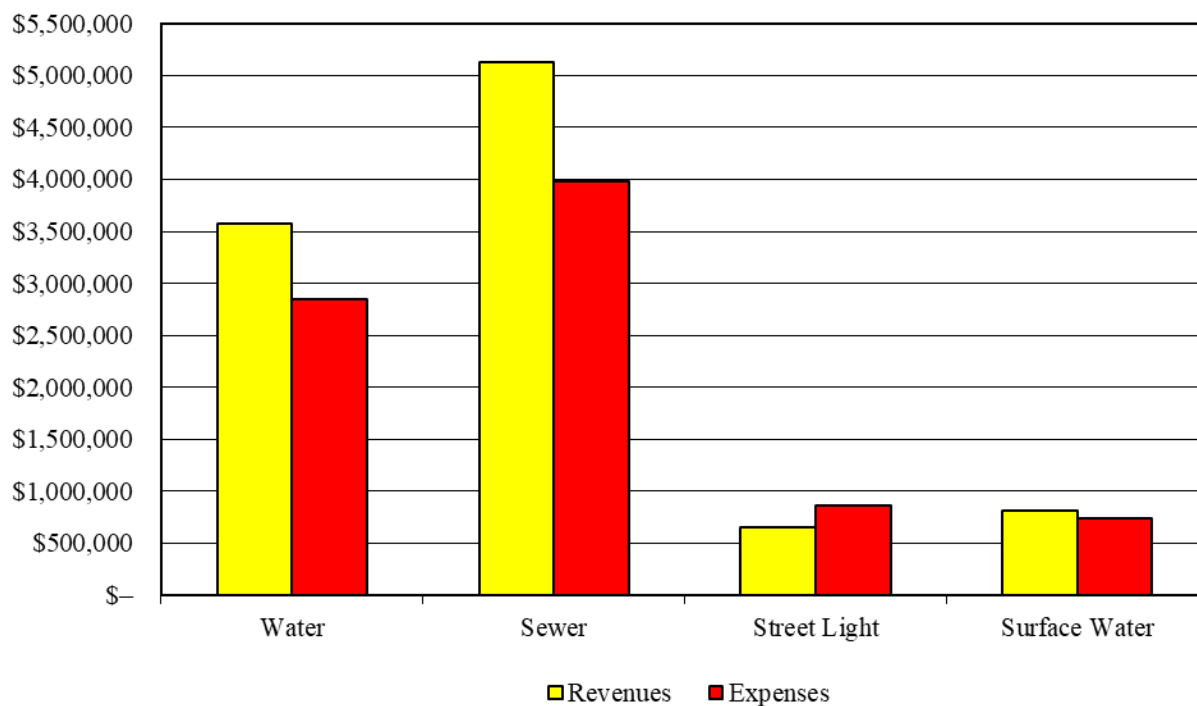
2023 Expenses – Governmental Activities



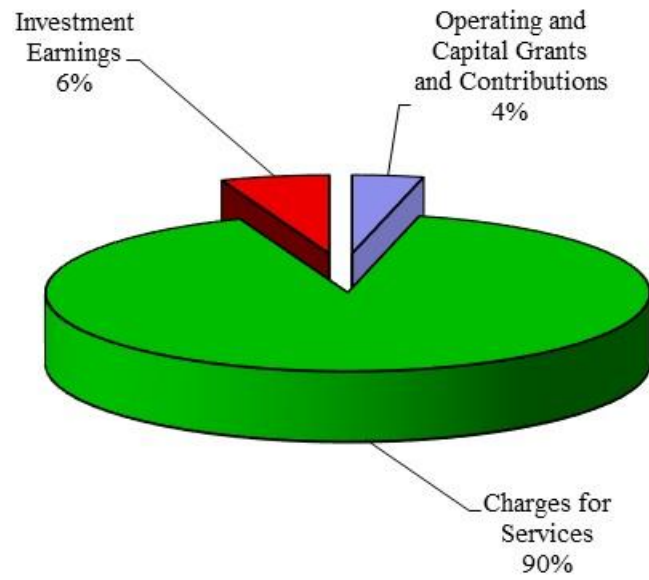
Business-Type Activities – Business-type activities increased the City’s total net position by \$2,321,951. Key elements of the business-type activities are as follows:

- Charges for services for business-type activities include charges for water, sewer, street lights, and surface water. The graph below shows the relationship between the program revenues and expenses for the various activities. Charges for services increased due to the rate increase in the current year and due to the surface water operation being reclassified to the business-type activities at the end of the prior year.
- Expenses increased \$797,417, mainly in the surface water function due to this operation being reclassified to the business-type activities at the end of the prior year.
- Overall, business-type activities generated an increase in net position before transfers of \$2,354,223. After considering transfers to governmental activities totaling \$32,272, net position increased by \$2,321,951.

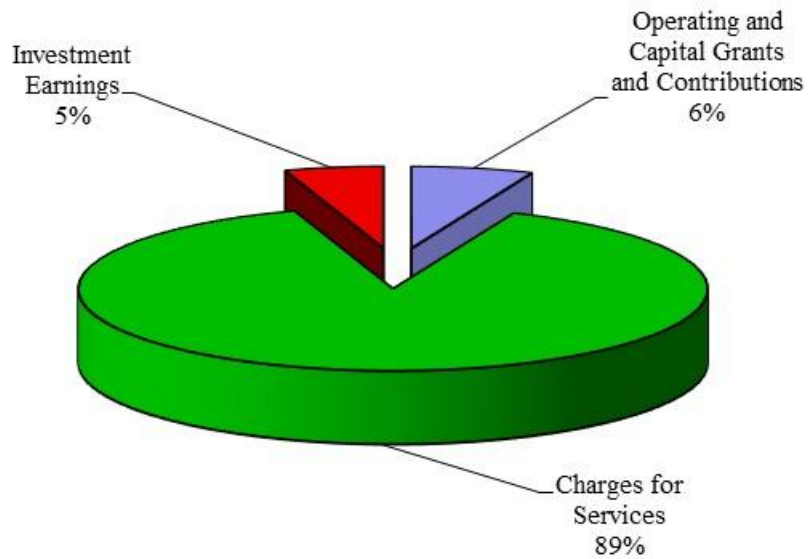
Revenues and Expenses – Business-Type Activities



2024 Revenues by Source – Business-Type Activities



2023 Revenues by Source – Business-Type Activities



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$68,191,878, an increase of \$22,761,276 in comparison with the prior year.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, total fund balance of the General Fund was \$16,149,777. As a measure of the General Fund's liquidity, it may be useful to compare the unassigned fund balance to total fund budgeted expenditures. Unassigned fund balance represents 63.0 percent of the subsequent year's budgeted expenditures.

Total fund balance for the City's General Fund increased by \$199,445, excluding the error correction during 2024. Key factors in this increase are as follows:

- The City experienced favorable budget variances in both revenues and expenditures in the current year. These variances are discussed on the next page.
- General Fund revenues decreased \$704,177 from the prior year. Licenses and permits decreased with less building activity in the current year. Intergovernmental decreased due to the one-time public safety aid received in the prior year. These variances were offset by the increase in tax revenues due to an increase in the property tax levy approved by the City Council.
- General Fund expenditures increased \$1,660,542 from the prior year. The increase was mainly in the general government and public safety functions due to increased personal services and contractual services costs.
- The City has a fund balance policy that will strive to maintain a minimum unassigned fund balance in a range between 5.50 and 6 months (45.83 percent and 50.00 percent) of the subsequent year's budgeted expenditures.

The Street Maintenance Capital Projects Fund decreased by \$703,629, excluding the error correction during 2024. This decrease was due to expenditures and transfers out exceeding revenues and transfers in. This fund transferred \$2,181,776 to other funds for street construction projects.

The Tax Increment #2-12 Capital Projects Fund decreased by \$395,232, excluding the error correction during 2024. The decrease was mainly due to interest paid on the interfund loan. At year end, this fund has an interfund loan of \$5,173,173 due to the Development Capital Fund and will be repaid in the future when tax increment is generated.

The Public Works Facility Capital Projects Fund increased by \$17,552,245. The increase was mainly due to a portion of the issuance of the 2024A General Obligation Bonds which were partially unspent as of year-end.

Proprietary Funds – The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of these funds have been addressed in the discussion of the City's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City is required to adopt a budget for the General Fund prior to the beginning of its fiscal year. During the year, the City amended the budget, increasing revenues by \$12,900, in intergovernmental revenue and increasing expenditures by \$324,402, mainly in the public safety function. The transfers in budget was also amended, increasing by \$6,500.

Revenues were over budget by \$74,752, mainly in investment earnings due to conservative budgeting. Franchise fees was also over budget due to the change in these fees from fixed fees to a percent of charges. This variance was offset by licenses and permits which were under budget with less building activity than anticipated. General Fund expenditures were under budget in each function, with total expenditures ending the year \$1,115,916, or 5.0 percent, under budget. General government, public safety, and public works expenditures were under budget, mainly due to vacant positions in the current year. After the variance in net transfers, the City's General Fund fund balance ended the year \$504,447 more than anticipated in the budget.

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets – The City's investment in capital assets for its governmental and business-type activities as of December 31, 2024 amounts to \$89,116,976 (net of accumulated depreciation/amortization). This investment in capital assets includes land, construction in progress, buildings and structures, furniture and fixtures, machinery and equipment, other park improvements, streets, storm sewer, technology subscriptions, street lights, distribution system, and collection system.

City of Oakdale's Capital Assets

Table 3 Capital Assets						
	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 10,722,570	\$ 9,723,070	\$ 55,966	\$ 55,966	\$ 10,778,536	\$ 9,779,036
Construction in progress	13,720,692	8,144,058	–	–	13,720,692	8,144,058
Buildings and structures	2,304,685	2,619,920	4,349,956	4,522,027	6,654,641	7,141,947
Furniture and fixtures	246,827	212,515	–	–	246,827	212,515
Machinery and equipment	3,306,698	2,442,983	256,238	338,306	3,562,936	2,781,289
Other park improvements	1,182,909	919,240	–	–	1,182,909	919,240
Streets	20,859,916	20,603,296	–	–	20,859,916	20,603,296
Storm sewer	–	–	5,753,989	5,726,454	5,753,989	5,726,454
Technology subscriptions	323,013	543,536	–	–	323,013	543,536
Street lights	–	–	5,817,371	6,020,344	5,817,371	6,020,344
Distribution system	–	–	10,840,793	9,936,526	10,840,793	9,936,526
Collection system	–	–	9,375,353	9,342,241	9,375,353	9,342,241
Total capital assets, net of depreciation/amortization	<u>\$ 52,667,310</u>	<u>\$ 45,208,618</u>	<u>\$ 36,449,666</u>	<u>\$ 35,941,864</u>	<u>\$ 89,116,976</u>	<u>\$ 81,150,482</u>

The changes presented in the table above reflect the ongoing activity and completion of projects within the City during fiscal year 2024. The majority of the activity in construction in progress is for street and utility improvement projects in recent years and the public works facility.

Additional information on the City's capital assets can be found in Note 5 of the notes to basic financial statements.

Long-Term Debt – At the end of the current fiscal year, the City had total bonded debt outstanding of \$43,955,000. A portion of this comprises general obligation debt backed solely by the full faith and credit of the City. The remainder of the City’s bonded debt represents bonds secured by special assessments, tax increment, specified revenue sources, and general obligation levy, if necessary.

City of Oakdale’s Long-Term Debt

Table 4						
Long-Term Debt						
	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
General obligation bonds	\$ 160,000	\$ 500,000	\$ –	\$ –	\$ 160,000	\$ 500,000
General obligation tax increment bonds	3,095,000	3,290,000	–	–	3,095,000	3,290,000
General obligation taxable housing bonds	370,000	400,000	–	–	370,000	400,000
General obligation improvement bonds	40,330,000	18,975,000	–	–	40,330,000	18,975,000
Unamortized bond premiums	2,639,442	1,536,616	–	–	2,639,442	1,536,616
Technology subscriptions	302,373	410,736	–	–	302,373	410,736
Compensated absences	1,761,002	1,591,246	136,182	152,724	1,897,184	1,743,970
Total OPEB liability	2,462,950	2,190,035	–	–	2,462,950	2,190,035
Net pension liability	8,929,015	12,109,804	–	–	8,929,015	12,109,804
Total	<u>\$60,049,782</u>	<u>\$41,003,437</u>	<u>\$ 136,182</u>	<u>\$ 152,724</u>	<u>\$60,185,964</u>	<u>\$41,156,161</u>

The City’s total bonded debt, excluding unamortized bond premiums, increased by \$20,790,000, or 89.7 percent, during 2024. This increase was due to the City issuing \$23,955,000 in 2024A General Obligation Bonds offset by the scheduled debt service payments.

The difference in the net pension liability reflects the change in the City’s proportionate share of the state-wide pension obligations for the PERA.

State statutes limit the amount of general obligation debt a governmental entity may issue to 3.0 percent of its total market valuation. A complete calculation of the City’s legal debt margin can be found in the statistical section of this report.

Additional information on the City’s long-term debt can be found in Note 6 of the notes to basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Overall assessed market values for taxes payable in 2024 are at an all-time high at over \$4.1 billion. This growth has been mainly fueled by the market value changes experienced by the existing housing stock, as the City has experienced slow growth since the early 1980's. Significant development throughout the City, including at Willowbrooke, 4Front Technology and Office Campus, and Helmo Station, will continue to increase market values, in addition to the market value changes already experienced.

The 2025 levy was set at a 5.9 percent increase from 2024. The levy supports the 2025 budget, which has prioritized the following objectives:

- Focusing on essential city services and funding these activities adequately
- Maintaining high quality city operated public safety departments
- Investing in modern technology to improve services and increase efficiency
- Continuing to fund annual street reconstruction/maintenance projects
- Enhancing city parks, trails, open spaces, and facilities
- Fostering an efficient and transparent government
- Promoting citizen engagement

Based on these priorities, the highlights for the 2025 budget include:

- One newly funded full-time police sergeant
- One newly funded public works maintenance position
- Replacement of playground equipment at one park
- Planning for two parks, walking paths, and open space at the Willowbrooke development
- Internal funding of all vehicles and equipment, eliminating the need for equipment certificate debt
- Reduction of the City's debt levy for the fifth consecutive year

In addition to the budget, each year the City adopts a schedule of fees that are charged for city services, licenses, permits, utilities, etc. The 2025 version can be found on the City's website. To fund current repairs and future capital improvements, rates increased 3.0 percent for water, 2.0 percent for sewer, and remained flat for street lights and surface water management.

REQUESTS FOR INFORMATION

This ACFR is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this ACFR, or requests for additional financial information, should be addressed to the Finance Department, City of Oakdale, 1584 Hadley Avenue North, Oakdale, Minnesota 55128.

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BASIC FINANCIAL STATEMENTS

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CITY OF OAKDALE

Statement 1

Statement of Net Position
as of December 31, 2024

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	\$ 70,364,279	\$ 13,452,744	\$ 83,817,023
Receivables			
Interest	418,581	113,832	532,413
Accounts	3,413,332	1,936,290	5,349,622
Loan	184,099	—	184,099
Taxes	191,145	—	191,145
Special assessments	4,716,153	130,887	4,847,040
Due from other governments	61,098	390,214	451,312
Lease	996,861	—	996,861
Internal balances	345,617	(345,617)	—
Inventory	—	106,814	106,814
Prepaid items	414,742	434,494	849,236
Assets held for resale	2,400,000	—	2,400,000
Capital assets			
Not depreciated/amortized	24,443,262	55,966	24,499,228
Depreciated/amortized	28,224,048	36,393,700	64,617,748
Total capital assets, net of depreciation/amortization	<u>52,667,310</u>	<u>36,449,666</u>	<u>89,116,976</u>
Total assets	136,173,217	52,669,324	188,842,541
Deferred outflows of resources			
Pension plan deferments	11,289,669	—	11,289,669
OPEB plan deferments	355,560	—	355,560
Total deferred outflows of resources	<u>11,645,229</u>	<u>—</u>	<u>11,645,229</u>
Total assets and deferred outflows of resources	<u>\$ 147,818,446</u>	<u>\$ 52,669,324</u>	<u>\$ 200,487,770</u>
Liabilities			
Accounts and contracts payable	\$ 4,912,576	\$ 182,399	\$ 5,094,975
Accrued salaries and employee benefits payable	449,894	27,590	477,484
Accrued interest payable	454,482	—	454,482
Due to other governmental units	6,354	—	6,354
Deposits payable	417,456	13,673	431,129
Unearned revenue	62,503	—	62,503
Net pension liability			
Due in more than one year	8,929,015	—	8,929,015
Total OPEB liability			
Due within one year	84,744	—	84,744
Due in more than one year	2,378,206	—	2,378,206
Long-term liabilities (bonds, subscriptions, and compensated absences)			
Due within one year	4,580,370	65,438	4,645,808
Due in more than one year	44,077,447	70,744	44,148,191
Total liabilities	<u>66,353,047</u>	<u>359,844</u>	<u>66,712,891</u>
Deferred inflows of resources			
Lease revenue for subsequent years	996,861	—	996,861
Pension plan deferments	13,013,273	—	13,013,273
OPEB plan deferments	957,419	—	957,419
State aid received for subsequent years	1,298,656	—	1,298,656
Total deferred inflows of resources	<u>16,266,209</u>	<u>—</u>	<u>16,266,209</u>
Net position			
Net investment in capital assets	26,894,867	36,449,666	63,344,533
Restricted for			
Debt service	11,169,708	—	11,169,708
Public safety	1,049,877	—	1,049,877
Recreation and community events	449,779	—	449,779
Tax increment purposes	3,358,131	—	3,358,131
Capital improvements	2,207,704	—	2,207,704
Local affordable housing	181,546	—	181,546
Park development	847,513	—	847,513
Unrestricted	19,040,065	15,859,814	34,899,879
Total net position	<u>65,199,190</u>	<u>52,309,480</u>	<u>117,508,670</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 147,818,446</u>	<u>\$ 52,669,324</u>	<u>\$ 200,487,770</u>

CITY OF OAKDALE

Statement of Activities
Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government	\$ 5,905,159	\$ 447,897	\$ 465,043	\$ –
Public safety	12,454,791	3,799,248	1,025,477	–
Public works	7,421,815	1,800,766	–	3,227,688
Community services and recreation	633,972	306,106	350,000	35,610
Interest and fiscal charges	915,822	–	–	–
Total governmental activities	27,331,559	6,354,017	1,840,520	3,263,298
Business-type activities				
Water	2,852,397	3,178,913	390,214	–
Sewer	3,980,776	5,129,954	–	–
Street lights	869,108	657,924	–	–
Surface water	739,912	794,486	19,674	–
Total business-type activities	8,442,193	9,761,277	409,888	–
Total governmental and business-type activities	\$ 35,773,752	\$ 16,115,294	\$ 2,250,408	\$ 3,263,298

General revenues
General property taxes
Tax increment taxes
Local option sales tax
Grants and contributions not restricted to specific programs
Investment earnings
Gain on disposal of capital assets
Transfers
Total general revenues and transfers

Change in net position

Net position – beginning

Net position – ending

Statement 2

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
\$ (4,992,219)	\$ —	\$ (4,992,219)
(7,630,066)	—	(7,630,066)
(2,393,361)	—	(2,393,361)
57,744	—	57,744
(915,822)	—	(915,822)
(15,873,724)	—	(15,873,724)
—	716,730	716,730
—	1,149,178	1,149,178
—	(211,184)	(211,184)
—	74,248	74,248
—	1,728,972	1,728,972
(15,873,724)	1,728,972	(14,144,752)
17,784,684	—	17,784,684
912,219	—	912,219
2,810,881	—	2,810,881
654,154	—	654,154
2,200,717	625,251	2,825,968
31,083	—	31,083
32,272	(32,272)	—
24,426,010	592,979	25,018,989
8,552,286	2,321,951	10,874,237
56,646,904	49,987,529	106,634,433
<u>\$ 65,199,190</u>	<u>\$ 52,309,480</u>	<u>\$ 117,508,670</u>

CITY OF OAKDALE

Balance Sheet
Governmental Funds
as of December 31, 2024

	100	Formerly Major 476 \$5,915,000 Bonds of 2022A	506 Street Maintenance	Formerly Major 699 2023 Street Improvements
	General			
Assets				
Cash and investments	\$ 16,379,642	\$ —	\$ 1,296,601	\$ —
Receivables				
Interest	136,260	—	2,075	—
Accounts	2,006,937	—	—	—
Loan	—	—	—	—
Taxes				
Current	44,816	—	—	—
Delinquent	145,998	—	—	—
Special assessments				
Current	—	—	—	—
Delinquent	1,111	—	—	—
Deferred	—	—	—	—
Special deferred	—	—	—	—
Due from other governments	23,012	—	—	—
Due from other funds	1,058	—	63,249	—
Lease	996,861	—	—	—
Prepaid items	414,742	—	—	—
Advances to other funds	—	—	—	—
Assets held for resale	—	—	—	—
Total assets	<u>\$ 20,150,437</u>	<u>\$ —</u>	<u>\$ 1,361,925</u>	<u>\$ —</u>
Liabilities				
Accounts and contracts payable	\$ 390,944	\$ —	\$ 134,963	\$ —
Accrued salaries and employee benefits payable	449,894	—	—	—
Due to other governments	6,354	—	—	—
Deposits payable	417,456	—	—	—
Due to other funds	—	—	—	—
Advances from other funds	—	—	—	—
Unearned revenue	62,503	—	—	—
Total liabilities	<u>1,327,151</u>	<u>—</u>	<u>134,963</u>	<u>—</u>
Deferred inflows of resources				
Unavailable revenue – loan receivable	—	—	—	—
Unavailable revenue – taxes	145,998	—	—	—
Unavailable revenue – special assessments	1,111	—	—	—
Unavailable revenue – ambulance receivables	1,529,539	—	—	—
Unavailable revenue – long-term receivable	—	—	—	—
Lease revenue for subsequent years	996,861	—	—	—
State aid received for subsequent years	—	—	1,298,656	—
Total deferred inflows of resources	<u>2,673,509</u>	<u>—</u>	<u>1,298,656</u>	<u>—</u>
Fund balances (deficits)				
Nonspendable	414,742	—	—	—
Restricted	881,196	—	—	—
Committed	—	—	—	—
Assigned	127,337	—	—	—
Unassigned	14,726,502	—	(71,694)	—
Total fund balances (deficits)	<u>16,149,777</u>	<u>—</u>	<u>(71,694)</u>	<u>—</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 20,150,437</u>	<u>\$ —</u>	<u>\$ 1,361,925</u>	<u>\$ —</u>

See notes to basic financial statements

Statement 3

Formerly Nonmajor 539	Formerly Nonmajor 580		
Tax Increment #2-12	Public Works Facility	Nonmajor	Total
\$ —	\$ 21,160,715	\$ 31,527,321	\$ 70,364,279
—	76,906	203,340	418,581
—	320,941	1,085,454	3,413,332
—	—	184,099	184,099
—	—	—	44,816
331	—	—	146,329
—	—	2,748	2,748
—	—	10,221	11,332
—	—	4,595,578	4,595,578
—	—	106,495	106,495
—	—	38,086	61,098
—	—	—	64,307
—	—	—	996,861
—	—	—	414,742
—	—	5,173,173	5,173,173
2,400,000	—	—	2,400,000
<u>\$ 2,400,331</u>	<u>\$ 21,558,562</u>	<u>\$ 42,926,515</u>	<u>\$ 88,397,770</u>
\$ —	\$ 3,609,652	\$ 777,017	\$ 4,912,576
—	—	—	449,894
—	—	—	6,354
—	—	—	417,456
1,058	—	63,249	64,307
5,173,173	—	—	5,173,173
—	—	—	62,503
5,174,231	3,609,652	840,266	11,086,263
—	—	184,099	184,099
331	—	—	146,329
—	—	4,712,294	4,713,405
—	—	—	1,529,539
—	—	250,740	250,740
—	—	—	996,861
—	—	—	1,298,656
331	—	5,147,133	9,119,629
—	—	—	414,742
—	17,948,910	17,343,468	36,173,574
—	—	281,182	281,182
—	—	19,396,479	19,523,816
(2,774,231)	—	(82,013)	11,798,564
<u>(2,774,231)</u>	<u>17,948,910</u>	<u>36,939,116</u>	<u>68,191,878</u>
<u>\$ 2,400,331</u>	<u>\$ 21,558,562</u>	<u>\$ 42,926,515</u>	<u>\$ 88,397,770</u>

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CITY OF OAKDALE

Statement 4

Reconciliation of the Balance Sheet to the
Statement of Net Position
Governmental Funds
as of December 31, 2024

Total fund balances – governmental funds	\$ 68,191,878
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.	
Cost of capital assets	219,021,386
Less accumulated depreciation/amortization	(166,354,076)
Long-term liabilities are not payable with current financial resources and, therefore, are not reported in governmental funds.	
Bonds	(43,955,000)
Technology subscriptions	(302,373)
Unamortized bond premiums	(2,639,442)
Compensated absences	(1,761,002)
Interest on long-term debt is included in the change in net position as it accrues, regardless of when payment is due. However, it is included in the change in fund balances when due.	(454,482)
Internal service funds are used by management to charge certain costs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.	
Internal service fund net position	(13,717,428)
Internal balances for internal services used by business-type activities	345,617
The recognition of certain revenues and expenses/expenditures differ between the full accrual governmental activities financial statements and the modified accrual governmental fund financial statements.	
Deferred inflows of resources – unavailable revenues	<u>6,824,112</u>
Total net position – governmental activities	<u><u>\$ 65,199,190</u></u>

CITY OF OAKDALE

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2024

	100	Formerly Major 476	506	Formerly Major 699
	General	\$5,915,000 Bonds of 2022A	Street Maintenance	2023 Street Improvements
Revenues				
General property taxes	\$ 14,075,524	\$ —	\$ 345,000	\$ —
Tax increment taxes	—	—	—	—
Local option sales tax	—	—	—	—
Special assessments	—	—	—	—
Franchise fees	1,009,335	—	—	—
Licenses and permits	1,360,918	—	—	—
Intergovernmental	1,873,811	—	1,056,144	—
Charges for services	1,843,693	—	—	—
Fines and forfeits	137,956	—	—	—
Investment earnings	676,796	—	49,155	—
Refunds and reimbursements	10,310	—	—	—
Contributions and donations	3,500	—	—	—
Other	104,791	—	—	—
Total revenues	21,096,634	—	1,450,299	—
Expenditures				
Current				
General government	5,462,874	—	—	—
Public safety	11,639,031	—	—	—
Public works	3,517,519	—	—	—
Community services and recreation	451,975	—	—	—
Capital outlay				
General government	100,277	—	—	—
Public safety	169,040	—	—	—
Public works	3,995	—	149,795	—
Community services and recreation	3,075	—	—	—
Debt service				
Principal	63,765	—	—	—
Interest and fiscal charges	8,917	—	—	—
Total expenditures	21,420,468	—	149,795	—
Excess (deficiency) of revenues over expenditures	(323,834)	—	1,300,504	—
Other financing sources (uses)				
Bonds issued	—	—	—	—
Premium on bonds issued	—	—	—	—
Transfers in	1,206,500	—	177,643	—
Transfers (out)	(684,282)	—	(2,181,776)	—
Sale of capital assets	1,061	—	—	—
Total other financing sources (uses)	523,279	—	(2,004,133)	—
Net change in fund balances	199,445	—	(703,629)	—
Fund balances (deficits)				
Beginning of year, as previously reported	15,266,050	1,103,671	(1,249,841)	188,889
Change within financial reporting entity	—	(1,103,671)	—	(188,889)
Error correction	684,282	—	1,881,776	—
Beginning of year, as restated	15,950,332	—	631,935	—
End of year	\$ 16,149,777	\$ —	\$ (71,694)	\$ —

See notes to basic financial statements

Statement 5

Formerly Nonmajor 539	Formerly Nonmajor 580		
Tax Increment #2-12	Public Works Facility	Nonmajor	Total
\$ -	\$ -	\$ 3,367,665	\$ 17,788,189
330	-	911,889	912,219
-	1,317,944	1,492,937	2,810,881
-	-	1,487,358	1,487,358
-	-	40,120	1,049,455
-	-	-	1,360,918
-	-	593,308	3,523,263
-	-	266,504	2,110,197
-	-	66,537	204,493
4	177,768	1,680,192	2,583,915
-	260,909	145,101	416,320
-	-	88,915	92,415
-	-	218,396	323,187
334	1,756,621	10,358,922	34,662,810
12,368	-	224,125	5,699,367
-	-	24,034	11,663,065
-	-	-	3,517,519
-	-	5,695	457,670
-	-	513,828	614,105
-	-	264,981	434,021
-	5,624,885	3,403,359	9,182,034
-	-	3,840,478	3,843,553
-	-	3,209,598	3,273,363
383,198	181,537	848,447	1,422,099
395,566	5,806,422	12,334,545	40,106,796
(395,232)	(4,049,801)	(1,975,623)	(5,443,986)
-	20,405,000	3,550,000	23,955,000
-	947,046	422,133	1,369,179
-	250,000	8,538,573	10,172,716
-	-	(4,456,658)	(7,322,716)
-	-	30,022	31,083
-	21,602,046	8,084,070	28,205,262
(395,232)	17,552,245	6,108,447	22,761,276
-	-	30,121,833	45,430,602
295	396,665	895,600	-
(2,379,294)	-	(186,764)	-
(2,378,999)	396,665	30,830,669	45,430,602
\$ (2,774,231)	\$ 17,948,910	\$ 36,939,116	\$ 68,191,878

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CITY OF OAKDALE

Statement 6

Reconciliation of the Statement of
Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
Governmental Funds
Year Ended December 31, 2024

Total net change in fund balances – governmental funds \$ 22,761,276

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.

Capital outlay	15,016,897
Transfer to business-type activities	(2,817,728)
Depreciation/amortization expense	(4,735,277)

A gain or loss on the disposal of capital assets, including the difference between the carrying value and any related sale proceeds, is included in the change in net position. However, only the sale proceeds are included in the change in fund balance.

Net book value of capital assets disposed	(5,200)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any affect on net position. Other long-term adjustments are also made between the governmental funds and the Statement of Activities for debt premiums and compensated absences.

Bonds issued	(23,955,000)
Principal payments for bonds	3,165,000
Principal payments for technology subscriptions	108,363
Unamortized bond premiums	(1,102,826)
Compensated absences	(169,756)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

(143,274)

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

Deferred inflows of resources – unavailable revenues	255,883
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Internal service funds are used by management to charge certain costs to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities in the government-wide financial statements.

Internal service fund activity	191,535
Internal balances for internal service activity for business-type activities	(17,607)

Change in net position – governmental activities	\$ 8,552,286
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CITY OF OAKDALE

Statement 7

Statement of Revenues, Expenditures, and Changes in Fund Balances
 Budget and Actual
 General Fund
 Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Final Budget</u>
Revenues				
General property taxes	\$ 14,418,593	\$ 14,418,593	\$ 14,075,524	\$ (343,069)
Franchise fees	574,095	574,095	1,009,335	435,240
Licenses and permits	1,981,730	1,981,730	1,360,918	(620,812)
Intergovernmental	1,965,676	1,978,576	1,873,811	(104,765)
Charges for services	1,788,288	1,788,288	1,843,693	55,405
Fines and forfeits	101,500	101,500	137,956	36,456
Investment earnings	135,000	135,000	676,796	541,796
Refunds and reimbursements	15,000	15,000	10,310	(4,690)
Contributions and donations	1,500	1,500	3,500	2,000
Other	27,600	27,600	104,791	77,191
Total revenues	<u>21,008,982</u>	<u>21,021,882</u>	<u>21,096,634</u>	<u>74,752</u>
Expenditures				
Current				
General government	5,728,595	5,812,845	5,462,874	(349,971)
Public safety	11,832,618	11,930,768	11,639,031	(291,737)
Public works	3,930,891	3,966,405	3,517,519	(448,886)
Community services and recreation	525,653	528,253	451,975	(76,278)
Capital outlay				
General government	86,725	82,978	100,277	17,299
Public safety	33,500	138,013	169,040	31,027
Public works	2,000	2,000	3,995	1,995
Community services and recreation	5,000	8,122	3,075	(5,047)
Debt service				
Principal	59,925	59,925	63,765	3,840
Interest and fiscal charges	7,075	7,075	8,917	1,842
Total expenditures	<u>22,211,982</u>	<u>22,536,384</u>	<u>21,420,468</u>	<u>(1,115,916)</u>
Excess (deficiency) of revenues over expenditures	(1,203,000)	(1,514,502)	(323,834)	1,190,668
Other financing sources (uses)				
Transfers in	1,200,000	1,206,500	1,206,500	—
Transfers (out)	—	—	(684,282)	(684,282)
Sale of capital assets	3,000	3,000	1,061	(1,939)
Total other financing sources (uses)	<u>1,203,000</u>	<u>1,209,500</u>	<u>523,279</u>	<u>(686,221)</u>
Net change in fund balances	<u>\$ —</u>	<u>\$ (305,002)</u>	<u>199,445</u>	<u>\$ 504,447</u>
Fund balances				
Beginning of year, as previously reported			15,266,050	
Error correction			684,282	
Beginning of year, as restated			<u>15,950,332</u>	
End of year			<u>\$ 16,149,777</u>	

See notes to basic financial statements

CITY OF OAKDALE

Statement of Net Position
Proprietary Funds
as of December 31, 2024

	Business-Type Activities – Enterprise Funds			
	700 Water	725 Sewer	750 Street Lights	775 Surface Water
Assets				
Current assets				
Cash and investments	\$ 6,823,450	\$ 3,791,841	\$ 1,278,538	\$ 1,558,915
Receivables				
Interest	58,676	31,597	10,746	12,813
Accounts	530,387	1,066,837	161,663	177,403
Special assessments				
Current	1,511	–	–	–
Delinquent	59,951	53,932	8,741	6,752
Due from other governments	390,214	–	–	–
Prepaid items	101,798	329,166	–	3,530
Inventory	52,622	–	54,192	–
Total current assets	8,018,609	5,273,373	1,513,880	1,759,413
Noncurrent assets				
Capital assets				
Land	55,966	–	–	–
Buildings and structures	7,819,187	1,453,357	–	–
Machinery and equipment	1,067,512	1,347,712	8,740	–
Infrastructure	23,966,721	23,653,374	11,509,463	19,377,908
Less accumulated depreciation	(18,861,690)	(15,630,826)	(5,693,839)	(13,623,919)
Total capital assets (net of accumulated depreciation)	14,047,696	10,823,617	5,824,364	5,753,989
Total noncurrent assets	14,047,696	10,823,617	5,824,364	5,753,989
Total assets	22,066,305	16,096,990	7,338,244	7,513,402
Deferred outflows of resources				
OPEB plan deferments	–	–	–	–
Pension plan deferments	–	–	–	–
Total deferred outflows of resources	–	–	–	–
Total assets and deferred outflows of resources	\$ 22,066,305	\$ 16,096,990	\$ 7,338,244	\$ 7,513,402
Liabilities				
Current liabilities				
Accounts and contracts payable	\$ 96,460	\$ 23,332	\$ 17,997	\$ 44,610
Accrued salaries and employee benefits payable	14,613	9,584	2,468	925
Deposits payable	13,673	–	–	–
Compensated absences payable – current	32,719	32,719	–	–
Total OPEB liability – current	–	–	–	–
Total current liabilities	157,465	65,635	20,465	45,535
Noncurrent liabilities				
Compensated absences payable	35,372	35,372	–	–
Total OPEB liability	–	–	–	–
Net pension liability	–	–	–	–
Total noncurrent liabilities	35,372	35,372	–	–
Total liabilities	192,837	101,007	20,465	45,535
Deferred inflows of resources				
OPEB plan deferments	–	–	–	–
Pension plan deferments	–	–	–	–
Total deferred inflows of resources	–	–	–	–
Net position				
Investment in capital assets	14,047,696	10,823,617	5,824,364	5,753,989
Unrestricted	7,825,772	5,172,366	1,493,415	1,713,878
Total net position	21,873,468	15,995,983	7,317,779	7,467,867
Total liabilities, deferred inflows of resources, and net position	\$ 22,066,305	\$ 16,096,990	\$ 7,338,244	\$ 7,513,402

Net position – total enterprise funds

Adjustment to reflect the consolidation of the internal
service fund activities related to enterprise funds

Net position – business-type activities

Statement 8

<u>Total</u>	<u>Governmental Activities – Internal Service</u>
\$ 13,452,744	\$ –
113,832	–
1,936,290	–
1,511	–
129,376	–
390,214	–
434,494	–
106,814	–
<u>16,565,275</u>	<u>–</u>
55,966	–
9,272,544	–
2,423,964	–
78,507,466	–
(53,810,274)	–
<u>36,449,666</u>	<u>–</u>
36,449,666	–
53,014,941	–
–	355,560
–	11,289,669
–	<u>11,645,229</u>
<u>\$ 53,014,941</u>	<u>\$ 11,645,229</u>
\$ 182,399	\$ –
27,590	–
13,673	–
65,438	–
–	84,744
<u>289,100</u>	<u>84,744</u>
70,744	–
–	2,378,206
–	8,929,015
<u>70,744</u>	<u>11,307,221</u>
359,844	11,391,965
–	957,419
–	13,013,273
–	<u>13,970,692</u>
36,449,666	–
16,205,431	(13,717,428)
<u>52,655,097</u>	<u>(13,717,428)</u>
<u>\$ 53,014,941</u>	<u>\$ 11,645,229</u>
\$ 52,655,097	
(345,617)	
<u>\$ 52,309,480</u>	

CITY OF OAKDALE

Statement of Revenues, Expenses, and Changes in Net Position
 Proprietary Funds
 Year Ended December 31, 2024

	Business-Type Activities – Enterprise Funds			
	700	725	750	775
	Water	Sewer	Street Lights	Surface Water
Operating revenue				
Charges for services	\$ 3,128,603	\$ 5,129,954	\$ 657,924	\$ 794,486
Intergovernmental revenue	–	–	–	–
Other operating revenue	49,410	–	–	–
Total operating revenue	3,178,013	5,129,954	657,924	794,486
Operating expenses				
Personal services	666,913	543,018	151,190	125,244
Materials and supplies	486,098	38,325	2,882	19,910
Contractual services	599,168	227,407	7,070	97,629
MCES – sewer service charge	–	2,551,278	–	–
Utilities	256,709	67,932	126,563	–
Repairs and maintenance	31,375	24,447	38,404	–
Collected for other agencies	88,312	–	–	–
Depreciation	731,070	533,943	545,092	499,821
Total operating expenses	2,859,645	3,986,350	871,201	742,604
Operating income (loss)	318,368	1,143,604	(213,277)	51,882
Nonoperating revenues				
Investment earnings	328,571	172,173	58,533	65,974
Intergovernmental revenue	390,214	–	–	19,674
Special assessments	900	–	–	–
Total nonoperating revenues	719,685	172,173	58,533	85,648
Income (loss) before capital contributions and transfers	1,038,053	1,315,777	(154,744)	137,530
Capital contributions	1,496,127	453,874	340,371	527,356
Transfers (out)	(1,165,000)	(1,265,000)	(200,000)	(220,000)
Change in net position	1,369,180	504,651	(14,373)	444,886
Net position				
Beginning of year	20,504,288	15,491,332	7,332,152	7,022,981
End of year	\$ 21,873,468	\$ 15,995,983	\$ 7,317,779	\$ 7,467,867

Change in net position – total enterprise funds

Adjustment to reflect the consolidation of the internal
 service fund activities related to enterprise funds

Change in net position – business-type activities

Statement 9

<u>Total</u>	<u>Governmental Activities – Internal Service</u>
\$ 9,710,967	\$ 1,721,742
–	285,495
49,410	–
<u>9,760,377</u>	<u>2,007,237</u>
1,486,365	1,815,702
547,215	–
931,274	–
2,551,278	–
451,204	–
94,226	–
88,312	–
2,309,926	–
<u>8,459,800</u>	<u>1,815,702</u>
1,300,577	191,535
625,251	–
409,888	–
900	–
<u>1,036,039</u>	<u>–</u>
2,336,616	191,535
2,817,728	–
<u>(2,850,000)</u>	<u>–</u>
2,304,344	191,535
<u>50,350,753</u>	<u>(13,908,963)</u>
<u>\$ 52,655,097</u>	<u>\$ (13,717,428)</u>
\$ 2,304,344	
<u>17,607</u>	
<u>\$ 2,321,951</u>	

CITY OF OAKDALE

Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2024

	Business-Type Activities – Enterprise Funds			
	700	725	750	775
	<u>Water</u>	<u>Sewer</u>	<u>Street Lights</u>	<u>Surface Water</u>
Cash flows from operating activities				
Cash received from customers	\$ 3,328,956	\$ 5,069,102	\$ 662,495	\$ 835,235
Cash receipts on interfund charges for pension benefits	–	–	–	–
Cash payments to suppliers	(1,425,599)	(2,904,237)	(178,807)	(73,743)
Cash payments to employees for services	(669,883)	(547,164)	(151,137)	(125,077)
Net cash flows from operating activities	<u>1,233,474</u>	<u>1,617,701</u>	<u>332,551</u>	<u>636,415</u>
Cash flows from noncapital financing activities				
Intergovernmental revenue	390,214	–	–	19,674
Transfers out	(1,165,000)	(1,265,000)	(200,000)	(220,000)
Net cash flows from noncapital financing activities	<u>(774,786)</u>	<u>(1,265,000)</u>	<u>(200,000)</u>	<u>(200,326)</u>
Cash flows from investing activities				
Interest received on investments	<u>308,677</u>	<u>160,074</u>	<u>54,550</u>	<u>59,761</u>
Net change in cash and cash equivalents	<u>767,365</u>	<u>512,775</u>	<u>187,101</u>	<u>495,850</u>
Cash and investments				
Beginning of year	<u>6,056,085</u>	<u>3,279,066</u>	<u>1,091,437</u>	<u>1,063,065</u>
End of year	<u><u>\$ 6,823,450</u></u>	<u><u>\$ 3,791,841</u></u>	<u><u>\$ 1,278,538</u></u>	<u><u>\$ 1,558,915</u></u>
Reconciliation of operating income (loss) to net cash flows from operating activities				
Operating income (loss)	\$ 318,368	\$ 1,143,604	\$ (213,277)	\$ 51,882
Adjustments to reconcile operating income (loss) to net cash flows from operating activities				
Depreciation	731,070	533,943	545,092	499,821
Special assessments	900	–	–	–
Change in assets, deferred outflows, liabilities, and deferred inflows				
Accounts receivable	(40,018)	(68,962)	3,311	39,648
Special assessments receivable	3,098	8,110	1,260	1,101
Due from other governments	181,520	–	–	–
Prepaid items	15,068	307	–	199
Inventory	(11,777)	–	(141)	–
Deferred outflows of resources	–	–	–	–
Accounts and contracts payable	32,772	4,845	(3,747)	43,597
Net pension liability	–	–	–	–
Total other post employment benefits	–	–	–	–
Deferred inflows of resources	–	–	–	–
Accrued salaries and employee benefits payable	5,301	4,125	53	167
Deposits payable	5,443	–	–	–
Compensated absences payable	(8,271)	(8,271)	–	–
Net cash flows from operating activities	<u><u>\$ 1,233,474</u></u>	<u><u>\$ 1,617,701</u></u>	<u><u>\$ 332,551</u></u>	<u><u>\$ 636,415</u></u>
Noncash investing, capital, and financing activities				
Capital assets contributed by other funds	<u><u>\$ 1,496,127</u></u>	<u><u>\$ 453,874</u></u>	<u><u>\$ 340,371</u></u>	<u><u>\$ 527,356</u></u>

See notes to basic financial statements

Statement 10

<u>Total</u>	<u>Governmental Activities – Internal Service</u>
\$ 9,895,788	\$ –
–	2,007,237
(4,582,386)	–
(1,493,261)	(2,007,237)
<u>3,820,141</u>	<u>–</u>
409,888	–
<u>(2,850,000)</u>	<u>–</u>
(2,440,112)	–
583,062	–
<u>1,963,091</u>	<u>–</u>
11,489,653	–
<u>\$ 13,452,744</u>	<u>\$ –</u>
\$ 1,300,577	\$ 191,535
2,309,926	–
900	–
(66,021)	–
13,569	–
181,520	–
15,574	–
(11,918)	–
–	2,807,015
77,467	–
–	(3,180,789)
–	272,915
–	(90,676)
9,646	–
5,443	–
<u>(16,542)</u>	<u>–</u>
<u>\$ 3,820,141</u>	<u>\$ –</u>
<u>\$ 2,817,728</u>	<u>\$ –</u>

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CITY OF OAKDALE

Notes to Basic Financial Statements December 31, 2024

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The City of Oakdale, Minnesota (the City) was incorporated in 1968 and operates under the state of Minnesota Statutory Plan A form of government. The governing body consists of a five-member City Council elected by voters of the City.

The accounting policies of the City conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. Reporting Entity

As required by accounting principles generally accepted in the United States of America, these financial statements include the City (the primary government) and its component units. Component units are legally separate entities for which the primary government is financially accountable, or for which the exclusion of the component unit would render the financial statements of the primary government misleading. The criteria used to determine if the primary government is financially accountable for a component unit includes whether or not the primary government appoints the voting majority of the potential component unit's board, is able to impose its will on the potential component unit, is in a relationship of financial benefit or burden with the potential component unit, or is fiscally depended upon by the potential component unit.

The 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 is currently inactive. Separate financial statements are not prepared for the EDA.

The Housing and Redevelopment Authority (HRA) is an entity legally separate from the City. However, for financial reporting purposes, the HRA is reported as if it were part of the City's operations because the members of the City Council serve as HRA board members and its activity is confined to the City. The HRA is currently inactive. Separate financial statements are not prepared for the HRA.

C. Government-Wide Financial Statement Presentation

The government-wide financial statements (Statement of Net Position and Statement of Activities) display information about the reporting government as a whole. These statements include all of the financial activities of the City. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which significantly rely upon sales, fees, and charges for support.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other internally directed revenues are reported as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes and special assessments are recognized as revenues in the fiscal year for which they are certified for levy. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, charges between the City's enterprise funds and other functions are not eliminated, as that would distort the direct costs and program revenues reported in those functions. Depreciation/amortization expense is included in the direct expenses of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

D. Fund Financial Statement Presentation

Separate fund financial statements are provided for governmental and proprietary funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements. Aggregated information for the remaining nonmajor governmental funds is reported in a single column in the fund financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis of accounting, transactions are recorded in the following manner:

- 1. Revenue Recognition** – Revenue is recognized when it becomes measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days after year-end. 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. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met. Proceeds of long-term debt are reported as other financing sources.

Major revenue that is susceptible to accrual includes taxes, franchise fees, special assessments, intergovernmental revenue, charges for services, and interest earned on investments. Major revenue that is not susceptible to accrual includes licenses and permits, fees, and miscellaneous revenue. Such revenue is recorded only when received because it is not measurable until collected.

- 2. Recording of Expenditures** – Expenditures are generally recorded when a liability is incurred, except for principal and interest on long-term debt and other long-term obligations, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as capital outlay expenditures in the governmental funds.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting, similar to the government-wide financial statements. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and internal service funds are charges to customers for sales and services. The operating expenses for the enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses that do not meet this definition are reported as nonoperating revenues and expenses.

Information for the internal service fund is reported in a single column in the proprietary fund financial statements. Because the principal user of the internal services is the City's governmental activities, the financial statements of the internal service fund is consolidated into the governmental column when presented in the government-wide financial statements. The cost of these services is reported in the appropriate functional activity.

Description of Funds

The City reports the following major governmental funds:

General Fund – This fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

Street Maintenance Capital Projects Fund – This fund was established to administer the resources needed to undertake projects identified in the City's Capital Improvement Plan.

Tax Increment #2-12 Capital Projects Fund – This fund was established to administer the increment generated by the district and the directly related expenditures.

Public Works Facility Capital Projects Fund – This fund was established to administer the resources for the construction of a new public works facility.

The City reports the following major enterprise funds:

Water Fund – The Water Fund accounts for the water service charges, which are used to finance the water system operating expenses.

Sewer Fund – The Sewer Fund accounts for the sewer service charges, which are used to finance the sanitary sewer system operating expenses.

Street Lights Fund – The Street Lights Fund accounts for service charges to residents, which are used to finance street light operating expenses.

Surface Water Fund – The Surface Water Fund accounts for the resources associated with storm and surface water management activities within the City. Primary revenues are generated through a fee collected from new development.

Additionally, the City reports the following fund type:

Internal Service Fund – The Employee Benefit Fund is used to provide pension and other post-employment benefits (OPEB) to other funds of the City on a cost-reimbursement basis.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Cash and Investments

Cash and investments include balances that are combined and invested to the extent available in various securities as authorized by state law. Allocations of pooled investment earnings to the respective funds is based on participation by each fund. Certain bond proceeds may be held separately for capital projects. Earnings on these accounts are allocated directly to the respective funds.

The City generally reports investments at fair value. The Minnesota Municipal Money Market (4M) Fund is an external investment pool regulated by Minnesota Statutes that is not registered with the Securities and Exchange Commission (SEC), but follows the same regulatory rules of the SEC. The fair value of the position in the pool is the same as the value of the pool shares, which is based on an amortized cost method that approximates fair value. The 4M Fund is sponsored by the League of Minnesota Cities. Investments are purchased and regulated according to Minnesota Statutes. For this investment pool, there are no unfunded commitments, redemption frequency is daily, and there is no redemption notice required for the Liquid Class; the redemption notice period is 14 days for the Plus Class.

The City categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

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

See Note 2 for the City's recurring fair value measurements as of year-end.

F. Receivables

Utility and miscellaneous accounts receivable are reported at gross. Since the City is generally able to certify delinquent amounts to the county for collection as special assessments, no allowance for uncollectible accounts has been provided on current receivables. The only receivables not expected to be collected within one year are loan receivable, lease receivable, delinquent property taxes receivable, delinquent and deferred special assessments receivable, ambulance receivable, and a long-term receivable from an outside developer.

G. Interfund Balances and Transfers

In the fund financial statements, activity between funds that is representative of lending or borrowing arrangements is reported as either "due to/from other funds" (current portion) or "advances to/from other funds." All other outstanding balances between funds are reported as "due to/from other funds." Interfund balances and transfers reported in the fund financial statements are eliminated to the extent possible in the government-wide financial statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Property Taxes

Property tax levies are set by the City Council in December of each year and are certified to Washington County for collection in the following year. In Minnesota, counties act as collection agents for all property taxes. The county spreads the levies over all taxable property. Such taxes become a lien on January 1 and are recorded as receivables by the City on that date. Real property taxes may be paid by taxpayers in two equal installments on May 15 and October 15. Personal property taxes are due in full on May 15. The county provides tax settlements to cities and other taxing districts three times a year: in July, December, and January.

Property taxes are recognized as revenue in the year levied in the government-wide financial statements and proprietary fund financial statements. In the governmental fund financial statements, taxes are recognized as revenue when received in cash or within 60 days after year-end. Taxes which remain unpaid on December 31 are classified as delinquent taxes receivable and are offset by a deferred inflow of resources in the governmental fund financial statements.

I. Special Assessments

Special assessments primarily represent the financing for public improvements paid for by benefiting property owners. As previously mentioned under receivables, the City is also generally able to certify delinquent amounts to the county for collection as special assessments. Special assessments are recorded as receivables upon certification to the county. Special assessments are recognized as revenue in the year levied in the government-wide financial statements and proprietary fund financial statements. In the governmental fund financial statements, special assessments are recognized as revenue when received in cash or within 60 days after year-end. Governmental fund special assessments receivable, which remain unpaid on December 31, are offset by a deferred inflow of resources in the governmental fund financial statements.

J. Inventories

Inventories of the proprietary funds are stated at cost for supplies and at the lower of cost or acquisition value for inventory held for resale, cost being determined by the first-in, first-out method.

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.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Subscription-Based Information Technology Arrangements (SBITAs)

A SBITA is a contract that conveys control of the right to use another party's information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. The City has entered into certain SBITAs for financial and public safety technology. Capital assets associated with SBITAs are presented separately from other capital assets in Note 5 and are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets. When applicable, a subscription liability is reported in Note 6 to include the terms and related disclosures associated with any subscription liability.

M. Capital Assets

Capital assets, which include property, buildings, improvements, equipment, and infrastructure assets (roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the proprietary fund financial statements. Such assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated acquisition value on the date of donation. SBITA capital assets are recorded based on the measurement of any subscription liability plus the payments due to a SBITA vendor at the commencement of the subscription term, including any applicable initial implementation costs as defined in the standard. The City defines capital assets as those with an initial, individual cost greater than \$5,000 (except for easements which is \$50,000) and an estimated useful life in excess of one year. Groups of similar assets acquired at or near the same time for a single objective, with individual acquisition costs below this threshold, are also capitalized if cost of the assets is considered significant in the aggregate. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives is not capitalized.

Capital assets are recorded in the government-wide and proprietary fund financial statements, but are not reported in the governmental fund financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. SBITAs are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets. Capital assets not being depreciated include land and construction in progress.

The estimated useful lives are as follows:

Assets	Useful Life
Buildings and structures	13–50 years
Machinery and equipment (including software)	5–10 years
Easements	10 years
Furniture and fixtures	10 years
Other park improvements	25–50 years
Storm sewers	25 years
Streets	10–25 years
Street lights	5–30 years
Distribution and collection systems	10–50 years

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Compensated Absences

The City recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by the employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, three types of leave qualify for liability recognition for compensated absences – vacation, sick leave, and paid time off (PTO). The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

O. Long-Term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, if material, are deferred and amortized over the life of the bonds using the straight-line method. Bond issuance costs are expensed in the period incurred.

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

P. Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, statements of financial position or balance sheets will sometimes report separate sections for deferred outflows or inflows of resources. These separate financial statement elements represent a consumption or acquisition of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) or an inflow of financial resources (revenue) until then.

The City reports deferred outflows and inflows of resources related to pensions and OPEB in the government-wide and internal service fund Statement of Net Position. These deferred outflows and inflows result from differences between expected and actual economic experience, changes in actuarial assumptions, net collective difference between projected and actual investment earnings, changes in proportion, and contributions to the plan subsequent to the measurement date and before the end of the reporting period. These amounts are deferred and amortized as required under pension and OPEB standards.

Unavailable revenue from loan receivables, taxes, special assessments, ambulance receivables, and a long-term receivable arises under a modified accrual basis of accounting and is reported only in the governmental funds Balance Sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The City reports deferred inflows of resources related to lease receivables in the government-wide Statement of Net Position and governmental funds Balance Sheet, which requires lessors to recognize deferred inflows of resources to correspond to lease receivables. These amounts are deferred and amortized in a systematic and rationale manner over the term of the lease.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The City also reports deferred inflows of resources related to state aid entitlements received for subsequent years in the government-wide Statement of Net Position and governmental funds Balance Sheet. This item is deferred and recognized as an inflow of resources in the period that the resources are appropriated.

Q. State-Wide Pension Plans

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

R. Budgets and Budgetary Accounting

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

1. The city administrator submits a proposed operating budget for the fiscal year commencing the following January 1 to the City Council. The operating budget includes proposed expenditures and the means of financing them.
2. The City Council reviews the proposed budget and makes appropriate changes.
3. Public hearings are conducted to obtain taxpayer comments.
4. The budget is legally enacted through passage of a resolution on a departmental basis for the General Fund and can be expended by each department based on upon detailed budget estimates for individual expenditure accounts.
5. The city administrator is authorized to transfer appropriations within any department budget or fund budget. Interfund appropriations and deletions are authorized by the City Council with fund contingency reserves or additional revenues.
6. Formal budgetary integration is employed as a management control device during the year for the budgeted funds. The General Fund is the only fund with a legally adopted annual budget.
7. Legal debt obligation indentures determine the appropriation level of debt service tax levies for the debt service funds. Supplementary budgets are adopted for the proprietary funds to determine and calculate user charges. These debt service and budget amounts represent general obligation bond indenture provisions and net income for operation and capital maintenance and are not reflected in the financial statements.
8. A capital improvement program is reviewed annually by the City Council for the capital project funds. However, appropriations for major projects are not adopted until the actual bid award of the improvement. The appropriations are not reflected in the financial statements.
9. The legal level of budgetary control is at the department level for the General Fund. Monitoring of budgets is maintained at the expenditure category level (i.e., personal services; materials and supplies; contractual services; and capital outlay) within each program. All amounts over budget have been approved by the City Council through the disbursement process.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

10. The City Council may authorize transfer of budgeted amounts between city funds. The City Council can make supplemental budgetary appropriations throughout the year.
11. The budgets are adopted using the modified accrual basis of accounting, a basis consistent with accounting principles generally accepted in the United States of America. Budgeted expenditure appropriations lapse at year end.

S. Assets Held for Resale

Assets held for resale represent various property purchases made by the City with the intent to sell in order to increase the tax base or to attract new businesses. These assets are stated at the lower of cost or acquisition value.

T. Statement of Cash Flows

For purposes of the Statement of Cash Flows, the City considers all highly liquid debt instruments with an original maturity from the time of purchase by the City of three months or less to be cash equivalents. The proprietary funds' portion in the government-wide cash and investment management pool is considered to be cash equivalent.

U. Net Position Classifications and Flow Assumptions

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

- **Net Investment in Capital Assets** – Consists of capital assets, net of accumulated depreciation and amortization, reduced by any outstanding debt attributable to acquire capital assets.
- **Restricted Net Position** – Consists of net position restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- **Unrestricted Net Position** – All other elements of net position that do not meet the definition of “restricted” or “net investment in capital assets.”

The City applies restricted resources first when an expense is incurred for which both restricted and unrestricted resources are available.

V. Fund Balance Classifications and Flow Assumptions

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

- **Nonspendable** – Consists of amounts that are not in spendable form, such as prepaid items, inventory, and other long-term assets.
- **Restricted** – Consists of amounts related to externally imposed constraints established by creditors, grantors, or contributors; or constraints imposed by state statutory provisions.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- **Committed** – Consists of internally imposed constraints that are established by resolution of the City Council. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.
- **Assigned** – Consists of internally imposed constraints for amounts intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. Assigned amounts represent intended uses established by the City Council itself or by an official to which the City Council delegates the authority by resolution. Pursuant to City Council resolution, the city administrator and/or finance director are authorized to establish assignments of fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.
- **Unassigned** – The residual classification for the General Fund, which also reflects negative residual amounts in other funds.

When both restricted and unrestricted resources are available for use, the City first uses restricted resources, then unrestricted resources as they are needed. When committed, assigned, or unassigned resources are available for use, the City uses resources in the following order: 1) committed, 2) assigned, and 3) unassigned.

W. 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; and natural disasters. The City participates in the League of Minnesota Cities Insurance Trust (LMCIT), a public entity risk pool for its general property and casualty, workers' compensation, and other miscellaneous insurance coverages. The LMCIT operates as a common risk management and insurance program for Minnesota cities. The City pays an annual premium to the LMCIT for insurance coverage. The LMCIT agreement provides that the trust will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain limits. The City also carries commercial insurance for certain other risks of loss. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years. There were no significant reductions in the City's insurance coverage in the current year.

X. Use of Estimates

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

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Y. Error Correction

During fiscal year 2024, the City determined that a tax increment financing interfund loan was mistakenly reported as an operating transfer in a prior year financial statement. This resulted in the following misstatements:

- In the governmental fund financial statements, assets held for resale and fund balance were understated in the Tax Increment #2-12 Capital Projects Fund and overstated in the nonmajor funds by \$2,410,681.
- In the governmental fund financial statements, advances to other funds and fund balance were understated in the General Fund by \$684,282, in the Street Maintenance Capital Projects Fund by \$1,881,776, and in the nonmajor funds by \$2,223,917. Advances from other funds were understated and fund balance in the Tax Increment #2-12 Capital Projects Fund was overstated by the total of these amounts.

NOTE 2 – DEPOSITS AND INVESTMENTS

A. Components of Cash and Investments

Cash and investments at year-end consist of the following:

Deposits	\$ 14,712,707
Investments	69,102,573
Cash on hand	<u>1,743</u>
Total	<u>\$ 83,817,023</u>

B. Deposits

In accordance with applicable Minnesota Statutes, the City maintains deposits at depository banks authorized by the City Council, including checking accounts and certificates of deposit.

The following is considered the most significant risk associated with deposits:

Custodial Credit Risk – In the case of deposits, this is the risk that in the event of a bank failure, the City’s deposits may be lost.

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

At year-end, the carrying amount of the City’s deposits was \$14,712,707, while the balance on the bank records was \$15,844,341. At December 31, 2024, all deposits were fully covered by federal deposit insurance, surety bonds, or by collateral held by the City’s agent in the City’s name.

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

C. Investments

The City has the following investments at year-end:

Investment Type	Credit Risk		Fair Value Measurements Using	Interest Risk – Maturity Duration in Years				Total
	Rating	Agency		Less Than 1	1 to 5	6 to 10	Greater Than 10	
U.S. treasuries	N/A	N/A	Level 1	\$ 998,850	\$ 9,136,318	\$ –	\$ –	\$ 10,135,168
U.S. agency securities	AA	S&P	Level 2	4,493,585	194,478	–	235,158	4,923,221
Municipal securities	AAA	S&P	Level 2	1,238,203	3,428,703	–	–	4,666,906
Municipal securities	AA	S&P	Level 2	2,392,074	5,052,041	796,361	–	8,240,476
Municipal securities	A	S&P	Level 2	587,710	507,275	–	–	1,094,985
Municipal securities	AAA	Moody's	Level 2	–	582,757	–	–	582,757
Municipal securities	AA	Moody's	Level 2	1,555,327	2,927,514	–	–	4,482,841
Negotiable certificates of deposit	N/R	N/A	Level 2	3,825,973	4,956,130	–	–	8,782,103
				<u>\$ 15,091,722</u>	<u>\$ 26,785,216</u>	<u>\$ 796,361</u>	<u>\$ 235,158</u>	<u>42,908,457</u>
Investment pools/mutual funds								
First American Treasury Obligations Fund	AAA	S&P	Level 1	N/A	N/A	N/A	N/A	25,872,163
Federated Hermes Treasury Obligations Fund	AAA	S&P	Level 1	N/A	N/A	N/A	N/A	11
Minnesota Municipal Money Market Fund	AAA	S&P	Amortized Cost	N/A	N/A	N/A	N/A	<u>321,942</u>
Total investments								<u>\$ 69,102,573</u>

N/A – Not Applicable

N/R – Not Rated

Investments are subject to various risks, the following of which are considered the most significant:

Custodial Credit Risk – For investments, this is the risk that in the event of a failure of the counterparty to an investment transaction (typically a broker-dealer) the City would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policies do not further address this risk, but typically limits its exposure by purchasing insured or registered investments, or by the control of who holds the securities.

Credit Risk – This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Minnesota Statutes limit the City's investments to direct obligations or obligations guaranteed by the United States or its agencies; shares of investment companies registered under the Federal Investment Company Act of 1940 that receive the highest credit rating, are rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of 13 months or less; general obligations rated "A" or better; revenue obligations rated "AA" or better; general obligations of the Minnesota Housing Finance Agency rated "A" or better; bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System; commercial paper issued by United States corporations or their Canadian subsidiaries, rated of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less; Guaranteed Investment Contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, and with a credit quality in one of the top two highest categories; repurchase or reverse purchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000; that are a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York; or certain Minnesota securities broker-dealers. The City's investment policies do not further address credit risk.

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

Concentration Risk – This is the risk associated with investing a significant portion of the City’s investments (considered 5.00 percent or more) in the securities of a single issuer, excluding U.S. guaranteed investments (such as treasuries), investment pools, and mutual funds. The City’s investment policies do not limit the concentration of investments.

Interest Rate Risk – This is the risk of potential variability in the fair value of fixed rate investments resulting from changes in interest rates (the longer the period for which an interest rate is fixed, the greater the risk). The City’s investment policy notes no more than 20.00 percent of the total investment portfolio should extend beyond five years and in no circumstance should any investments extend beyond 10 years. At December 31, 2024, the City had \$235,158 in U.S. agency securities with maturities greater than 10 years.

NOTE 3 – RECEIVABLES

A. Loan Receivables

The City has made several business and home improvement loans to local businesses and citizens. The terms and periods of repayment vary with each loan. Loan receivables in nonmajor governmental funds totaled \$184,099.

B. Lease Receivables

The City has entered into lease receivable agreements for cell tower rental space on city property. These leases are reported using an incremental borrowing rate of 2.78 percent with a final maturity in fiscal 2035. During the current year, the City received principal and interest payments on these leases of \$224,586.

NOTE 4 – INTERFUND TRANSACTIONS

A. Due To and From Other Funds

As of December 31, 2024, the General Fund reported a balance of \$1,058 due from the Tax Increment #2-12 Capital Projects Fund and the Street Maintenance Capital Projects Fund reported a balance of \$63,249 due from the nonmajor 2025 Street Improvements Capital Projects Fund. The borrowing between funds was to eliminate a temporary cash deficit.

B. Advances To and Advances From Other Funds

As of December 31, 2024, the nonmajor Development Capital Projects Fund reported a balance of \$5,173,173 due from the Tax Increment #2-12 Capital Projects Fund for cash flow purposes. There is an 8 percent interest rate and payment will be dependent on future increment collections.

C. Interfund Transfers

Interfund transfers for the year were as follows:

Transfers Out	Transfers In				Total
	Governmental				
	General	Street Maintenance	Public Works Facility	Nonmajor	
Governmental					
General	\$ —	\$ —	\$ —	\$ 684,282	\$ 684,282
Street Maintenance	—	—	—	2,181,776	2,181,776
Nonmajor	6,500	177,643	250,000	4,022,515	4,456,658
Proprietary					
Water	575,000	—	—	590,000	1,165,000
Sewer	575,000	—	—	690,000	1,265,000
Street Lights	50,000	—	—	150,000	200,000
Surface Water	—	—	—	220,000	220,000
Total	\$ 1,206,500	\$ 177,643	\$ 250,000	\$ 8,538,573	\$ 10,172,716

Transfers were made in accordance with budget appropriations or as approved by the City Council for the following purposes:

- The General Fund transferred \$684,282 to the nonmajor funds for the transfer of an interfund loan.
- The Street Maintenance Capital Projects Fund transferred \$300,000 to the nonmajor funds for street reconstruction projects and \$1,881,776 to the nonmajor funds for the transfer of an interfund loan.
- The nonmajor funds transferred \$4,456,658 to various funds in the current year to close certain funds, debt payments, capital-related projects, and to transfer an interfund loan.
- The Water Fund transferred \$575,000 to the General Fund to fund operations and transferred \$590,000 to the nonmajor funds for utility system replacement.
- The Sewer Fund transferred \$575,000 to the General Fund to fund operations and transferred \$690,000 to the nonmajor funds for utility system replacement.
- The Street Lights Fund transferred \$50,000 to the General Fund to fund operations and transferred \$150,000 to the nonmajor funds for utility system replacement.
- The Surface Water Fund transferred \$220,000 to the nonmajor funds for utility system replacement.

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2024 was as follows:

A. Changes in Capital Assets Used in Governmental Activities

	Beginning Balance	Additions	Deletions	Completed Construction	Transfers	Ending Balance
Capital assets, not being depreciated/amortized						
Land	\$ 9,723,070	\$ 999,500	\$ –	\$ –	\$ –	\$ 10,722,570
Construction in progress	8,144,058	13,188,688	–	(4,794,326)	(2,817,728)	13,720,692
Total capital assets, not being depreciated/amortized	17,867,128	14,188,188	–	(4,794,326)	(2,817,728)	24,443,262
Capital assets, depreciated/amortized						
Buildings and structures	14,214,009	22,339	–	–	–	14,236,348
Furniture and fixtures	1,892,465	90,482	–	–	–	1,982,947
Machinery and equipment	10,798,354	493,971	(172,542)	988,070	–	12,107,853
Other park improvements	11,082,694	200,001	–	230,443	–	11,513,138
Streets	150,596,573	21,916	–	3,575,813	–	154,194,302
Technology subscriptions	543,536	–	–	–	–	543,536
Total capital assets, depreciated/amortized	189,127,631	828,709	(172,542)	4,794,326	–	194,578,124
Less accumulated depreciation/amortization on						
Buildings and structures	11,594,089	337,574	–	–	–	11,931,663
Furniture and fixtures	1,679,950	56,170	–	–	–	1,736,120
Machinery and equipment	8,355,371	613,126	(167,342)	–	–	8,801,155
Other park improvements	10,163,454	166,775	–	–	–	10,330,229
Streets	129,993,277	3,341,109	–	–	–	133,334,386
Technology subscriptions	–	220,523	–	–	–	220,523
Total accumulated depreciation/amortization	161,786,141	4,735,277	(167,342)	–	–	166,354,076
Total capital assets, depreciated/amortized, net	27,341,490	(3,906,568)	(5,200)	4,794,326	–	28,224,048
Net capital assets	\$ 45,208,618	\$ 10,281,620	\$ (5,200)	\$ –	\$ (2,817,728)	\$ 52,667,310

B. Changes in Capital Assets Used in Business-Type Activities

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Capital assets, not being depreciated					
Land	\$ 55,966	\$ –	\$ –	\$ –	\$ 55,966
Capital assets, depreciated					
Buildings and structures	9,200,235	–	–	72,309	9,272,544
Machinery and equipment	2,478,531	–	(54,567)	–	2,423,964
Street lights	11,169,092	–	–	340,371	11,509,463
Distribution system	22,542,903	–	–	1,423,818	23,966,721
Collection system	23,199,500	–	–	453,874	23,653,374
Storm sewer	18,850,552	–	–	527,356	19,377,908
Total capital assets, depreciated	87,440,813	–	(54,567)	2,817,728	90,203,974
Less accumulated depreciation on					
Buildings and structures	4,678,208	244,380	–	–	4,922,588
Machinery and equipment	2,140,225	82,068	(54,567)	–	2,167,726
Street lights	5,148,748	543,344	–	–	5,692,092
Distribution system	12,606,377	519,551	–	–	13,125,928
Collection system	13,857,259	420,762	–	–	14,278,021
Storm sewer	13,124,098	499,821	–	–	13,623,919
Total accumulated depreciation	51,554,915	2,309,926	(54,567)	–	53,810,274
Total capital assets, depreciated, net	35,885,898	(2,309,926)	–	2,817,728	36,393,700
Net capital assets	\$ 35,941,864	\$ (2,309,926)	\$ –	\$ 2,817,728	\$ 36,449,666

NOTE 5 – CAPITAL ASSETS (CONTINUED)**C. Depreciation/Amortization Expense by Function**

Depreciation/amortization expense was charged to the following functions:

Governmental activities	
General government	\$ 201,844
Public safety	444,129
Public works	3,909,276
Community services and recreation	<u>180,028</u>
Total depreciation/amortization expense – governmental activities	<u><u>\$ 4,735,277</u></u>
Business-type activities	
Water	\$ 731,070
Sewer	533,943
Street lights	545,092
Surface water	<u>499,821</u>
Total depreciation expense – business-type activities	<u><u>\$ 2,309,926</u></u>

NOTE 6 – LONG-TERM DEBT

A. Components of Long-Term Debt

	Original Issue	Interest Rate	Issue Date	Final Maturity Date	Balance – End of Year
Governmental activities					
G.O. bonds					
Equipment Certificates of 2020B	\$ 715,000	5.00%	09/10/2020	11/01/2025	\$ 160,000
G.O. tax increment bonds					
Tax Increment Revenue Bonds of 2016D	\$ 4,315,000	2.00–3.10%	08/11/2016	02/01/2037	3,095,000
G.O. taxable housing bonds					
Taxable Housing Bonds of 2016C	\$ 550,000	2.00–3.10%	08/11/2016	02/01/2035	370,000
G.O. improvement bonds					
Improvement Bonds of 2014B	\$ 2,330,000	2.00–2.50%	12/01/2014	02/01/2025	235,000
Improvement Bonds of 2015A	\$ 2,555,000	2.25–3.00%	08/27/2015	02/01/2026	530,000
Improvement Bonds of 2016A	\$ 1,920,000	2.00%	08/11/2016	02/01/2027	570,000
Improvement Bonds of 2017A	\$ 2,700,000	2.00–2.10%	10/26/2017	02/01/2028	1,095,000
Improvement Bonds of 2018A	\$ 840,000	3.00%	09/13/2018	02/01/2029	435,000
Improvement Bonds of 2019A	\$ 2,630,000	3.00–5.00%	08/22/2019	02/01/2030	1,705,000
Improvement Bonds of 2020A	\$ 1,690,000	1.00–5.00%	09/10/2020	02/01/2031	1,130,000
Improvement Refunding Bonds of 2020A	\$ 650,000	5.00%	09/10/2020	02/01/2027	375,000
Improvement Bonds of 2021A	\$ 2,535,000	1.00–5.00%	08/12/2021	02/01/2032	2,100,000
Improvement Bonds of 2022A	\$ 5,915,000	3.10–5.00%	08/01/2022	02/01/2033	5,340,000
Improvement Bonds of 2023A	\$ 2,860,000	5.00%	11/22/2023	02/01/2034	2,860,000
Improvement, Abatement, Sales Tax, and CIP Bonds of 2024A	\$ 23,955,000	4.00–5.00%	11/14/2024	02/01/2053	<u>23,955,000</u>
Total G.O. improvement bonds					<u>40,330,000</u>
Unamortized bond premiums					2,639,442
Technology subscriptions					302,373
Compensated absences					<u>1,761,002</u>
Total governmental activities					<u>\$ 48,657,817</u>
Business-type activities					
Compensated absences					<u>\$ 136,182</u>
Total government-wide activities					<u>\$ 48,793,999</u>

NOTE 6 – LONG-TERM DEBT (CONTINUED)

B. Changes in Long-Term Debt

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental activities					
G.O. bonds	\$ 500,000	\$ –	\$ 340,000	\$ 160,000	\$ 160,000
G.O. tax increment bonds	3,290,000	–	195,000	3,095,000	200,000
G.O. taxable housing bonds	400,000	–	30,000	370,000	30,000
G.O. improvement bonds	18,975,000	23,955,000	2,600,000	40,330,000	3,350,000
Unamortized bond premiums	1,536,616	1,369,179	266,353	2,639,442	–
Total bonds	24,701,616	25,324,179	3,431,353	46,594,442	3,740,000
Technology subscriptions	410,736	–	108,363	302,373	115,275
Compensated absences	1,591,246	1,321,659	1,151,903	1,761,002	725,095
Total governmental activities	26,703,598	26,645,838	4,691,619	48,657,817	4,580,370
Business-type activities					
Compensated absences	152,724	91,274	107,816	136,182	65,438
Total government-wide	\$ 26,856,322	\$ 26,737,112	\$ 4,799,435	\$ 48,793,999	\$ 4,645,808

C. Minimum Debt Payments

Minimum annual payments required to retire bonds and subscriptions are as follows:

Year Ending December 31,	G.O. Bonds		G.O. Tax Increment Bonds		G.O. Taxable Housing Bonds		G.O. Improvement Bonds		Technology Subscriptions	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 160,000	\$ 8,000	\$ 200,000	\$ 82,828	\$ 30,000	\$ 10,345	\$ 3,350,000	\$ 1,355,949	\$ 115,275	\$ 12,186
2026	–	–	205,000	78,371	30,000	9,603	3,150,000	1,524,699	123,185	7,540
2027	–	–	210,000	73,598	30,000	8,778	2,945,000	1,391,618	63,913	2,576
2028	–	–	215,000	68,496	30,000	7,953	2,735,000	1,262,330	–	–
2029	–	–	220,000	63,058	30,000	7,128	2,540,000	1,141,943	–	–
2030–2034	–	–	1,220,000	217,643	180,000	20,301	8,780,000	4,383,818	–	–
2035–2039	–	–	825,000	38,850	40,000	620	3,930,000	3,065,750	–	–
2040–2044	–	–	–	–	–	–	3,990,000	2,181,400	–	–
2045–2049	–	–	–	–	–	–	4,675,000	1,329,100	–	–
2050–2053	–	–	–	–	–	–	4,235,000	343,100	–	–
Total	\$ 160,000	\$ 8,000	\$ 3,095,000	\$ 622,844	\$ 370,000	\$ 64,728	\$40,330,000	\$17,979,707	\$ 302,373	\$ 22,302

D. Descriptions of Long-Term Debt

- **General Obligation Bonds** – The City has an outstanding series of equipment certificates, issued in accordance with Minnesota Statutes § 412.301, to finance the purchase of equipment. These certificates will be repaid primarily by ad valorem tax levies.
- **General Obligation Tax Increment Bonds** – The City has established tax increment financing districts and has issued general obligation tax increment bonds in accordance with Minnesota Statutes. It is anticipated that the tax increment revenues, derived from the captured assessed value of property in the tax increment district, will provide substantially all funds necessary to retire the bond principal and interest. In addition, future tax levies may be placed on the tax rolls annually as scheduled for supplementary financing.
- **General Obligation Taxable Housing Bonds** – These bonds were issued to finance improvements to designated housing projects. The bonds are repaid from assessments to the benefiting properties.

NOTE 6 – LONG-TERM DEBT (CONTINUED)

- **General Obligation Improvement Bonds** – These bonds were issued for the acquisition and construction of major capital improvements or to refinance (refund) previous bond issues. These bonds will be repaid by ad valorem tax levies, local option sales tax, and special assessments levied on the properties benefitting from the improvements.
- **Technology Subscriptions** – The City entered into agreements to finance the use of software, which call for annual principal and interest payments through December 2027. These agreements are paid by the General and nonmajor Forfeited Proceeds Special Revenue Funds. The total amount of the underlying subscription assets and the related accumulated amortization is presented in Note 5 of the notes to basic financial statements.

Subscription Description	Interest Rate	Date	Final Maturity	Principal Outstanding
Open Gov	4.03%	01/01/2023	12/31/2026	\$ 120,140
Neo Gov	4.03%	01/01/2023	12/12/2027	37,361
Motorola Solutions	4.03%	01/01/2023	11/18/2027	144,872
				<u>\$ 302,373</u>

- **Other Long-Term Liabilities** – The City provides its employees with various benefits, including compensated absences, pension benefits, and OPEB as further described elsewhere in these notes. The General, Water, Sewer, and Internal Service Funds will be used to liquidate these liabilities.

E. Arbitrage Rebate

The Tax Reform Act of 1986 requires governmental entities to pay to the federal government income earned on the proceeds from the issuance of debt in excess of interest costs, pending the expenditure of the borrowed funds. This rebate of interest income (known as arbitrage) applies to governmental debt issued after August 31, 1986. In the opinion of management, any obligation would be immaterial.

NOTE 6 – LONG-TERM DEBT (CONTINUED)

F. Revenue Pledged

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

Debt Issue	Use of Proceeds	Revenue Pledged			Remaining Principal and Interest	Current Year	
		Type	Percent of Total Debt Service	Term of Pledge		Principal and Interest Paid	Pledged Revenue Received
2014B G.O. Improvement	Street and site improvements	Assessments/property tax	100%	2015–2025	\$ 237,938	\$ 243,813	\$ 53,201
2015A G.O. Improvement	Street and site improvements	Assessments/property tax	100%	2016–2026	\$ 542,256	\$ 281,563	\$ 196,693
2016A G.O. Improvement	Street and site improvements	Assessments/property tax	100%	2018–2027	\$ 587,100	\$ 203,300	\$ 148,194
2016C Taxable G.O. Housing	Housing rehabilitation	Assessments	100%	2018–2035	\$ 434,728	\$ 40,990	\$ 46,359
2016D Tax Increment Revenue	Oakdale Mall project	TIF	100%	2015–2037	\$ 3,717,844	\$ 281,928	\$ 283,000
2017A G.O. Improvement	Street and site improvements	Assessments/property tax	100%	2019–2028	\$ 1,139,913	\$ 294,875	\$ 232,446
2018A G.O. Improvement	Street and site improvements	Assessments/property tax	100%	2020–2029	\$ 468,075	\$ 99,325	\$ 83,475
2019A G.O. Improvement	Street and site improvements	Assessments/property tax	100%	2020–2030	\$ 1,908,325	\$ 334,525	\$ 280,344
2020A G.O. Improvement	Refund 2006A/ Street and site improvements	Assessments/property tax	100%	2021–2031	\$ 1,632,825	\$ 311,500	\$ 292,594
2021A G.O. Improvement	Street and site improvements	Assessments/property tax	100%	2021–2032	\$ 2,320,331	\$ 313,418	\$ 252,842
2022A G.O. Improvement	Street improvement projects	Assessments/property tax	100%	2022–2033	\$ 6,265,750	\$ 843,075	\$ 753,341
2023A G.O. Improvement	Street improvement projects	Assessments/property tax	100%	2023–2034	\$ 3,615,500	\$ 98,908	\$ 428,179
2024A G.O. Improvement, Abatement, Sales Tax, and CIP	Improvement projects	Assessments/property tax/ Local option sales tax	100%	2024–2053	\$ 39,591,694	\$ –	\$ 571,824

NOTE 7 – DEFINED BENEFIT PENSION PLANS

Employees of the City participate in two defined benefit pension plans. Both of the plans are state-wide, cost-sharing, multiple-employer defined benefit pension plans administered by the Public Employee Retirement Association (PERA) of Minnesota; the General Employees Retirement Fund (GERF) and the Public Employees Police and Fire Fund (PEPFF). The details of the City's participation in each of these plans are presented later in these notes. The following table summarizes the impact of these plans on the City's government-wide financial statements:

Pension Plans	Net Pension Liabilities	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
PERA – GERF	\$ 2,622,706	\$ 668,768	\$ 1,926,437	\$ 269,336
PERA – PEPFF	6,306,309	10,620,901	11,086,836	1,407,069
Total – all pensions	<u>\$ 8,929,015</u>	<u>\$ 11,289,669</u>	<u>\$ 13,013,273</u>	<u>\$ 1,676,405</u>

NOTE 8 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE

A. Plan Descriptions

The City participates in the following cost-sharing, multiple-employer defined benefit pension plans administered by the PERA of Minnesota. These plan provisions are established and administered according to Minnesota Statutes, Chapters 353 and 356. Minnesota Statutes Chapter 356 defines each plan's financial reporting requirements. The PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code (IRC).

1. General Employees Retirement Fund (GERF)

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

2. Public Employees Police and Fire Fund (PEPFF)

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

B. Benefits Provided

The PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statutes and can only be modified by the State Legislature. Vested, terminated employees who are entitled to benefits, but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service. When a member is "vested," they have earned enough service credit to receive a lifetime monthly benefit after leaving public service and reaching an eligible retirement age. Members who retire at or over their Social Security full retirement age with at least one year of service qualify for a retirement benefit.

1. GERF Benefits

The GERF requires three years of service to vest. Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for GERF members. Members hired prior to July 1, 1989, receive the higher of the Step or Level formulas. Only the Level formula is used for members hired after June 30, 1989. Under the Step formula, GERF members receive 1.2 percent of the highest average salary for each of the first 10 years of service, and 1.7 percent for each additional year. Under the Level formula, GERF members receive 1.7 percent of highest average salary for all years of service. For members hired prior to July 1, 1989, a full retirement benefit is available when age plus years of service equal 90, and normal retirement age is 65. Members can receive a reduced retirement benefit as early as age 55 if they have three or more years of service. Early retirement benefits are reduced by 0.25 percent for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of 0.25 percent for each month the member is younger than age 62. The Level formula allows GERF members to receive a full retirement benefit at age 65 if they were first hired before July 1, 1989 or at age 66 if they were hired on or after July 1, 1989. Early retirement begins at age 55 with an actuarial reduction applied to the benefit.

NOTE 8 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Benefit increases are provided to benefit recipients each January. The post-retirement increase is equal to 50.0 percent of the cost of living adjustment (COLA) announced by the Social Security Administration, with a minimum increase of at least 1.0 percent and a maximum of 1.5 percent. The 2024 annual increase was 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase, will receive the full increase. Recipients receiving the annuity or benefit for at least one month, but less than a full year as of the June 30 before the effective date of the increase, will receive a prorated increase.

2. PEPFF Benefits

Benefits for PEPFF members first hired before July 1, 2010, are vested after three years of service. Members hired on or after July 1, 2010, are 50.0 percent vested after five years of service, and 100.0 percent vested after 10 years. After five years, vesting increases by 10.0 percent each full year of service until members are 100.0 percent vested after ten years. Police and Fire Plan members receive 3.0 percent of highest average salary for all years of service. Police and Fire Plan members receive a full retirement benefit when they are age 55 and vested, or when their age plus their years of service equals 90 or greater if they were first hired before July 1, 1989. Early retirement starts at age 50, and early retirement benefits are reduced by 0.417 percent each month members are younger than age 55.

Benefit increases are provided to benefit recipients each January. The post-retirement increase is fixed at 1.0 percent. Recipients that have been receiving the annuity or benefit for at least 36 months as of the June 30 before the effective date of the increase, will receive the full increase. Recipients receiving the annuity or benefit for at least 25 months, but less than 36 months, as of the June 30 before the effective date of the increase, will receive a prorated increase.

C. Contributions

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

1. GERF Contributions

General Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2024, and the City was required to contribute 7.50 percent for General Plan members. The City's contributions to the GERF for the year ended December 31, 2024, were \$449,463. The City's contributions were equal to the required contributions as set by state statutes.

2. PEPFF Contributions

Police and Fire Plan members were required to contribute 11.80 percent of their annual covered salary in fiscal year 2024, and the City was required to contribute 17.70 percent for Police and Fire Plan members. The City's contributions to the PEPFF for the year ended December 31, 2024, were \$1,221,736. The City's contributions were equal to the required contributions as set by state statutes.

NOTE 8 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

D. Pension Costs

1. GERF Pension Costs

At December 31, 2024, the City reported a liability of \$2,622,706 for its proportionate share of the GERF's net pension liability. The City's net pension liability reflected a reduction, due to the state of Minnesota's contribution of \$16.0 million. The state of Minnesota is considered a nonemployer contributing entity and the state's contribution meets the definition of a special funding situation. The state of Minnesota's proportionate share of the net pension liability associated with the City totaled \$67,818.

City's proportionate share of the net pension liability	\$ 2,622,706
State's proportionate share of the net pension liability associated with the City	<u>67,818</u>
Total	<u>\$ 2,690,524</u>

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by the PERA during the measurement period for employer payroll paid dates from July 1, 2023 through June 30, 2024, relative to the total employer contributions received from all of the PERA's participating employers. The City's proportionate share was 0.0709 percent at the end of the measurement period and 0.0733 percent for the beginning of the period.

For the year ended December 31, 2024, the City recognized pension expense of \$267,518 for its proportionate share of the GERF's pension expense. In addition, the City recognized an additional \$1,818 as pension expense (and grant revenue) for its proportionate share of the state of Minnesota's contribution of \$16.0 million to the GERF.

During the plan year ended June 30, 2024, the state of Minnesota contributed \$170.1 million to the General Employees Fund. The state of Minnesota is not included as a nonemployer contributing entity in the General Employees Plan pension allocation schedules for the \$170.1 million in direct state aid because this contribution was not considered to meet the definition of a special funding situation. The City recognized \$120,669 for the year ended December 31, 2024 as revenue and an offsetting reduction of net pension liability for its proportionate share of the state of Minnesota's on-behalf contributions to the General Employees Fund.

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 248,301	\$ –
Changes in actuarial assumptions	12,400	1,016,736
Net difference between projected and actual earnings on pension plan investments	–	794,826
Changes in proportion	182,160	114,875
Employer contributions subsequent to the measurement date	<u>225,907</u>	<u>–</u>
Total	<u>\$ 668,768</u>	<u>\$ 1,926,437</u>

NOTE 8 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

The \$225,907 reported as deferred outflows of resources related to pensions resulting from city contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Pension Expense Amount</u>
2025	\$ (811,005)
2026	\$ (114,406)
2027	\$ (357,152)
2028	\$ (201,013)

2. PEPFF Pension Costs

At December 31, 2024, the City reported a liability of \$6,306,309 for its proportionate share of the PEPFF's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by the PERA during the measurement period for employer payroll paid dates from July 1, 2023 through June 30, 2024, relative to the total employer contributions received from all of the PERA's participating employers. The City's proportionate share was 0.4793 percent at the end of the measurement period and 0.4639 percent for the beginning of the period.

The state of Minnesota contributed \$37.4 million to the PEPFF in the plan fiscal year ended June 30, 2024. The contribution consisted of \$9.0 million in direct state aid that meets the definition of a special funding situation, additional one-time direct state aid contribution of \$19.4 million, and \$9.0 million in supplemental state aid that does not meet the definition of a special funding situation. Additionally, the \$9.0 million supplemental state aid was paid on October 1, 2024. Thereafter, by October 1 of each year, the state will pay \$9.0 million to the PEPFF until full funding is reached or July 1, 2048, whichever is earlier. The \$9.0 million in supplemental state aid will continue until the fund is 90.0 percent funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90.0 percent funded, whichever occurs later. The state of Minnesota's proportionate share of the net pension liability associated with the City totaled \$240,394.

City's proportionate share of the net pension liability	\$ 6,306,309
State's proportionate share of the net pension liability associated with the City	<u>240,394</u>
Total	<u><u>\$ 6,546,703</u></u>

NOTE 8 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

For the year ended December 31, 2024, the City recognized pension expense of \$1,380,181 for its proportionate share of the Police and Fire Plan's pension expense. The City recognized \$26,888 as grant revenue and pension expense for its proportionate share of the state of Minnesota's pension expense for the contribution of \$9.0 million to the PEPFF special funding situation.

The state of Minnesota is not included as a nonemployer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$28.4 million in supplemental state aid because this contribution was not considered to meet the definition of a special funding situation. The City recognized \$136,120 for the year ended December 31, 2024 as revenue and an offsetting reduction of net pension liability for its proportionate share of the state of Minnesota's on-behalf contributions to the PEPFF.

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 2,306,090	\$ –
Changes in actuarial assumptions	5,732,736	8,984,160
Net difference between projected and actual earnings on pension plan investments	–	1,975,316
Changes in proportion	1,956,543	127,360
Employer contributions subsequent to the measurement date	625,532	–
Total	<u>\$ 10,620,901</u>	<u>\$ 11,086,836</u>

The \$625,532 reported as deferred outflows of resources related to pensions resulting from city contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	Pension Expense Amount
2025	\$ (86,401)
2026	\$ 1,388,049
2027	\$ (635,725)
2028	\$ (1,947,166)
2029	\$ 189,776

NOTE 8 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

E. Long-Term Expected Return on Investments

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

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

F. Actuarial Methods and Assumptions

The total pension liability for each of the cost-sharing defined benefit plans was determined by an actuarial valuation as of June 30, 2024, using the entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 7.00 percent. This assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of investment return rates considered reasonable by the actuary. An investment return of 7.00 percent is within that range.

Inflation is assumed to be 2.25 percent for the General Employees Plan and the Police and Fire Plan. Benefit increases after retirement are assumed to be 1.25 percent for the General Employees Plan and 1.00 percent for the Police and Fire Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25 percent after one year of service to 3.00 percent after 27 years of service. In the Police and Fire Plan, salary growth assumptions range in annual increments from 11.75 percent after one year of service to 3.00 percent after 24 years of service.

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

Actuarial assumptions for the General Employees Plan are reviewed every four years. The General Employees Plan was last reviewed in 2022. The assumption changes were adopted by the Board and became effective with the July 1, 2023 actuarial valuation. The Police and Fire Plan was reviewed in 2024. The PERA anticipates the experience study will be approved by the Legislative Commission on Pensions and Retirement and become effective with the July 1, 2025 actuarial valuation.

NOTE 8 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

The following changes in actuarial assumptions and plan provisions occurred in 2024:

1. GERF

CHANGES IN ACTUARIAL ASSUMPTIONS

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

CHANGES IN PLAN PROVISIONS

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

2. PEPFF

CHANGES IN PLAN PROVISIONS

- The state contribution of \$9.0 million per year will continue until the earlier of 1) both the Police and Fire Plan and the State Patrol Retirement Fund attain 90.00 percent funded status for three consecutive years (on an actuarial value of assets basis) or 2) July 1, 2048. The contribution was previously due to expire after attaining a 90.00 percent funded status for one year.
- The additional \$9.0 million contribution will continue until the Police and Fire Plan is fully funded for a minimum of three consecutive years on an actuarial value of assets basis, or July 1, 2048, whichever is earlier. This contribution was previously due to expire upon attainment of fully funded status on an actuarial value of assets basis for one year (or July 1, 2048 if earlier).

G. Discount Rate

The discount rate used to measure the total pension liability in 2024 was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees Fund and the Police and Fire Fund were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 8 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

H. Pension Liability Sensitivity

The following table presents the City's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding section, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
City's proportionate share of the GERF net pension liability	\$ 5,728,413	\$ 2,622,706	\$ 67,980
City's proportionate share of the PEPFF net pension liability	\$ 14,903,040	\$ 6,306,309	\$ (753,406)

I. Pension Plan Fiduciary Net Position

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

NOTE 9 – DEFINED CONTRIBUTION PLAN

Councilmembers of the City are covered by the Public Employees Defined Contribution Plan (PEDCP), a multiple-employer deferred compensation plan administered by the PERA. The PEDCP is a tax qualified plan under Section 401(a) of the IRC, and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. Minnesota Statutes, Chapter 353D and 356, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5.00 percent of their salary, which is matched by the elected official's employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees, contributions must be a fixed percentage of salary. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, the PERA receives 2.00 percent of employer contributions and 25 hundredths of 1.00 percent (0.25 percent) of the assets in each member's account annually.

Total contributions made by the City during fiscal year 2024 were:

Contribution Amount		Percentage of Covered Payroll		Required Rate for Employees and Employers
Employee	Employer	Employee	Employer	
\$ 1,795	\$ 1,795	5.00%	5.00%	5.00%

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN

A. Plan Description

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

B. Benefits Provided

All retirees of the City have the option under state law to continue their medical insurance coverage through the City from the time of retirement until the employee reaches the age of eligibility for Medicare. For members of all employee groups, the retiree must pay the full premium to continue coverage for medical and dental insurance. Per state statutes, the City is also required to contribute towards the cost of continued health insurance coverage for officers and firefighters disabled or killed in the line of duty.

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

C. Contributions

The required contribution is based on projected pay-as-you-go financing requirements, with additional amounts to prefund benefits as determined periodically by the City. The City's current year required pay-as-you-go contributions to finance the benefits described in the previous section totaled \$84,744.

D. Membership

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

Retirees and beneficiaries receiving benefits	7
Active plan members	<u>123</u>
Total members	<u><u>130</u></u>

E. Total OPEB Liability of the City

The City's total OPEB liability of \$2,462,950 as of year-end was measured as of December 31, 2023, and was determined by an actuarial valuation as of December 31, 2022.

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

F. Actuarial Methods and Assumptions

The total OPEB liability was determined by an actuarial valuation as of December 31, 2022, using the entry-age normal level percent of pay method. The following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Discount rate	3.77%
20-year municipal bond yield	3.77%
Inflation rate	2.50% per year
Healthcare cost trend rate	7.60% for 2023 gradually decreasing to an ultimate rate of 3.90% in 2075 and beyond

Since the Plan is not funded by an irrevocable trust, the discount rate is equal to the 20-year municipal bond yield.

Mortality rates were based on the Pub-2010 Public Safety Mortality Tables with projected mortality improvements based on Scale MP-2021, and other adjustments for the police and fire employees. Mortality rates for the General Employees Plan were based on Pub-2010 General Mortality Tables with projected mortality improvements based on Scale MP-2021, and other adjustments.

G. Changes in the Total OPEB Liability

	Total OPEB Liability
Beginning balance	\$ 2,190,035
Changes for the year	
Service cost	183,274
Interest	94,725
Differences between expected and actual experience	2,436
Changes of assumptions	61,302
Benefit payments	(68,822)
Total net changes	<u>272,915</u>
Ending balance	<u>\$ 2,462,950</u>

Assumption changes since the prior measurement date include the following:

- The discount rate was changed from 4.05 percent to 3.77 percent.

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)**H. Total OPEB Liability Sensitivity to Discount and Healthcare Cost Trend Rate Changes**

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

	<u>1% Decrease in Discount Rate</u>	<u>Current Discount Rate</u>	<u>1% Increase in Discount Rate</u>
OPEB discount rate	2.77%	3.77%	4.77%
Total OPEB liability	\$ 2,695,244	\$ 2,462,950	\$ 2,251,293

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	<u>1% Decrease in Healthcare Cost Trend Rate</u>	<u>Current Healthcare Cost Trend Rate</u>	<u>1% Increase in Healthcare Cost Trend Rate</u>
OPEB healthcare cost trend rate	6.60% decreasing to 2.90% over 51 years	7.60% decreasing to 3.90% over 51 years	8.60% decreasing to 4.90% over 51 years
Total OPEB liability	\$ 2,146,384	\$ 2,462,950	\$ 2,838,183

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

For the current year ended, the City recognized OPEB expense of \$164,604. As of year-end, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual liability	\$ 6,424	\$ 300,998
Changes in actuarial assumptions	264,392	656,421
Contributions subsequent to the measurement date	84,744	—
Total	<u>\$ 355,560</u>	<u>\$ 957,419</u>

A total of \$84,744 reported as deferred outflows of resources related to OPEB resulting from city contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending December 31, 2025. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending December 31,</u>	<u>OPEB Expense Amount</u>
2025	\$ (113,395)
2026	\$ (113,395)
2027	\$ (114,650)
2028	\$ (125,512)
2029	\$ (67,435)
Thereafter	\$ (152,216)

NOTE 11 – NET POSITION/FUND BALANCE

A. Net Investment in Capital Assets

The government-wide Statement of Net Position at December 31, 2024 includes the City's net investment in capital assets calculated as follows:

	Governmental Activities	Business-Type Activities	Total
Net investment in capital assets			
Capital assets			
Nondepreciable	\$ 24,443,262	\$ 55,966	\$ 24,499,228
Depreciable, net of accumulated depreciation/amortization	28,224,048	36,393,700	64,617,748
Add unspent bond proceeds	21,194,548	—	21,194,548
Less capital-related long-term debt outstanding	(42,919,826)	—	(42,919,826)
Less capital-related accounts/contracts payable	(4,047,165)	—	(4,047,165)
Total net investment in capital assets	<u>\$ 26,894,867</u>	<u>\$ 36,449,666</u>	<u>\$ 63,344,533</u>

B. Governmental Fund Balance Classifications

At December 31, 2024, the City had the following governmental fund balances:

	General	Street Maintenance	Tax Increment #2-12	Public Works Facility	Nonmajor	Total
Nonspendable						
Prepaid items	\$ 414,742	\$ —	\$ —	\$ —	\$ —	\$ 414,742
Restricted						
Tax increment	—	—	—	—	6,464,509	6,464,509
Public safety	881,196	—	—	—	168,681	1,049,877
Debt service	—	—	—	—	7,273,736	7,273,736
Capital improvements	—	—	—	17,948,910	1,957,704	19,906,614
Recreation and community events	—	—	—	—	449,779	449,779
Local affordable housing	—	—	—	—	181,546	181,546
Park development	—	—	—	—	847,513	847,513
Total restricted	<u>881,196</u>	<u>—</u>	<u>—</u>	<u>17,948,910</u>	<u>17,343,468</u>	<u>36,173,574</u>
Committed						
Wellness	—	—	—	—	9,475	9,475
Recovery loans	—	—	—	—	271,707	271,707
Total committed	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>281,182</u>	<u>281,182</u>
Assigned						
Budget carryover/uncompleted projects	127,337	—	—	—	—	127,337
Capital improvements	—	—	—	—	9,898,941	9,898,941
Debt service	—	—	—	—	1,207,225	1,207,225
Future buildings	—	—	—	—	704,932	704,932
Parks and recreation	—	—	—	—	1,875,712	1,875,712
Utility system replacements	—	—	—	—	5,598,669	5,598,669
Drinking water	—	—	—	—	111,000	111,000
Total assigned	<u>127,337</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>19,396,479</u>	<u>19,523,816</u>
Unassigned	<u>14,726,502</u>	<u>(71,694)</u>	<u>(2,774,231)</u>	<u>—</u>	<u>(82,013)</u>	<u>11,798,564</u>
Total	<u>\$ 16,149,777</u>	<u>\$ (71,694)</u>	<u>\$ (2,774,231)</u>	<u>\$ 17,948,910</u>	<u>\$ 36,939,116</u>	<u>\$ 68,191,878</u>

NOTE 11 – NET POSITION/FUND BALANCE (CONTINUED)

C. Minimum Unassigned Fund Balance Policy

The City Council has formally adopted a policy regarding the minimum unassigned fund balance for the General Fund. The City will strive to maintain a minimum unassigned General Fund balance in a range between five and a half and six months (45.83 percent and 50.00 percent) of the subsequent year's budgeted expenditures for working capital, which will avoid issuing short-term debt to meet the cash flow needs of the current operating budget during the time between significant collection of major revenue sources, such as property taxes. At December 31, 2024, the unassigned fund balance for the General Fund was 63.00 percent of the subsequent year's budgeted expenditures.

D. Deficit Fund Balances/Net Position

The following funds have a deficit fund balance/net position at December 31, 2024:

	<u>Amount</u>
Governmental	
Capital Projects Fund	
Street Maintenance	\$ 71,694
Tax Increment #2-12	\$ 2,774,231
Nonmajor Funds	
Capital Projects Fund	
2025 Street Improvements	\$ 79,554
2026 Street Improvements	\$ 2,459
Proprietary	
Internal Service Fund	
Employee Benefit	\$ 13,717,428

The deficit in the Street Maintenance Capital Projects Fund will be reduced and eliminated as the City recognizes its annual MSA allocation of funding each year.

The deficit in the Tax Increment #2-12 Capital Projects Fund will be reduced and eliminated as tax increment funds are received as a result of development.

The deficit in the 2025 and 2026 Street Improvements Capital Projects Funds will be reduced and eliminated with future bond proceeds.

The deficit in the Employee Benefit Internal Service Fund will be reduced and eliminated with future pension/OPEB contributions.

NOTE 12 – COMMITMENTS AND CONTINGENCIES

A. Federal and State Funding

Amounts recorded or receivable from federal and state agencies are subject to agency audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of claims which may be disallowed by the grantor agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

NOTE 12 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

B. Legal Claims

The City has the usual and customary type of miscellaneous legal claims pending at year-end. Although the outcome of these lawsuits is not presently determinable, the City's management believes that the City will not incur any material monetary loss resulting from these claims. No loss has been recorded on the City's financial statements relating to these claims.

C. Tax Increment Districts

The City's tax increment districts are subject to review by the Minnesota Office of the State Auditor. 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.

D. Construction Contracts

The City has several outstanding contracts at year-end. A liability for work completed has been recorded as contracts payable. The City's commitment for uncompleted work on these contracts at December 31, 2024 is \$23,416,967.

NOTE 13 – CONDUIT DEBT OBLIGATION

From time to time, the City has issued rental housing revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of rental housing 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, 2024, there were four series of rental housing revenue bonds outstanding. The aggregate issued amount was \$55,150,000, including: 2012 refunding issue of \$10,040,000; 2016 issue of \$19,950,000; 2023 issue of \$22,000,000; 2023 issue of \$3,160,000. The balance outstanding at December 31, 2024 is unavailable.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF OAKDALE

PERA – General Employees Retirement Fund
Schedule of City's and Nonemployer Proportionate Share of Net Pension Liability
Year Ended December 31, 2024

City Fiscal Year-End Date	PERA Fiscal Year-End Date (Measurement Date)	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability	City's Proportionate Share of the State of Minnesota's Proportionate Share of the Net Pension Liability	Proportionate Share of the Net Pension Liability and the City's Share of the State of Minnesota's Share of the Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2015	06/30/2015	0.0671%	\$ 3,477,470	\$ —	\$ 3,477,470	\$ 3,943,891	88.17%	78.2%
12/31/2016	06/30/2016	0.0672%	\$ 5,456,307	\$ 71,285	\$ 5,527,592	\$ 4,325,114	126.15%	68.9%
12/31/2017	06/30/2017	0.0665%	\$ 4,245,316	\$ 53,389	\$ 4,298,705	\$ 4,284,735	99.08%	75.9%
12/31/2018	06/30/2018	0.0675%	\$ 3,744,623	\$ 122,982	\$ 3,867,605	\$ 4,540,594	82.47%	79.5%
12/31/2019	06/30/2019	0.0675%	\$ 3,731,924	\$ 115,995	\$ 3,847,919	\$ 4,773,850	78.17%	80.2%
12/31/2020	06/30/2020	0.0684%	\$ 4,100,893	\$ 126,440	\$ 4,227,333	\$ 4,875,048	84.12%	79.1%
12/31/2021	06/30/2021	0.0702%	\$ 2,997,855	\$ 91,619	\$ 3,089,474	\$ 5,055,654	59.30%	87.0%
12/31/2022	06/30/2022	0.0687%	\$ 5,441,063	\$ 159,484	\$ 5,600,547	\$ 5,142,723	105.80%	76.7%
12/31/2023	06/30/2023	0.0733%	\$ 4,098,854	\$ 112,960	\$ 4,211,814	\$ 5,826,429	70.35%	83.1%
12/31/2024	06/30/2024	0.0709%	\$ 2,622,706	\$ 67,818	\$ 2,690,524	\$ 6,004,271	43.68%	89.1%

PERA – General Employees Retirement Fund
Schedule of City Contributions
Year Ended December 31, 2024

City Fiscal Year-End Date	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2015	\$ 301,636	\$ 301,636	\$ —	\$ 4,025,698	7.49%
12/31/2016	\$ 316,100	\$ 316,100	\$ —	\$ 4,214,659	7.50%
12/31/2017	\$ 326,799	\$ 326,799	\$ —	\$ 4,357,322	7.50%
12/31/2018	\$ 351,531	\$ 351,531	\$ —	\$ 4,687,075	7.50%
12/31/2019	\$ 366,587	\$ 366,587	\$ —	\$ 4,887,817	7.50%
12/31/2020	\$ 367,895	\$ 367,895	\$ —	\$ 4,905,283	7.50%
12/31/2021	\$ 381,763	\$ 381,763	\$ —	\$ 5,091,321	7.50%
12/31/2022	\$ 400,437	\$ 400,437	\$ —	\$ 5,334,898	7.51%
12/31/2023	\$ 445,468	\$ 445,468	\$ —	\$ 5,939,577	7.50%
12/31/2024	\$ 449,463	\$ 449,463	\$ —	\$ 5,989,102	7.50%

CITY OF OAKDALE

PERA – Public Employees Police and Fire Fund
Schedule of City's and Nonemployer Proportionate Share of Net Pension Liability
Year Ended December 31, 2024

City Fiscal Year-End Date	PERA Fiscal Year-End Date (Measurement Date)	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability	City's Proportionate Share of the State of Minnesota's Proportionate Share of the Net Pension Liability	Proportionate Share of the Net Pension Liability and the City's Share of the State of Minnesota's Share of the Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2015	06/30/2015	0.3550%	\$ 4,033,631	\$ –	\$ 4,033,631	\$ 3,233,354	124.75%	86.6%
12/31/2016	06/30/2016	0.3570%	\$ 14,327,031	\$ –	\$ 14,327,031	\$ 3,565,277	401.85%	63.9%
12/31/2017	06/30/2017	0.3540%	\$ 4,779,421	\$ –	\$ 4,779,421	\$ 3,634,022	131.52%	85.4%
12/31/2018	06/30/2018	0.3591%	\$ 3,827,636	\$ –	\$ 3,827,636	\$ 3,639,288	105.18%	88.8%
12/31/2019	06/30/2019	0.3971%	\$ 4,227,531	\$ –	\$ 4,227,531	\$ 4,185,998	100.99%	89.3%
12/31/2020	06/30/2020	0.3954%	\$ 5,211,795	\$ 122,776	\$ 5,334,571	\$ 4,461,545	116.82%	87.2%
12/31/2021	06/30/2021	0.3671%	\$ 2,833,623	\$ 127,390	\$ 2,961,013	\$ 4,345,128	65.21%	93.7%
12/31/2022	06/30/2022	0.4098%	\$ 17,832,877	\$ 779,035	\$ 18,611,912	\$ 4,970,662	358.76%	70.5%
12/31/2023	06/30/2023	0.4639%	\$ 8,010,950	\$ 322,696	\$ 8,333,646	\$ 6,092,952	131.48%	86.5%
12/31/2024	06/30/2024	0.4793%	\$ 6,306,309	\$ 240,394	\$ 6,546,703	\$ 6,637,683	95.01%	90.2%

PERA – Public Employees Police and Fire Fund
Schedule of City Contributions
Year Ended December 31, 2024

City Fiscal Year-End Date	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2015	\$ 543,624	\$ 543,624	\$ –	\$ 3,355,704	16.20%
12/31/2016	\$ 571,063	\$ 571,063	\$ –	\$ 3,525,077	16.20%
12/31/2017	\$ 597,604	\$ 597,604	\$ –	\$ 3,688,916	16.20%
12/31/2018	\$ 639,589	\$ 639,589	\$ –	\$ 3,948,083	16.20%
12/31/2019	\$ 740,973	\$ 740,973	\$ –	\$ 4,371,523	16.95%
12/31/2020	\$ 785,957	\$ 785,957	\$ –	\$ 4,440,437	17.70%
12/31/2021	\$ 833,333	\$ 833,333	\$ –	\$ 4,708,098	17.70%
12/31/2022	\$ 946,446	\$ 946,446	\$ –	\$ 5,340,909	17.72%
12/31/2023	\$ 1,130,262	\$ 1,130,262	\$ –	\$ 6,385,657	17.70%
12/31/2024	\$ 1,221,736	\$ 1,221,736	\$ –	\$ 6,905,596	17.69%

CITY OF OAKDALE

Other Post-Employment Benefits Plan
Schedule of Changes in the City's Total
OPEB Liability and Related Ratios
Year Ended December 31, 2024

City financial statement year ended December 31, Measurement period – December 31,	Fiscal Year						
	2018	2019	2020	2021	2022	2023	2024
	2017	2018	2019	2020	2021	2022	2023
Total OPEB liability							
Service cost	\$ 145,946	\$ 167,671	\$ 145,721	\$ 169,902	\$ 155,517	\$ 164,404	\$ 183,274
Interest	91,707	90,675	85,838	73,292	53,116	52,626	94,725
Differences between expected and actual experience	–	(337,938)	–	(287,259)	(2,270)	5,377	2,436
Changes of assumptions	138,015	(263,661)	150,436	108,045	46,520	(700,666)	61,302
Benefit payments	(60,629)	(69,296)	(51,755)	(57,709)	(60,138)	(54,823)	(68,822)
Net change in total OPEB liability	315,039	(412,549)	330,240	6,271	192,745	(533,082)	272,915
Total OPEB liability – beginning of year	2,291,371	2,606,410	2,193,861	2,524,101	2,530,372	2,723,117	2,190,035
Total OPEB liability – end of year	\$ 2,606,410	\$ 2,193,861	\$ 2,524,101	\$ 2,530,372	\$ 2,723,117	\$ 2,190,035	\$ 2,462,950
Covered-employee payroll	\$ 8,364,847	\$ 8,964,148	\$ 9,626,556	\$ 9,702,898	\$ 10,685,373	\$ 11,115,300	\$ 12,757,644
Total OPEB liability as a percentage of covered-employee payroll	31.2%	24.5%	26.2%	26.1%	25.5%	19.7%	19.3%

Note 1: The City has not established a trust fund to finance GASB Statement No. 75 related benefits.

Note 2: The City implemented GASB Statement No. 75 in fiscal 2018. This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

CITY OF OAKDALE

Notes to Required Supplementary Information December 31, 2024

PERA – GENERAL EMPLOYEES RETIREMENT FUND

2024 CHANGES IN ACTUARIAL ASSUMPTIONS

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

2024 CHANGES IN PLAN PROVISIONS

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

2023 CHANGES IN ACTUARIAL ASSUMPTIONS

- The investment return assumption and single discount rate were changed from 6.50 percent to 7.00 percent.

2023 CHANGES IN PLAN PROVISIONS

- An additional one-time direct state aid contribution of \$170.1 million will be contributed to the Plan on October 1, 2023.
- The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service.
- The benefit increase delay for early retirements on or after January 1, 2024, was eliminated.
- A one-time, noncompounding benefit increase of 2.50 percent minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

2022 CHANGES IN ACTUARIAL ASSUMPTIONS

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

2021 CHANGES IN ACTUARIAL ASSUMPTIONS

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

PERA – GENERAL EMPLOYEES RETIREMENT FUND (CONTINUED)

2020 CHANGES IN ACTUARIAL ASSUMPTIONS

- The price inflation assumption was decreased from 2.50 percent to 2.25 percent.
- The payroll growth assumption was decreased from 3.25 percent to 3.00 percent.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25 percent less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years two through five, and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 Table to the Pub-2010 General Mortality Table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 Disabled Annuitant Mortality Table to the Pub-2010 General/Teacher Disabled Annuitant Mortality Table, with adjustments.
- The mortality improvement scale was changed from MP-2018 to MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100.00 percent joint and survivor option changed from 35.00 percent to 45.00 percent. The assumed number of married female new retirees electing the 100.00 percent joint and survivor option changed from 15.00 percent to 30.00 percent. The corresponding number of married new retirees electing the life annuity option was adjusted accordingly.

2020 CHANGES IN PLAN PROVISIONS

- Augmentation for current privatized members was reduced to 2.00 percent for the period July 1, 2020 through December 31, 2023, and zero percent thereafter. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2019 CHANGES IN ACTUARIAL ASSUMPTIONS

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

2019 CHANGES IN PLAN PROVISIONS

- The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The state's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

PERA – GENERAL EMPLOYEES RETIREMENT FUND (CONTINUED)

2018 CHANGES IN ACTUARIAL ASSUMPTIONS

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.00 percent per year through 2044, and 2.50 percent per year thereafter, to 1.25 percent per year.

2018 CHANGES IN PLAN PROVISIONS

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

2017 CHANGES IN ACTUARIAL ASSUMPTIONS

- The Combined Service Annuity (CSA) loads were changed from 0.80 percent for active members and 60.00 percent for vested and nonvested deferred members. The revised CSA loads are now zero percent for active member liability, 15.00 percent for vested deferred member liability, and 3.00 percent for nonvested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year for all years, to 1.00 percent per year through 2044, and 2.50 percent per year thereafter.

2017 CHANGES IN PLAN PROVISIONS

- The state's contribution for the Minneapolis Employees Retirement Fund equals \$16.0 million in 2017 and 2018, and \$6.0 million thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21.0 million to \$31.0 million in calendar years 2019 to 2031. The state's contribution changed from \$16.0 million to \$6.0 million in calendar years 2019 to 2031.

2016 CHANGES IN ACTUARIAL ASSUMPTIONS

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2035, and 2.50 percent per year thereafter, to 1.00 percent per year for all years.
- The assumed investment return was changed from 7.90 percent to 7.50 percent. The single discount rate changed from 7.90 percent to 7.50 percent.
- Other assumptions were changed pursuant to the experience study June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth, and 2.50 percent for inflation.

PERA – GENERAL EMPLOYEES RETIREMENT FUND (CONTINUED)

2015 CHANGES IN ACTUARIAL ASSUMPTIONS

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2030, and 2.50 percent per year thereafter, to 1.00 percent per year through 2035, and 2.50 percent per year thereafter.

2015 CHANGES IN PLAN PROVISIONS

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892.0 million. Upon consolidation, state and employer contributions were revised; the state's contribution of \$6.0 million, which meets the special funding situation definition, was due September 2015.

PERA – PUBLIC EMPLOYEES POLICE AND FIRE FUND

2024 CHANGES IN PLAN PROVISIONS

- The state contribution of \$9.0 million per year will continue until the earlier of 1) both the Police and Fire Plan and the State Patrol Retirement Fund attain 90.00 percent funded status for three consecutive years (on an actuarial value of assets basis) or 2) July 1, 2048. The contribution was previously due to expire after attaining a 90.00 percent funded status for one year.
- The additional \$9.0 million contribution will continue until the Police and Fire Plan is fully funded for a minimum of three consecutive years on an actuarial value of assets basis, or July 1, 2048, whichever is earlier. This contribution was previously due to expire upon attainment of fully funded status on an actuarial value of assets basis for one year (or July 1, 2048 if earlier).

2023 CHANGES IN ACTUARIAL ASSUMPTIONS

- The investment return assumption was changed from 6.50 percent to 7.00 percent.
- The single discount rate changed from 5.40 percent to 7.00 percent.

2023 CHANGES IN PLAN PROVISIONS

- Additional one-time direct state aid contribution of \$19.4 million will be contributed to the Plan on October 1, 2023.
- Vesting requirement for new hires after June 30, 2014, was changed from a graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50.00 percent vesting after five years, increasing incrementally to 100.00 percent after 10 years.
- A one-time, noncompounding benefit increase of 3.00 percent will be payable in a lump sum for calendar year 2024 by March 31, 2024.
- Psychological treatment is required effective July 1, 2023, prior to approval for a duty disability benefit for a psychological condition relating to the member's occupation.
- The total and permanent duty disability benefit was increased, effective July 1, 2023.

2022 CHANGES IN ACTUARIAL ASSUMPTIONS

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.
- This single discount rate changed from 6.50 percent to 5.40 percent.

2021 CHANGES IN ACTUARIAL ASSUMPTIONS

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The inflation assumption was changed from 2.50 percent to 2.25 percent.
- The payroll growth assumption was changed from 3.25 percent to 3.00 percent.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 Table to the Pub-2010 Public Safety Mortality Table. The mortality improvement scale was changed from MP-2019 to MP-2020.
- The base mortality table for disabled annuitants was changed from the RP-2014 Healthy Annuitant Mortality Table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety Disabled Annuitant Mortality Table (with future mortality improvement according to Scale MP-2020).
- Assumed rates of salary increase were modified as recommended in the July 14, 2020 experience study. The overall impact is a decrease in gross salary increase rates.

PERA – PUBLIC EMPLOYEES POLICE AND FIRE FUND (CONTINUED)

2021 CHANGES IN ACTUARIAL ASSUMPTIONS (CONTINUED)

- Assumed rates of retirement were changed as recommended in the July 14, 2020 experience study. The changes result in slightly more unreduced retirements and fewer assumed early retirements.
- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations.
- Assumed rates of disability were increased for ages 25–44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities.
- Assumed percent married for active female members was changed from 60.00 percent to 70.00 percent. Minor changes to form of payment assumptions were applied.

2020 CHANGES IN ACTUARIAL ASSUMPTIONS

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

2019 CHANGES IN ACTUARIAL ASSUMPTIONS

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

2018 CHANGES IN ACTUARIAL ASSUMPTIONS

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

2018 CHANGES IN PLAN PROVISIONS

- Post-retirement benefit increases were changed to 1.00 percent for all years, with no trigger.
- An end date of July 1, 2048 was added to the existing \$9.0 million state contribution.
- New annual state aid will equal \$4.5 million in fiscal years 2019 and 2020, and \$9.0 million thereafter, until the plan reaches 100.00 percent funding, or July 1, 2048, if earlier.
- Member contributions were changed from 10.80 percent to 11.30 percent of pay, effective January 1, 2019, and 11.80 percent of pay, effective January 1, 2020.
- Employer contributions were changed from 16.20 percent to 16.95 percent of pay, effective January 1, 2019, and 17.70 percent of pay, effective January 1, 2020.
- Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.
- Deferred augmentation was changed to zero percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 CHANGES IN ACTUARIAL ASSUMPTIONS

- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates.
- Assumed rates of retirement were changed, resulting in fewer retirements.
- The CSA load was 30.00 percent for vested and nonvested deferred members. The CSA has been changed to 33.00 percent for vested members, and 2.00 percent for nonvested members.
- The base mortality table for healthy annuitants was changed from the RP-2000 Fully Generational Table to the RP-2014 Fully Generational Table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 Disabled Mortality Table to the mortality tables assumed for healthy retirees.

PERA – PUBLIC EMPLOYEES POLICE AND FIRE FUND (CONTINUED)

2017 CHANGES IN ACTUARIAL ASSUMPTIONS (CONTINUED)

- Assumed termination rates were decreased to 3.00 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
- Assumed percentage of married female members was decreased from 65.00 percent to 60.00 percent.
- Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.
- The assumed percentage of female members electing joint and survivor annuities was increased.
- The assumed post-retirement benefit increase rate was changed from 1.00 percent for all years, to 1.00 percent per year through 2064, and 2.50 percent thereafter.
- The single discount rate was changed from 5.60 percent per annum to 7.50 percent per annum.

2016 CHANGES IN ACTUARIAL ASSUMPTIONS

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2037, and 2.50 percent per year thereafter, to 1.00 percent per year for all future years.
- The assumed investment return was changed from 7.90 percent to 7.50 percent.
- The single discount rate changed from 7.90 percent to 5.60 percent.
- The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth, and 2.50 percent for inflation.

2015 CHANGES IN ACTUARIAL ASSUMPTIONS

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2030, and 2.50 percent per year thereafter, to 1.00 percent per year through 2037, and 2.50 percent per year thereafter.

2015 CHANGES IN PLAN PROVISIONS

- The post-retirement benefit increase to be paid after attainment of the 90.00 percent funding threshold was changed from inflation up to 2.50 percent, to a fixed rate of 2.50 percent.

OTHER POST-EMPLOYMENT BENEFITS PLAN

2024 CHANGES IN ACTUARIAL ASSUMPTIONS

- The discount rate changed from 4.05 percent to 3.77 percent.

2023 CHANGES IN ACTUARIAL ASSUMPTIONS

- The discount rate was changed from 1.84 percent to 4.05 percent.
- Healthcare trend rates were reset to reflect updated cost increase expectations.
- Medical per capita claims costs were updated to reflect recent experience and new plan offerings.
- Withdrawal, retirement, mortality, and salary increase rates were updated from the rates used in the July 1, 2020 PERA General Employees Plan and July 1, 2020 PERA Police and Fire Plan valuations to the rates used in the July 1, 2022 valuations.
- The percent of future retirees assumed to elect coverage when the premium is not subsidized at retirement changed from 60.00 percent to 45.00 percent to reflect recent plan experience.
- The inflation assumption was changed from 2.25 percent to 2.50 percent based on an updated historical analysis of inflation rates and forward-looking market expectations.
- The payroll growth assumption was changed from 3.00 percent to 3.25 percent based on the July 1, 2022 PERA valuations.

2022 CHANGES IN ACTUARIAL ASSUMPTIONS

- The discount rate was changed from 2.00 percent to 1.84 percent.

2021 CHANGES IN ACTUARIAL ASSUMPTIONS

- The discount rate was changed from 2.75 percent to 2.00 percent.
- Healthcare trend rates were reset to reflect updates cost increase expectations.
- Medical per capita claims costs were updated to reflect recent experience, including an adjustment to reflect age/gender-based risk scores published by the Society of Actuaries.
- Withdrawal, retirement, mortality, and salary increase rates were updated from the rates used in the July 1, 2018 PERA General Employees Plan and July 1, 2018 PERA Police and Fire Plan valuations to the rates used in the July 1, 2020 valuations.
- The inflation assumption was changed from 2.50 percent to 2.25 percent based on an updated historical analysis of inflation rates and forward-looking market expectations.

2020 CHANGES IN ACTUARIAL ASSUMPTIONS

- The discount rate was changed from 3.71 percent to 2.75 percent.

OTHER POST-EMPLOYMENT BENEFITS PLAN (CONTINUED)

2019 CHANGES IN ACTUARIAL ASSUMPTIONS

- The discount rate was changed from 3.31 percent to 3.71 percent.
- Healthcare trend rates were reset to reflect updates cost increase expectations, including an adjustment to reflect the impact of the Affordable Care Act's Excise Tax on high-cost health insurance plans.
- Medical per capita claims costs were updated to reflect recent experience.
- Withdrawal, retirement, mortality, and salary increase rates were updated from the rates used in the July 1, 2016 PERA General Employees Plan and July 1, 2016 PERA Police and Fire Plan valuations to the rates used in the July 1, 2018 valuations.
- The percent of future regular retirees assumed to elect coverage at retirement changed from 75.00 percent to 60.00 percent to reflect recent plan experience.
- The percent of future non-Medicare eligible retirees electing each medical plan were updated to reflect recent plan experience.
- The inflation assumption was changed from 2.75 percent to 2.50 percent based on an updated historical analysis of inflation rates and forward-looking market expectations.

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SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

The statements that follow are to provide further detail and support additional analysis for the City's nonmajor special revenue, debt service, and capital projects funds.

CITY OF OAKDALE

Statement 11

Nonmajor Governmental Funds
Combining Balance Sheet
as of December 31, 2024

	Special Revenue	Debt Service	Capital Projects	Total
Assets				
Cash and investments	\$ 1,051,496	\$ 8,208,915	\$ 22,266,910	\$ 31,527,321
Receivables				
Interest	6,028	50,263	147,049	203,340
Accounts	31,572	391,450	662,432	1,085,454
Loan	184,099	—	—	184,099
Special assessments				
Current	—	2,748	—	2,748
Delinquent	—	10,221	—	10,221
Deferred	—	4,590,645	4,933	4,595,578
Special deferred	—	106,495	—	106,495
Due from other governments	—	—	38,086	38,086
Advances to other funds	—	—	5,173,173	5,173,173
Total assets	<u>\$ 1,273,195</u>	<u>\$ 13,360,737</u>	<u>\$ 28,292,583</u>	<u>\$ 42,926,515</u>
Liabilities				
Accounts and contracts payable	\$ 7,908	\$ 1,082	\$ 768,027	\$ 777,017
Due to other funds	—	—	63,249	63,249
Total liabilities	<u>7,908</u>	<u>1,082</u>	<u>831,276</u>	<u>840,266</u>
Deferred inflows of resources				
Unavailable revenue – loan receivable	184,099	—	—	184,099
Unavailable revenue – special assessments	—	4,707,361	4,933	4,712,294
Unavailable revenue – long-term receivable	—	171,333	79,407	250,740
Total deferred inflows of resources	<u>184,099</u>	<u>4,878,694</u>	<u>84,340</u>	<u>5,147,133</u>
Fund balances (deficits)				
Restricted	800,006	7,273,736	9,269,726	17,343,468
Committed	281,182	—	—	281,182
Assigned	—	1,207,225	18,189,254	19,396,479
Unassigned	—	—	(82,013)	(82,013)
Total fund balances	<u>1,081,188</u>	<u>8,480,961</u>	<u>27,376,967</u>	<u>36,939,116</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,273,195</u>	<u>\$ 13,360,737</u>	<u>\$ 28,292,583</u>	<u>\$ 42,926,515</u>

CITY OF OAKDALE

Statement 12

Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended December 31, 2024

	Special Revenue	Debt Service	Capital Projects	Total
Revenue				
General property taxes	\$ —	\$ 2,022,665	\$ 1,345,000	\$ 3,367,665
Tax increment taxes	—	—	911,889	911,889
Local option sales tax	—	359,881	1,133,056	1,492,937
Special assessments	—	1,385,878	101,480	1,487,358
Franchise fees	—	—	40,120	40,120
Intergovernmental	205,222	—	388,086	593,308
Charges for services	—	—	266,504	266,504
Forfeited property	66,537	—	—	66,537
Investment earnings	39,076	279,015	1,362,101	1,680,192
Refunds and reimbursements	38,100	—	107,001	145,101
Contributions and donations	78,515	—	10,400	88,915
Other	32,729	85,667	100,000	218,396
Total revenue	460,179	4,133,106	5,765,637	10,358,922
Expenditures				
Current				
General government	116,605	—	107,520	224,125
Public safety	—	—	24,034	24,034
Community services and recreation	—	—	5,695	5,695
Capital outlay				
General government	—	—	513,828	513,828
Public safety	3,930	—	261,051	264,981
Public works	—	—	3,403,359	3,403,359
Community services and recreation	—	—	3,840,478	3,840,478
Debt service				
Principal	44,598	3,165,000	—	3,209,598
Interest and fiscal charges	7,636	809,242	31,569	848,447
Total expenditures	172,769	3,974,242	8,187,534	12,334,545
Excess (deficiency) of revenues over expenditures	287,410	158,864	(2,421,897)	(1,975,623)
Other financing sources (uses)				
Bonds issued	—	—	3,550,000	3,550,000
Premium on bonds issued	—	—	422,133	422,133
Transfers in	—	368,645	8,169,928	8,538,573
Transfers (out)	—	(2,309,562)	(2,147,096)	(4,456,658)
Sale of capital assets	—	—	30,022	30,022
Total other financing sources (uses)	—	(1,940,917)	10,024,987	8,084,070
Net change in fund balances	287,410	(1,782,053)	7,603,090	6,108,447
Fund balances				
Beginning of year, as previously reported	793,778	6,935,426	22,392,629	30,121,833
Change within financial reporting entity	—	1,103,671	(208,071)	895,600
Error correction	—	2,223,917	(2,410,681)	(186,764)
Beginning of year, as restated	793,778	10,263,014	19,773,877	30,830,669
End of year	\$ 1,081,188	\$ 8,480,961	\$ 27,376,967	\$ 36,939,116

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NONMAJOR SPECIAL REVENUE FUNDS

Nonmajor special revenue funds are used to account for specific revenue sources that are restricted or committed to expenditures for specified purposes.

Nonmajor special revenue funds presently established are as follows:

- **Charitable Gambling Fund** – Administers the resources contributed by nonprofit organizations that are used to fund youth-oriented activities and projects.
- **Forfeited Proceeds Fund** – Administers the resources acquired through law enforcement investigation and confiscations as permitted by Minnesota Statutes Section 609. Permitted expenditures from this fund include disbursements to other law enforcement agencies and funding for police programs and equipment.
- **Wellness Fund** – Administers the resources for the City's Live Well Employee Wellness program funded by contributions from the City's health insurance provider.
- **Community and Economic Development Fund** – Administers the resources for low interest loans to small businesses. The purpose of the fund is to promote business development, create new job opportunities, and expand the local tax base. The fund was created with revenue from existing tax increment districts. Future revenue will include interest on loans.
- **Pandemic Business Recovery Loan Fund** – Administers the resources for the Pandemic Business Recovery Loans approved by the City Council.
- **Voter Fund** – Administers the resources received from the state to be used for elections.
- **Local Affordable Housing Aid Fund** – Administers the resources received from the state to be used for affordable housing.

CITY OF OAKDALE

Nonmajor Special Revenue Funds
Combining Balance Sheet
as of December 31, 2024

	282	202	204	220	290
	Charitable Gambling	Forfeited Proceeds	Wellness	Community and Economic Development	Pandemic Business Recovery Loan
Assets					
Cash and investments	\$ 428,915	\$ 167,618	\$ 9,975	\$ 196,425	\$ 61,066
Receivables					
Interest	2,718	1,063	—	1,237	387
Accounts	11,572	—	—	20,000	—
Loan	—	—	—	127,519	56,580
Total assets	<u>\$ 443,205</u>	<u>\$ 168,681</u>	<u>\$ 9,975</u>	<u>\$ 345,181</u>	<u>\$ 118,033</u>
Liabilities					
Accounts and contracts payable	\$ —	\$ —	500	7,408	\$ —
Deferred inflows of resources					
Unavailable revenue – loan receivable	—	—	—	127,519	56,580
Fund balances					
Restricted	443,205	168,681	—	—	—
Committed	—	—	9,475	210,254	61,453
Total fund balances	<u>443,205</u>	<u>168,681</u>	<u>9,475</u>	<u>210,254</u>	<u>61,453</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 443,205</u>	<u>\$ 168,681</u>	<u>\$ 9,975</u>	<u>\$ 345,181</u>	<u>\$ 118,033</u>

Statement 13

209	210	
Voter	Local Affordable Housing Aid	Total
\$ 6,532	\$ 180,965	\$ 1,051,496
42	581	6,028
—	—	31,572
—	—	184,099
<u>\$ 6,574</u>	<u>\$ 181,546</u>	<u>\$ 1,273,195</u>
\$ —	\$ —	\$ 7,908
—	—	184,099
6,574	181,546	800,006
—	—	281,182
<u>6,574</u>	<u>181,546</u>	<u>1,081,188</u>
<u>\$ 6,574</u>	<u>\$ 181,546</u>	<u>\$ 1,273,195</u>

CITY OF OAKDALE

Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Year Ended December 31, 2024

	282	202	204	220	290
	Charitable Gambling	Forfeited Proceeds	Wellness	Community and Economic Development	Pandemic Business Recovery Loan
Revenues					
Intergovernmental	\$ —	\$ —	\$ —	\$ 20,000	\$ —
Forfeited property	—	66,537	—	—	—
Investment earnings	18,326	5,754	—	9,660	2,438
Refunds and reimbursements	—	—	38,100	—	—
Contributions and donations	78,515	—	—	—	—
Other	—	—	—	6,243	26,486
Total revenues	96,841	72,291	38,100	35,903	28,924
Expenditures					
Current					
General government	15,000	—	33,490	64,662	3,453
Capital outlay					
Public safety	—	3,930	—	—	—
Debt service					
Principal	—	44,598	—	—	—
Interest and fiscal charges	—	7,636	—	—	—
Total expenditures	15,000	56,164	33,490	64,662	3,453
Excess (deficiency) of revenues over expenditures	81,841	16,127	4,610	(28,759)	25,471
Fund balances					
Beginning of year	361,364	152,554	4,865	239,013	35,982
End of year	\$ 443,205	\$ 168,681	\$ 9,475	\$ 210,254	\$ 61,453

Statement 14

209	210	
Voter	Local Affordable Housing Aid	Total
\$ 6,478	\$ 178,744	\$ 205,222
—	—	66,537
96	2,802	39,076
—	—	38,100
—	—	78,515
—	—	32,729
<u>6,574</u>	<u>181,546</u>	<u>460,179</u>
—	—	116,605
—	—	3,930
—	—	44,598
—	—	7,636
<u>—</u>	<u>—</u>	<u>172,769</u>
6,574	181,546	287,410
—	—	793,778
<u>\$ 6,574</u>	<u>\$ 181,546</u>	<u>\$ 1,081,188</u>

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NONMAJOR DEBT SERVICE FUNDS

Nonmajor debt service funds are used to account for the accumulation of resources for and the payment of principal, interest, and related costs on long-term general obligation debt of governmental funds. The individual nonmajor debt service funds are presented to distinguish between the various bond issues.

CITY OF OAKDALE

Nonmajor Debt Service Funds
Combining Balance Sheet
as of December 31, 2024

	440	317	316	455	454	453
	Closed Bond	2019B	2020B	\$2,365,000	\$2,330,000	\$2,555,000
	Sinking	Equipment	Equipment	Bonds of	Bonds of	Bonds of
		Certificates	Certificates	2013A	2014A	2015A
Assets						
Cash and investments	\$ 1,199,166	\$ —	\$ 34,512	\$ —	\$ 495,448	\$ 426,062
Receivables						
Interest	7,597	—	219	—	3,140	2,700
Accounts	—	—	—	—	—	—
Special assessments						
Current	462	—	—	—	383	362
Delinquent	2,563	—	—	—	343	870
Deferred	89,651	—	—	—	—	50,512
Special deferred	65,900	—	—	—	3,300	7,515
Total assets	<u>\$ 1,365,339</u>	<u>\$ —</u>	<u>\$ 34,731</u>	<u>\$ —</u>	<u>\$ 502,614</u>	<u>\$ 488,021</u>
Liabilities						
Accounts and contracts payable	\$ —	\$ —	\$ —	\$ —	\$ 551	\$ —
Deferred inflows of resources						
Unavailable revenue – special assessments	158,114	—	—	—	3,643	58,897
Unavailable revenue – long-term receivable	—	—	—	—	—	—
Total deferred inflows of resources	158,114	—	—	—	3,643	58,897
Fund balances						
Restricted	—	—	34,731	—	498,420	429,124
Assigned	1,207,225	—	—	—	—	—
Total fund balances	<u>1,207,225</u>	<u>—</u>	<u>34,731</u>	<u>—</u>	<u>498,420</u>	<u>429,124</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,365,339</u>	<u>\$ —</u>	<u>\$ 34,731</u>	<u>\$ —</u>	<u>\$ 502,614</u>	<u>\$ 488,021</u>

451	352	349	452	468	469	470	475
\$1,920,000 Bonds of 2016A	\$550,000 2016C HIA Bonds	\$4,315,000 Tax Increment Bonds of 2016D	\$2,700,000 Bonds of 2017A	\$840,000 Bonds of 2018A	\$2,630,000 Bonds of 2019A	\$2,340,000 Refunding Bonds of 2020A	\$2,535,000 Bonds of 2021A
\$ 486,406	\$ 307,109	\$ 1,377	\$ 623,461	\$ 219,100	\$ 684,102	\$ 684,894	\$ 1,221,352
3,082	1,947	—	3,083	1,389	4,335	4,340	7,740
—	—	—	—	—	—	—	—
377	863	—	—	—	41	—	221
2,147	1,646	—	714	—	1,407	—	—
80,895	375,152	—	136,868	90,921	242,723	316,809	564,853
10,948	—	—	—	3,840	10,192	4,800	—
<u>\$ 583,855</u>	<u>\$ 686,717</u>	<u>\$ 1,377</u>	<u>\$ 764,126</u>	<u>\$ 315,250</u>	<u>\$ 942,800</u>	<u>\$ 1,010,843</u>	<u>\$ 1,794,166</u>
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
93,990	376,798	—	137,582	94,761	254,322	321,609	564,853
—	—	—	—	—	—	—	—
93,990	376,798	—	137,582	94,761	254,322	321,609	564,853
489,865	309,919	1,377	626,544	220,489	688,478	689,234	1,229,313
—	—	—	—	—	—	—	—
<u>489,865</u>	<u>309,919</u>	<u>1,377</u>	<u>626,544</u>	<u>220,489</u>	<u>688,478</u>	<u>689,234</u>	<u>1,229,313</u>
<u>\$ 583,855</u>	<u>\$ 686,717</u>	<u>\$ 1,377</u>	<u>\$ 764,126</u>	<u>\$ 315,250</u>	<u>\$ 942,800</u>	<u>\$ 1,010,843</u>	<u>\$ 1,794,166</u>

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CITY OF OAKDALE

Statement 15

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Nonmajor Debt Service Funds
Combining Balance Sheet (continued)
as of December 31, 2024

	Formerly Major 476	477	478	
	\$5,915,000 Bonds of 2022A	\$2,860,000 Bonds of 2023A	\$23,955,000 Bonds of 2024A	Total
Assets				
Cash and investments	\$ 1,034,973	\$ 436,877	\$ 354,076	\$ 8,208,915
Receivables				
Interest	6,559	2,769	1,363	50,263
Accounts	171,333	—	220,117	391,450
Special assessments				
Current	39	—	—	2,748
Delinquent	531	—	—	10,221
Deferred	1,644,385	717,466	280,410	4,590,645
Special deferred	—	—	—	106,495
Total assets	<u>\$ 2,857,820</u>	<u>\$ 1,157,112</u>	<u>\$ 855,966</u>	<u>\$ 13,360,737</u>
Liabilities				
Accounts and contracts payable	\$ —	\$ —	\$ 531	\$ 1,082
Deferred inflows of resources				
Unavailable revenue – special assessments	1,644,916	717,466	280,410	4,707,361
Unavailable revenue – long-term receivable	171,333	—	—	171,333
	<u>1,816,249</u>	<u>717,466</u>	<u>280,410</u>	<u>4,878,694</u>
Fund balances				
Restricted	1,041,571	439,646	575,025	7,273,736
Assigned	—	—	—	1,207,225
Total fund balances	<u>1,041,571</u>	<u>439,646</u>	<u>575,025</u>	<u>8,480,961</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,857,820</u>	<u>\$ 1,157,112</u>	<u>\$ 855,966</u>	<u>\$ 13,360,737</u>

CITY OF OAKDALE

Nonmajor Debt Service Funds
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Year Ended December 31, 2024

	440	317	316	455	454	453
	Closed Bond Sinking	2019B Equipment Certificates	2020B Equipment Certificates	\$2,365,000 Bonds of 2013A	\$2,330,000 Bonds of 2014B	\$2,555,000 Bonds of 2015A
Revenues						
General property taxes	\$ —	\$ 209,475	\$ 173,775	\$ —	\$ —	\$ 137,741
Local option sales tax	—	—	—	—	—	—
Special assessments	131,017	—	—	332	53,201	58,952
Investment earnings	47,604	3,661	2,996	391	19,708	12,701
Other	—	—	—	—	—	—
Total revenues	178,621	213,136	176,771	723	72,909	209,394
Expenditures						
Debt service						
Principal	—	190,000	150,000	240,000	235,000	265,000
Interest and fiscal charges	4,500	10,000	16,000	2,940	9,363	17,113
Total expenditures	4,500	200,000	166,000	242,940	244,363	282,113
Excess (deficiency) of revenues over expenditures	174,121	13,136	10,771	(242,217)	(171,454)	(72,719)
Other financing sources (uses)						
Transfers in	85,645	—	—	—	—	—
Transfers (out)	(2,223,917)	(51,108)	—	(34,537)	—	—
Total other financing sources (uses)	(2,138,272)	(51,108)	—	(34,537)	—	—
Net change in fund balances	(1,964,151)	(37,972)	10,771	(276,754)	(171,454)	(72,719)
Fund balances						
Beginning of year, as previously reported	947,459	37,972	23,960	276,754	669,874	501,843
Change within financial reporting entity	—	—	—	—	—	—
Error correction	2,223,917	—	—	—	—	—
Beginning of year, as restated	3,171,376	37,972	23,960	276,754	669,874	501,843
End of year	\$ 1,207,225	\$ —	\$ 34,731	\$ —	\$ 498,420	\$ 429,124

451	352	349	452	468	469	470	475
\$1,920,000 Bonds of 2016A	\$550,000 2016C HIA Bonds	\$4,315,000 Tax Increment Bonds of 2016D	\$2,700,000 Bonds of 2017A	\$840,000 Bonds of 2018A	\$2,630,000 Bonds of 2019A	\$2,340,000 Refunding Bonds of 2020A	\$2,535,000 Bonds of 2021A
\$ 99,816	\$ —	\$ —	\$ 170,476	\$ 54,431	\$ 216,071	\$ 214,722	\$ 139,410
—	—	—	—	—	—	—	—
48,378	46,359	—	61,970	29,044	64,273	77,872	113,432
17,187	12,562	—	18,206	7,500	22,586	22,391	48,089
—	—	—	—	—	—	—	—
165,381	58,921	—	250,652	90,975	302,930	314,985	300,931
190,000	30,000	195,000	270,000	85,000	255,000	250,000	235,000
13,800	11,490	87,428	25,375	19,375	80,025	62,000	78,918
203,800	41,490	282,428	295,375	104,375	335,025	312,000	313,918
(38,419)	17,431	(282,428)	(44,723)	(13,400)	(32,095)	2,985	(12,987)
—	—	283,000	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	283,000	—	—	—	—	—
(38,419)	17,431	572	(44,723)	(13,400)	(32,095)	2,985	(12,987)
528,284	292,488	805	671,267	233,889	720,573	686,249	1,242,300
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
528,284	292,488	805	671,267	233,889	720,573	686,249	1,242,300
\$ 489,865	\$ 309,919	\$ 1,377	\$ 626,544	\$ 220,489	\$ 688,478	\$ 689,234	\$ 1,229,313

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CITY OF OAKDALE

Statement 16

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Nonmajor Debt Service Funds
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances (continued)
Year Ended December 31, 2024

	Formerly Major 476	477	478	
	\$5,915,000 Bonds of 2022A	\$2,860,000 Bonds of 2023A	\$23,955,000 Bonds of 2024A	Total
Revenues				
General property taxes	\$ 337,971	\$ 268,777	\$ —	\$ 2,022,665
Local option sales taxes	—	—	359,881	359,881
Special assessments	329,703	159,402	211,943	1,385,878
Investment earnings	28,134	9,166	6,133	279,015
Other	85,667	—	—	85,667
Total revenues	<u>781,475</u>	<u>437,345</u>	<u>577,957</u>	<u>4,133,106</u>
Expenditures				
Debt service				
Principal retirement	575,000	—	—	3,165,000
Interest and fiscal charges	268,575	99,408	2,932	809,242
Total expenditures	<u>843,575</u>	<u>99,408</u>	<u>2,932</u>	<u>3,974,242</u>
Excess (deficiency) of revenues over expenditures	(62,100)	337,937	575,025	158,864
Other financing sources (uses)				
Transfers in	—	—	—	368,645
Transfers (out)	—	—	—	(2,309,562)
Total other financing sources (uses)	<u>—</u>	<u>—</u>	<u>—</u>	<u>(1,940,917)</u>
Net change in fund balances	(62,100)	337,937	575,025	(1,782,053)
Fund balances				
Beginning of year, as previously reported	—	101,709	—	6,935,426
Change within financial reporting entity	1,103,671	—	—	1,103,671
Error correction	—	—	—	2,223,917
Beginning of year, as restated	<u>1,103,671</u>	<u>101,709</u>	<u>—</u>	<u>10,263,014</u>
End of year	<u>\$ 1,041,571</u>	<u>\$ 439,646</u>	<u>\$ 575,025</u>	<u>\$ 8,480,961</u>

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NONMAJOR CAPITAL PROJECTS FUNDS

Nonmajor capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Nonmajor capital projects funds presently established are as follows:

- **Park Improvements Fund** – Administers the resources for capital equipment or land acquisition and construction projects within the park system.
- **Vehicle and Equipment Replacement Fund** – Administers the resources for vehicles and equipment replacement throughout all city departments. Funding is derived from the annual levy.
- **Utility System Replacement Fund** – Administers the resources for capital infrastructure replacement projects that are expected to occur within the next five years.
- **Municipal Building Fund** – Administers the resources for property tax revenue that has been dedicated to the future construction of a fire station and public safety complex.
- **Water Availability Reserve Fund** – Administers the resources for collection and use of water availability fees. The fees are collected through the issuance of building permits and funds are reserved for capital repairs or enhancement to the water system.
- **Sewer Availability Reserve Fund** – Administers the resources for collection and use of sewer availability fees. The fees are collected through the issuance of building permits and funds are reserved for capital repairs or enhancement to the sewer system.
- **Special Projects Fund** – Administers the resources for one-time purchases approved by the City Council. Funding is provided through transfers of excess fund balance.
- **Tax Increment District Funds** – Administers the increment generated by each district and the directly related expenditures.
- **Willowbrooke Open Space Fund** – Administers the resources for the Willowbrooke open space development. Funding is derived from developer payments agreed upon through the Willowbrooke development agreement.
- **Highway 36 Realignment Fund** – Administers the resources for the City portion of construction costs associated with this multi-jurisdictional highway project. Minnesota Highway State Aid associated with this project will also be accounted for in this fund.
- **2023 Street Improvements Fund** – Administers the resources for the construction costs associated with 2023 street improvements.
- **2024 Street Improvements Fund** – Administers the resources for the construction costs associated with 2024 street improvements.
- **Police Expansion Fund** – Administers the resources (local option sales tax) for the expansion and remodel of the existing police building.
- **Drinking Water Settlement Fund** – Administers the resources for the construction costs associated with the drinking water settlement projects.
- **2025 Street Improvements Fund** – Administers the resources for the construction costs associated with 2025 street improvements.
- **2026 Street Improvements Fund** – Administers the resources for the construction costs associated with 2026 street improvements.
- **Development Capital Fund** – Administers the resources derived from development to be used for capital projects.

CITY OF OAKDALE

Nonmajor Capital Projects Funds
Combining Balance Sheet
as of December 31, 2024

	500	502	517	522	504
	Park Improvements	Vehicle and Equipment Replacement	Utility System Replacement	Municipal Building	Water Availability Reserve
Assets					
Cash and investments	\$ 2,682,783	\$ 1,195,348	\$ 5,560,413	\$ 696,324	\$ 429,450
Receivables					
Interest	19,979	7,575	38,256	8,608	2,722
Accounts	482,336	—	—	—	—
Special assessments					
Deferred	—	—	4,933	—	—
Due from other governments	—	—	—	—	—
Advances to other funds	—	—	—	—	—
Total assets	<u>\$ 3,185,098</u>	<u>\$ 1,202,923</u>	<u>\$ 5,603,602</u>	<u>\$ 704,932</u>	<u>\$ 432,172</u>
Liabilities					
Accounts and contracts payable	\$ 382,466	\$ 224	\$ —	\$ —	\$ —
Due to other funds	—	—	—	—	—
Total liabilities	<u>382,466</u>	<u>224</u>	<u>—</u>	<u>—</u>	<u>—</u>
Deferred inflows of resources					
Unavailable revenue – special assessments	—	—	4,933	—	—
Unavailable revenue – long-term receivable	79,407	—	—	—	—
Total deferred inflows of resources	<u>79,407</u>	<u>—</u>	<u>4,933</u>	<u>—</u>	<u>—</u>
Fund balances (deficit)					
Restricted	847,513	—	—	—	—
Assigned	1,875,712	1,202,699	5,598,669	704,932	432,172
Unassigned	—	—	—	—	—
Total fund balances (deficit)	<u>2,723,225</u>	<u>1,202,699</u>	<u>5,598,669</u>	<u>704,932</u>	<u>432,172</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,185,098</u>	<u>\$ 1,202,923</u>	<u>\$ 5,603,602</u>	<u>\$ 704,932</u>	<u>\$ 432,172</u>

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CITY OF OAKDALE

Nonmajor Capital Projects Funds
Combining Balance Sheet (continued)
as of December 31, 2024

	Formerly Major 699	680	Formerly Nonmajor 580	581	516
	2023 Street Improvements	2024 Street Improvements	Public Works Facility	Police Expansion	Drinking Water Settlement
Assets					
Cash and investments	\$ —	\$ 911,887	\$ —	\$ 1,714,889	\$ 89,541
Receivables					
Interest	—	6,288	—	4,783	—
Accounts	—	—	—	180,096	—
Special assessments					
Deferred	—	—	—	—	—
Due from other governments	—	—	—	—	38,086
Advances to other funds	—	—	—	—	—
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total assets	<u>\$ —</u>	<u>\$ 918,175</u>	<u>\$ —</u>	<u>\$ 1,899,768</u>	<u>\$ 127,627</u>
Liabilities					
Accounts and contracts payable	\$ —	\$ 347,523	\$ —	\$ 2,423	16,627
Due to other funds	—	—	—	—	—
Total liabilities	<u>—</u>	<u>347,523</u>	<u>—</u>	<u>2,423</u>	<u>16,627</u>
Deferred inflows of resources					
Unavailable revenue – special assessments	—	—	—	—	—
Unavailable revenue – long-term receivable	—	—	—	—	—
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Fund balances (deficit)					
Restricted	—	—	—	1,897,345	—
Assigned	—	570,652	—	—	111,000
Unassigned	—	—	—	—	—
Total fund balances (deficit)	<u>—</u>	<u>570,652</u>	<u>—</u>	<u>1,897,345</u>	<u>111,000</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ —</u>	<u>\$ 918,175</u>	<u>\$ —</u>	<u>\$ 1,899,768</u>	<u>\$ 127,627</u>

Statement 17
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681	682	531	
2025 Street Improvements	2026 Street Improvements	Development Capital	Total
\$ —	\$ —	\$ —	\$ 22,266,910
—	—	—	147,049
—	—	—	662,432
—	—	—	4,933
—	—	—	38,086
—	—	5,173,173	5,173,173
<u>\$ —</u>	<u>\$ —</u>	<u>\$ 5,173,173</u>	<u>\$ 28,292,583</u>
 \$ 16,305	 \$ 2,459	 \$ —	 \$ 768,027
63,249	—	—	63,249
<u>79,554</u>	<u>2,459</u>	<u>—</u>	<u>831,276</u>
—	—	—	4,933
—	—	—	79,407
—	—	—	84,340
—	—	—	9,269,726
—	—	5,173,173	18,189,254
(79,554)	(2,459)	—	(82,013)
<u>(79,554)</u>	<u>(2,459)</u>	<u>5,173,173</u>	<u>27,376,967</u>
 <u>\$ —</u>	 <u>\$ —</u>	 <u>\$ 5,173,173</u>	 <u>\$ 28,292,583</u>

CITY OF OAKDALE

Nonmajor Capital Projects Funds
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Year Ended December 31, 2024

	500	502	517	522	504
	Park Improvements	Vehicle and Equipment Replacement	Utility System Replacement	Municipal Building	Water Availability Reserve
Revenues					
General property taxes	\$ 245,000	\$ 965,000	\$ —	\$ 135,000	\$ —
Tax increment taxes	—	—	—	—	—
Local option sales tax	—	—	—	—	—
Special assessments	—	—	1,480	—	—
Franchise fees	—	—	—	—	—
Intergovernmental	350,000	—	—	—	—
Charges for services	97,754	—	—	—	100,000
Investment earnings	151,148	39,031	244,432	61,027	26,269
Refunds and reimbursements	72,391	—	—	—	—
Contributions and donations	10,400	—	—	—	—
Other	—	—	100,000	—	—
Total revenues	926,693	1,004,031	345,912	196,027	126,269
Expenditures					
Current					
General government	—	—	—	—	—
Public safety	—	—	—	—	—
Community services and recreation	—	—	—	—	—
Capital outlay					
General government	—	—	—	513,828	—
Public safety	—	249,745	—	4,000	—
Public works	—	305,759	38,341	—	133,054
Community services and recreation	3,840,478	—	—	—	—
Debt service					
Interest and fiscal charges	14,005	—	—	—	—
Total expenditures	3,854,483	555,504	38,341	517,828	133,054
Excess (deficiency) of revenues over expenditures	(2,927,790)	448,527	307,571	(321,801)	(6,785)
Other financing sources (uses)					
Bond proceeds	1,575,000	—	—	—	—
Premium on bonds issued	190,775	—	—	—	—
Transfers in	98,953	—	2,255,000	—	—
Transfers (out)	—	—	(888,000)	(250,000)	(375,000)
Sale of capital assets	—	30,022	—	—	—
Total other financing sources (uses)	1,864,728	30,022	1,367,000	(250,000)	(375,000)
Net change in fund balances	(1,063,062)	478,549	1,674,571	(571,801)	(381,785)
Fund balances (deficit)					
Beginning of year, as previously reported	3,786,287	724,150	3,924,098	3,687,414	813,957
Change within financial reporting entity	—	—	—	—	—
Error correction	—	—	—	(2,410,681)	—
Beginning of year, as restated	3,786,287	724,150	3,924,098	1,276,733	813,957
End of year	\$ 2,723,225	\$ 1,202,699	\$ 5,598,669	\$ 704,932	\$ 432,172

505	530	538	537	Formerly Nonmajor 539	560	525	689
Sewer Availability Reserve	Special Projects	Tax Increment #6	Tax Increment #2-11	Tax Increment #2-12	TIF Temporary Transfer Authority	Willowbrooke Open Space	Highway 36 Realignment
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	495,201	416,688	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	40,120	-	-	-	-	-	-
-	-	-	-	-	-	-	-
68,750	-	-	-	-	-	-	-
27,013	88,963	148,238	34,155	-	98,931	4,465	6,656
-	-	-	-	-	-	-	34,610
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
95,763	129,083	643,439	450,843	-	98,931	4,465	41,266
-	-	-	-	-	-	-	-
-	99,675	2,280	2,205	-	3,360	-	-
-	24,034	-	-	-	-	-	-
-	5,695	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	35,010	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	164,414	2,280	2,205	-	3,360	-	-
95,763	(35,331)	641,159	448,638	-	95,571	4,465	41,266
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(230,000)	(6,500)	-	(283,000)	-	-	(98,953)	-
-	-	-	-	-	-	-	-
(230,000)	(6,500)	-	(283,000)	-	-	(98,953)	-
(134,237)	(41,831)	641,159	165,638	-	95,571	(94,488)	41,266
662,550	1,942,261	2,921,229	544,722	295	2,096,190	94,488	110,595
-	-	-	-	(295)	-	-	-
-	-	-	-	-	-	-	-
662,550	1,942,261	2,921,229	544,722	-	2,096,190	94,488	110,595
\$ 528,313	\$ 1,900,430	\$ 3,562,388	\$ 710,360	\$ -	\$ 2,191,761	\$ -	\$ 151,861

CITY OF OAKDALE

Nonmajor Capital Projects Funds
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances (continued)
Year Ended December 31, 2024

	Formerly Major 699	680	Formerly Nonmajor 580	581	516
	2023 Street Improvements	2024 Street Improvements	Public Works Facility	Police Expansion	Drinking Water Settlement
Revenues					
General property taxes	\$ —	\$ —	\$ —	\$ —	\$ —
Tax increment taxes	—	—	—	—	—
Local option sales tax	—	—	—	1,133,056	—
Special assessments	—	100,000	—	—	—
Franchise fees	—	—	—	—	—
Intergovernmental	—	—	—	—	38,086
Charges for services	—	—	—	—	—
Investment earnings	591	126	—	47,858	—
Refunds and reimbursements	—	—	—	—	—
Contributions and donations	—	—	—	—	—
Other	—	—	—	—	—
Total revenues	<u>591</u>	<u>100,126</u>	<u>—</u>	<u>1,180,914</u>	<u>38,086</u>
Expenditures					
Current					
General government	—	—	—	—	—
Public safety	—	—	—	—	—
Community services and recreation	—	—	—	—	—
Capital outlay					
General government	—	—	—	—	—
Public safety	—	—	—	7,306	—
Public works	173,837	2,597,259	—	—	38,086
Community services and recreation	—	—	—	—	—
Debt service					
Interest and fiscal charges	—	17,564	—	—	—
Total expenditures	<u>173,837</u>	<u>2,614,823</u>	<u>—</u>	<u>7,306</u>	<u>38,086</u>
Excess (deficiency) of revenues over expenditures	(173,246)	(2,514,697)	—	1,173,608	—
Other financing sources (uses)					
Bond proceeds	—	1,975,000	—	—	—
Bond premium	—	231,358	—	—	—
Transfers in	—	915,000	—	—	111,000
Transfers (out)	(15,643)	—	—	—	—
Sale of capital assets	—	—	—	—	—
Total other financing sources (uses)	<u>(15,643)</u>	<u>3,121,358</u>	<u>—</u>	<u>—</u>	<u>111,000</u>
Net change in fund balances	(188,889)	606,661	—	1,173,608	111,000
Fund balances (deficit)					
Beginning of year, as previously reported	—	(36,009)	396,665	723,737	—
Change within financial reporting entity	188,889	—	(396,665)	—	—
Error correction	—	—	—	—	—
Beginning of year, as restated	<u>188,889</u>	<u>(36,009)</u>	<u>—</u>	<u>723,737</u>	<u>—</u>
End of year	<u>\$ —</u>	<u>\$ 570,652</u>	<u>\$ —</u>	<u>\$ 1,897,345</u>	<u>\$ 111,000</u>

Statement 18

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681	682	531	
2025 Street Improvements	2026 Street Improvements	Development Capital	Total
\$ -	\$ -	\$ -	\$ 1,345,000
-	-	-	911,889
-	-	-	1,133,056
-	-	-	101,480
-	-	-	40,120
-	-	-	388,086
-	-	-	266,504
-	-	383,198	1,362,101
-	-	-	107,001
-	-	-	10,400
-	-	-	100,000
-	-	383,198	5,765,637
-	-	-	107,520
-	-	-	24,034
-	-	-	5,695
-	-	-	513,828
-	-	-	261,051
79,554	2,459	-	3,403,359
-	-	-	3,840,478
-	-	-	31,569
79,554	2,459	-	8,187,534
(79,554)	(2,459)	383,198	(2,421,897)
-	-	-	3,550,000
-	-	-	422,133
-	-	4,789,975	8,169,928
-	-	-	(2,147,096)
-	-	-	30,022
-	-	4,789,975	10,024,987
(79,554)	(2,459)	5,173,173	7,603,090
-	-	-	22,392,629
-	-	-	(208,071)
-	-	-	(2,410,681)
-	-	-	19,773,877
\$ (79,554)	\$ (2,459)	\$ 5,173,173	\$ 27,376,967

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GENERAL FUND

The General Fund accounts for revenue and expenditures used to carry out basic governmental activities of the City, such as general government, public safety, public works, and community services and recreation. Revenues are recorded by source (i.e., taxes, licenses and permits, fines and forfeits, service charges, etc.). General Fund expenditures are primarily for current day-to-day operations and operating equipment, and are recorded by major functional classifications and by operating departments. This fund accounts for all financial transactions not properly accounted for in another fund.

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CITY OF OAKDALE

Schedule 1
Page 1 of 5

General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances – Budget and Actual
Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	2024		2023	
	Final Budget	Actual	Over (Under) Budget	Actual
Revenues				
General property taxes				
Current	\$ 14,355,743	\$ 14,041,957	\$ (313,786)	\$ 12,437,494
Delinquent	7,850	—	(7,850)	12,219
Penalties, interest, and other	55,000	33,567	(21,433)	62,908
Total general property taxes	14,418,593	14,075,524	(343,069)	12,512,621
Special assessments	—	—	—	2,262
Franchise fees	574,095	1,009,335	435,240	631,270
Licenses and permits	1,981,730	1,360,918	(620,812)	3,012,375
Intergovernmental				
Local government aid	459,563	459,563	—	2,133
State aid police	310,000	430,904	120,904	343,017
State aid fire	252,821	299,397	46,576	247,610
Public safety aid	—	—	—	1,231,196
Municipal state aid	310,000	348,731	38,731	324,438
Other state aids	456,692	126,732	(329,960)	242,166
Federal grants	33,500	45,979	12,479	44,296
Other grants	156,000	162,505	6,505	280,560
Total intergovernmental	1,978,576	1,873,811	(104,765)	2,715,416
Charges for services				
Public works	500	6,428	5,928	76
Engineering and planning	35,000	56,232	21,232	62,297
Police	15,000	30,081	15,081	19,379
Fire and ambulance	1,266,601	1,218,438	(48,163)	1,299,498
Recreation	82,437	95,057	12,620	83,072
Rent – antenna	215,000	234,588	19,588	234,932
Rent – interfund	150,000	150,000	—	150,000
Other	23,750	52,869	29,119	319,587
Total charges for services	1,788,288	1,843,693	55,405	2,168,841
Fines and forfeits	101,500	137,956	36,456	121,587
Investment earnings	135,000	676,796	541,796	564,514
Refunds and reimbursements	15,000	10,310	(4,690)	16,890
Contributions and donations	1,500	3,500	2,000	3,900
Other	27,600	104,791	77,191	51,135
Total revenues	21,021,882	21,096,634	74,752	21,800,811

CITY OF OAKDALE

Schedule 1
Page 2 of 5

General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances – Budget and Actual (continued)
Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	2024		Over (Under) Budget	2023
	Final Budget	Actual		Actual
Expenditures				
General government				
City Council				
Personal services	41,095	38,721	(2,374)	40,714
Materials and supplies	3,000	3,492	492	3,627
Contractual services	44,477	41,256	(3,221)	6,155
Total City Council	88,572	83,469	(5,103)	50,496
Community development				
Personal services	551,303	539,479	(11,824)	453,581
Materials and supplies	6,840	9,887	3,047	6,354
Contractual services	133,658	126,703	(6,955)	58,133
Total community development	691,801	676,069	(15,732)	518,068
Legal				
Personal services	282,483	283,225	742	265,636
Materials and supplies	1,000	2,213	1,213	485
Contractual services	253,344	250,985	(2,359)	225,868
Total legal	536,827	536,423	(404)	491,989
Administration				
Personal services	683,548	633,659	(49,889)	499,649
Materials and supplies	12,650	6,418	(6,232)	8,210
Contractual services	169,445	184,125	14,680	92,505
Total administration	865,643	824,202	(41,441)	600,364
Finance				
Personal services	797,209	771,320	(25,889)	715,521
Materials and supplies	2,000	1,576	(424)	1,067
Contractual services	287,027	266,137	(20,890)	221,307
Total finance	1,086,236	1,039,033	(47,203)	937,895
Information technology				
Personal services	43,405	1,001	(42,404)	135,040
Materials and supplies	4,000	43	(3,957)	663
Contractual services	468,322	459,973	(8,349)	510,610
Capital outlay	65,478	51,370	(14,108)	15,983
Total information technology	581,205	512,387	(68,818)	662,296

CITY OF OAKDALE

Schedule 1
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General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances – Budget and Actual (continued)
Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	2024		2023	
	Final Budget	Actual	Over (Under) Budget	Actual
Expenditures (continued)				
General government (continued)				
Building maintenance				
Personal services	131,028	128,821	(2,207)	–
Materials and supplies	30,050	32,265	2,215	8,912
Contractual services	455,014	326,520	(128,494)	184,581
Capital outlay	17,500	48,907	31,407	7,192
Total building maintenance	633,592	536,513	(97,079)	200,685
Communications				
Personal services	253,122	248,357	(4,765)	226,633
Materials and supplies	2,300	1,094	(1,206)	2,120
Contractual services	46,680	36,658	(10,022)	22,927
Total communications	302,102	286,109	(15,993)	251,680
Human resources				
Personal services	370,388	313,130	(57,258)	327,404
Materials and supplies	8,150	2,965	(5,185)	937
Contractual services	46,150	68,587	22,437	53,443
Total human resources	424,688	384,682	(40,006)	381,784
Risk management				
Personal services	459,326	493,559	34,233	325,335
Contractual services	225,831	190,705	(35,126)	162,417
Total risk management	685,157	684,264	(893)	487,752
Total general government	5,895,823	5,563,151	(332,672)	4,583,009
Public safety				
Police protection				
Personal services	6,472,287	6,384,165	(88,122)	5,871,637
Materials and supplies	210,600	179,389	(31,211)	182,894
Contractual services	403,665	352,576	(51,089)	340,048
Capital outlay	17,500	48,205	30,705	40,499
Total police protection	7,104,052	6,964,335	(139,717)	6,435,078
Fire				
Personal services	3,675,784	3,720,075	44,291	3,466,087
Materials and supplies	173,200	164,549	(8,651)	160,362
Contractual services	314,887	272,454	(42,433)	352,758
Capital outlay	120,513	120,835	322	15,744
Total fire	4,284,384	4,277,913	(6,471)	3,994,951

General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances – Budget and Actual (continued)
Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	2024		2023
	Final Budget	Actual	Over (Under) Budget
			Actual
Expenditures (continued)			
Public safety (continued)			
Inspections			
Personal services	602,645	458,209	(144,436)
Materials and supplies	1,500	956	(544)
Contractual services	76,200	106,658	30,458
Total inspections	680,345	565,823	(114,522)
Total public safety	12,068,781	11,808,071	(260,710)
Public works			
Engineering			
Personal services	436,623	265,718	(170,905)
Materials and supplies	2,300	748	(1,552)
Contractual services	170,280	335,321	165,041
Total engineering	609,203	601,787	(7,416)
Street maintenance			
Personal services	865,572	755,055	(110,517)
Materials and supplies	266,450	159,749	(106,701)
Contractual services	79,100	40,440	(38,660)
Total street maintenance	1,211,122	955,244	(255,878)
Forestry			
Personal services	349,913	359,547	9,634
Materials and supplies	58,650	32,592	(26,058)
Contractual services	50,340	21,961	(28,379)
Capital outlay	—	—	—
Total forestry	458,903	414,100	(44,803)
Parks operation and maintenance			
Personal services	909,053	867,480	(41,573)
Materials and supplies	59,673	29,628	(30,045)
Contractual services	115,546	90,377	(25,169)
Capital outlay	2,000	3,995	1,995
Total parks operation and maintenance	1,086,272	991,480	(94,792)
Fleet services			
Personal services	231,620	238,580	6,960
Materials and supplies	304,050	265,725	(38,325)
Contractual services	67,235	54,598	(12,637)
Total fleet services	602,905	558,903	(44,002)

CITY OF OAKDALE

Schedule 1
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General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances – Budget and Actual (continued)
Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	2024		2023
	Final Budget	Actual	Over (Under) Budget
			Actual
Expenditures (continued)			
Public works (continued)			
Public works building maintenance			
Personal services	—	—	85,019
Materials and supplies	—	—	17,270
Contractual services	—	—	190,749
Total public works building maintenance	—	—	293,038
Total public works	3,968,405	3,521,514	(446,891)
Community services and recreation			
Personal services	422,988	381,784	(41,204)
Materials and supplies	12,900	9,595	(3,305)
Contractual services	92,365	60,596	(31,769)
Capital outlay	8,122	3,075	(5,047)
Total community services and recreation	536,375	455,050	(81,325)
Debt service			
Principal	59,925	63,765	3,840
Interest and fiscal charges	7,075	8,917	1,842
Total debt service	67,000	72,682	5,682
Total expenditures	22,536,384	21,420,468	(1,115,916)
Excess (deficiency) of revenues over expenditures	(1,514,502)	(323,834)	1,190,668
Other financing sources (uses)			
Transfers in	1,206,500	1,206,500	—
Transfers (out)	—	(684,282)	(684,282)
Sale of capital assets	3,000	1,061	(1,939)
Total other financing sources (uses)	1,209,500	523,279	(686,221)
Net change in fund balances	\$ (305,002)	199,445	\$ 504,447
Fund balance			
Beginning of year, as previously reported		15,266,050	12,109,735
Error correction		684,282	—
Beginning of year, as restated		15,950,332	12,109,735
End of year		\$ 16,149,777	\$ 15,266,050

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STATISTICAL SECTION

(UNAUDITED)

STATISTICAL SECTION

(UNAUDITED)

This part of the City of Oakdale, Minnesota's (the City) Annual Comprehensive Financial Report (ACFR) presents detailed information as a context for understanding this year's financial statements, note disclosures, and supplementary information. This information has not been audited by the independent auditor.

The contents of the statistical section include:

Financial Trends – These tables contain trend information that may assist the reader in assessing the City's current financial performance by placing it in a historical perspective.

Revenue Capacity – These schedules contain information to assist the reader in assessing the City's most significant local revenue source—property taxes.

Debt Capacity – These tables present information that may assist the reader in analyzing 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 tables offer economic and demographic indicators that are commonly used for financial analysis and that can assist the reader in understanding the City's present and ongoing financial status.

Operating Information – These tables contain service and infrastructure indicators that can assist the reader in understanding how the information in the City's ACFR relates to the services the City provides and the activities it performs.

Source – Unless otherwise noted, the information in these tables is derived from the ACFR for the relevant year.

CITY OF OAKDALE

Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2015	2016	2017	Fiscal Year 2018
Governmental activities				
Net investment in capital assets	\$ 25,138,406	\$ 23,580,449	\$ 21,948,627	\$ 22,195,786
Restricted	17,481,305	14,185,787	13,908,053	11,810,105
Unrestricted	<u>2,512,525</u>	<u>3,222,750</u>	<u>3,229,209</u>	<u>3,482,802</u>
Total governmental activities net position	<u>\$ 45,132,236</u>	<u>\$ 40,988,986</u>	<u>\$ 39,085,889</u>	<u>\$ 37,488,693</u>
Business-type activities				
Net investment in capital assets	\$ 28,391,604	\$ 27,734,752	\$ 27,145,251	\$ 27,032,339
Unrestricted	<u>11,913,314</u>	<u>11,791,790</u>	<u>12,199,312</u>	<u>12,926,186</u>
Total business-type activities net position	<u>\$ 40,304,918</u>	<u>\$ 39,526,542</u>	<u>\$ 39,344,563</u>	<u>\$ 39,958,525</u>
Primary government				
Net investment in capital assets	\$ 53,530,010	\$ 51,315,201	\$ 49,093,878	\$ 49,228,125
Restricted	17,481,305	14,185,787	13,908,053	11,810,105
Unrestricted	<u>14,425,839</u>	<u>15,014,540</u>	<u>15,428,521</u>	<u>16,408,988</u>
Total primary government net position	<u>\$ 85,437,154</u>	<u>\$ 80,515,528</u>	<u>\$ 78,430,452</u>	<u>\$ 77,447,218</u>

Note: The City implemented GASB Statement No. 75 in fiscal 2018. The City reported a change in accounting principle as a result of implementing this standard. Prior year information has not been restated.

Table 1

2019	2020	2021	2022	2023	2024
\$ 25,184,283	\$ 25,141,926	\$ 27,834,959	\$ 30,964,536	\$ 23,970,442	\$ 26,894,867
12,221,453	12,235,096	13,241,430	13,731,573	18,768,575	19,264,258
2,619,634	5,959,462	12,796,813	11,636,075	13,907,887	19,040,065
<u>\$ 40,025,370</u>	<u>\$ 43,336,484</u>	<u>\$ 53,873,202</u>	<u>\$ 56,332,184</u>	<u>\$ 56,646,904</u>	<u>\$ 65,199,190</u>
\$ 27,350,451	\$ 26,999,874	\$ 25,979,558	\$ 26,143,757	\$ 35,941,864	\$ 36,449,666
13,066,666	12,696,751	12,852,005	11,941,832	14,045,665	15,859,814
<u>\$ 40,417,117</u>	<u>\$ 39,696,625</u>	<u>\$ 38,831,563</u>	<u>\$ 38,085,589</u>	<u>\$ 49,987,529</u>	<u>\$ 52,309,480</u>
\$ 52,534,734	\$ 52,141,800	\$ 53,814,517	\$ 57,108,293	\$ 59,912,306	\$ 63,344,533
12,221,453	12,235,096	13,241,430	13,731,573	18,768,575	19,264,258
15,686,300	18,656,213	25,648,818	23,577,907	27,953,552	34,899,879
<u>\$ 80,442,487</u>	<u>\$ 83,033,109</u>	<u>\$ 92,704,765</u>	<u>\$ 94,417,773</u>	<u>\$ 106,634,433</u>	<u>\$ 117,508,670</u>

CITY OF OAKDALE

Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year			
	2015	2016	2017	2018
Expenses				
Governmental activities				
General government	\$ 4,056,020	\$ 4,291,430	\$4,532,274	\$ 4,629,620
Public safety	6,573,857	8,281,879	7,814,989	7,072,727
Public works	6,861,475	8,730,525	6,751,446	7,220,285
Community services and recreation	1,328,454	1,446,972	1,257,036	1,111,275
Economic development	—	201,582	—	—
Interest and fiscal charges	528,343	529,740	497,618	465,817
Total governmental activities expenses	<u>19,348,149</u>	<u>23,482,128</u>	<u>20,853,363</u>	<u>20,499,724</u>
Business-type activities				
Water	1,914,017	2,072,540	2,032,649	2,115,819
Sewer	3,392,344	3,340,132	3,619,322	3,643,966
Ambulance (1)	994,465	1,338,486	1,155,719	1,300,076
Street lights	488,572	574,236	566,893	552,104
Surface water	—	—	—	—
Total business-type activities expenses	<u>6,789,398</u>	<u>7,325,394</u>	<u>7,374,583</u>	<u>7,611,965</u>
Total primary government expenses	<u>\$ 26,137,547</u>	<u>\$ 30,807,522</u>	<u>\$ 28,227,946</u>	<u>\$ 28,111,689</u>
Program revenues				
Governmental activities				
Charges for services				
Licenses and permits	\$ 806,193	\$ 932,784	\$ 814,906	\$ 839,413
Surface water management fees	344,954	346,593	445,010	450,396
Park dedication fees	99,757	1,522	—	2,886
Other activities	1,637,558	1,755,222	1,921,113	1,432,620
Operating grants and contributions	913,510	761,377	837,968	800,006
Capital grants and contributions	2,578,188	2,951,274	1,933,030	1,913,242
Total governmental activities program revenues	<u>6,380,160</u>	<u>6,748,772</u>	<u>5,952,027</u>	<u>5,438,563</u>
Business-type activities				
Charges for services				
Water	2,137,696	2,269,956	2,468,262	2,447,687
Sewer	3,350,920	3,566,620	3,690,346	3,973,512
Other activities	1,279,576	1,304,434	1,401,848	1,585,997
Operating grants and contributions	—	—	—	98,702
Capital grants and contributions	52,515	28,938	—	—
Total business-type activities program revenues	<u>6,820,707</u>	<u>7,169,948</u>	<u>7,560,456</u>	<u>8,105,898</u>
Total primary government program revenues	<u>\$ 13,200,867</u>	<u>\$ 13,918,720</u>	<u>\$ 13,512,483</u>	<u>\$ 13,544,461</u>

(1) Ambulance operations were reclassified from business-type activities to governmental activities starting in 2023.

Table 2
Page 1 of 2

2019	2020	2021	2022	2023	2024
\$ 4,708,747	\$ 4,149,340	\$ 3,964,045	\$ 4,912,123	\$ 4,953,282	\$ 5,905,159
7,280,339	7,584,153	7,004,086	9,687,863	13,147,924	12,454,791
6,533,252	6,928,423	7,263,966	7,997,552	7,640,477	7,421,815
942,126	929,587	658,923	730,891	685,137	633,972
—	—	—	—	—	—
544,093	517,707	437,048	541,822	593,487	915,822
20,008,557	20,109,210	19,328,068	23,870,251	27,020,307	27,331,559
2,135,180	2,260,406	2,232,207	2,436,109	3,005,788	2,852,397
3,519,978	3,537,017	3,448,749	3,588,282	3,847,314	3,980,776
1,769,612	1,864,796	1,901,995	1,902,625	—	—
521,727	542,891	624,858	721,784	791,674	869,108
—	—	—	—	—	739,912
7,946,497	8,205,110	8,207,809	8,648,800	7,644,776	8,442,193
\$ 27,955,054	\$ 28,314,320	\$ 27,535,877	\$ 32,519,051	\$ 34,665,083	\$ 35,773,752
\$ 862,205	\$ 1,215,355	\$ 1,012,488	\$ 2,742,510	\$ 3,012,375	\$ 1,360,918
449,984	447,339	611,028	682,361	754,202	—
—	—	57,649	—	—	—
1,192,965	1,080,009	1,148,068	2,050,377	4,870,458	4,993,099
907,007	3,094,523	3,885,793	1,083,407	2,408,500	1,840,520
4,466,687	1,956,503	5,963,072	3,872,353	5,824,646	3,263,298
7,878,848	7,793,729	12,678,098	10,431,008	16,870,181	11,457,835
2,332,706	2,398,578	2,760,062	2,720,823	3,037,185	3,178,913
4,015,582	3,911,315	4,160,810	4,298,701	4,554,099	5,129,954
1,492,020	1,315,169	1,853,573	1,054,840	612,230	1,452,410
87,227	160,712	96,847	292,789	571,734	409,888
—	—	—	—	7,853	—
7,927,535	7,785,774	8,871,292	8,367,153	8,783,101	10,171,165
\$ 15,806,383	\$ 15,579,503	\$ 21,549,390	\$ 18,798,161	\$ 25,653,282	\$ 21,629,000

CITY OF OAKDALE

Changes in Net Position (continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year			
	2015	2016	2017	2018
Net (expense) revenue				
Governmental activities	\$ (12,967,989)	\$ (16,733,356)	\$ (14,901,336)	\$ (15,061,161)
Business-type activities	<u>31,309</u>	<u>(155,446)</u>	<u>185,873</u>	<u>493,933</u>
Total primary government net expense	<u>\$ (12,936,680)</u>	<u>\$ (16,888,802)</u>	<u>\$ (14,715,463)</u>	<u>\$ (14,567,228)</u>
General revenues and other changes in net position				
Governmental activities				
General property taxes	\$ 9,303,933	\$ 9,999,148	\$ 10,595,705	\$ 11,344,210
Tax increment collections	419,597	571,911	645,410	839,413
Local option sales tax	—	—	—	—
Franchise fees (2)	492,424	490,438	491,645	495,206
Unrestricted grants and contributions	172,727	162,562	159,260	208,182
Other general revenues	—	—	—	—
Investment earnings (charges)	238,620	281,118	276,721	294,033
Gain on disposal of capital assets	8,983	133,954	33,841	5,441
Transfers	<u>752,257</u>	<u>950,975</u>	<u>795,657</u>	<u>277,480</u>
Total governmental activities	<u>11,388,541</u>	<u>12,590,106</u>	<u>12,998,239</u>	<u>13,463,965</u>
Business-type activities				
General property taxes	183,304	243,364	248,233	246,770
Unrestricted grants and contributions	—	—	12	—
Investment earnings (charges)	127,166	84,681	156,060	199,051
Gain on disposal of capital assets	—	—	23,500	—
Transfers	<u>(752,257)</u>	<u>(950,975)</u>	<u>(795,657)</u>	<u>(277,480)</u>
Total business-type activities	<u>(441,787)</u>	<u>(622,930)</u>	<u>(367,852)</u>	<u>168,341</u>
Total primary government	<u>\$ 10,946,754</u>	<u>\$ 11,967,176</u>	<u>\$ 12,630,387</u>	<u>\$ 13,632,306</u>
Change in net position				
Governmental activities	\$ (1,579,448)	\$ (4,143,250)	\$ (1,903,097)	\$ (1,597,196)
Business-type activities	<u>(410,478)</u>	<u>(778,376)</u>	<u>(181,979)</u>	<u>662,274</u>
Total primary government	<u>\$ (1,989,926)</u>	<u>\$ (4,921,626)</u>	<u>\$ (2,085,076)</u>	<u>\$ (934,922)</u>

(2) Franchise fees were reclassified to charges for services starting in 2023.

2019	2020	2021	2022	2023	2024
\$ (12,129,709)	\$ (12,315,481)	\$ (6,649,970)	\$ (13,439,243)	\$ (10,150,126)	\$ (15,873,724)
(18,962)	(419,336)	663,483	(281,647)	1,138,325	1,728,972
<u>\$ (12,148,671)</u>	<u>\$ (12,734,817)</u>	<u>\$ (5,986,487)</u>	<u>\$ (13,720,890)</u>	<u>\$ (9,011,801)</u>	<u>\$ (14,144,752)</u>
\$ 11,989,811	\$ 12,595,493	\$ 13,237,393	\$ 14,121,692	\$ 15,976,001	\$ 17,784,684
902,206	995,115	946,180	1,024,908	779,683	912,219
—	—	—	—	1,806,007	2,810,881
496,085	496,372	665,512	649,033	—	—
211,465	237,139	262,874	456,504	215,772	654,154
—	—	—	20,154	—	—
814,055	410,978	62,283	(84,033)	1,862,143	2,200,717
13,643	89,964	157,896	49,575	120,158	31,083
239,121	801,534	1,854,550	708,248	(10,294,918)	32,272
<u>14,666,386</u>	<u>15,626,595</u>	<u>17,186,688</u>	<u>16,946,081</u>	<u>10,464,846</u>	<u>24,426,010</u>
298,836	299,245	300,000	300,000	—	—
—	—	—	—	—	—
417,839	201,133	26,005	(56,079)	468,697	625,251
—	—	—	—	—	—
<u>(239,121)</u>	<u>(801,534)</u>	<u>(1,854,550)</u>	<u>(708,248)</u>	<u>10,294,918</u>	<u>(32,272)</u>
<u>477,554</u>	<u>(301,156)</u>	<u>(1,528,545)</u>	<u>(464,327)</u>	<u>10,763,615</u>	<u>592,979</u>
<u>\$ 15,143,940</u>	<u>\$ 15,325,439</u>	<u>\$ 15,658,143</u>	<u>\$ 16,481,754</u>	<u>\$ 21,228,461</u>	<u>\$ 25,018,989</u>
\$ 2,536,677	\$ 3,311,114	\$ 10,536,718	\$ 3,506,838	\$ 314,720	\$ 8,552,286
458,592	(720,492)	(865,062)	(745,974)	11,901,940	2,321,951
<u>\$ 2,995,269</u>	<u>\$ 2,590,622</u>	<u>\$ 9,671,656</u>	<u>\$ 2,760,864</u>	<u>\$ 12,216,660</u>	<u>\$ 10,874,237</u>

CITY OF OAKDALE

Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2015	2016	2017	2018
General Fund				
Nonspendable	\$ 232,741	\$ 155,397	\$ 182,621	\$ 303,041
Restricted	—	—	—	—
Committed	1,758,980	1,821,474	1,892,875	668,062
Assigned	—	—	—	—
Unassigned	<u>7,043,546</u>	<u>7,535,464</u>	<u>7,616,540</u>	<u>8,634,522</u>
Total General Fund	<u>\$ 9,035,267</u>	<u>\$ 9,512,335</u>	<u>\$ 9,692,036</u>	<u>\$ 9,605,625</u>
Other governmental funds				
Nonspendable	\$ 3,379	\$ 2,650	\$ 2,650	\$ 4,688
Restricted	9,638,209	5,995,336	8,548,909	8,866,668
Committed	1,234,071	1,469,510	1,145,564	1,067,630
Assigned	7,864,433	8,438,721	9,525,198	8,665,439
Unassigned	<u>(127,991)</u>	<u>(247,674)</u>	<u>(210,909)</u>	<u>(424,933)</u>
Total other governmental funds	<u>\$ 18,612,101</u>	<u>\$ 15,658,543</u>	<u>\$ 19,011,412</u>	<u>\$ 18,179,492</u>

Table 3

2019	2020	2021	2022	2023	2024
\$ 290,823	\$ 317,203	\$ 322,321	\$ 274,155	\$ 404,022	\$ 414,742
—	—	—	—	1,231,196	881,196
710,894	736,737	665,746	762,225	—	—
—	—	—	244,070	438,839	127,337
8,652,921	10,994,899	9,347,225	10,829,285	13,191,993	14,726,502
<u>\$ 9,654,638</u>	<u>\$ 12,048,839</u>	<u>\$ 10,335,292</u>	<u>\$ 12,109,735</u>	<u>\$ 15,266,050</u>	<u>\$ 16,149,777</u>
\$ 4,593	\$ 7,982	\$ 2,101	\$ 19,418	\$ 32,000	\$ —
10,395,441	10,947,941	12,272,423	15,914,762	15,831,992	35,292,378
564,779	497,209	727,542	1,225,499	279,860	281,182
8,640,554	10,263,872	14,248,135	13,212,527	15,306,550	19,396,479
(1,380,739)	(3,040,375)	(46,391)	(1,596,815)	(1,285,850)	(2,927,938)
<u>\$ 18,224,628</u>	<u>\$ 18,676,629</u>	<u>\$ 27,203,810</u>	<u>\$ 28,775,391</u>	<u>\$ 30,164,552</u>	<u>\$ 52,042,101</u>

CITY OF OAKDALE

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2015	2016	2017	2018
Revenues				
Taxes	\$ 9,781,722	\$ 10,547,026	\$ 11,270,549	\$ 12,183,979
Special assessments	1,934,747	2,447,251	4,069,611	1,366,815
Franchise fees	492,424	490,438	491,645	495,206
Licenses and permits	806,193	932,784	814,906	841,796
Intergovernmental	1,782,425	1,112,090	1,163,777	2,170,347
Charges for services	1,724,545	1,743,287	2,391,575	1,484,871
Fines and forfeits	218,864	146,501	594,230	283,822
Rents – interfund	150,000	150,000	150,000	–
Investment earnings (charges)	238,620	281,118	276,721	294,033
Refunds and reimbursements	12,618	43,301	23,322	55,103
Contributions and donations	13,854	43,471	51,759	37,361
Other	115,183	140,849	64,430	47,849
Total revenues	17,271,195	18,078,116	21,362,525	19,261,182
Expenditures				
Current				
General government	3,575,533	3,742,605	4,077,949	4,230,363
Public safety	5,890,752	5,955,360	6,562,327	6,522,488
Public works	2,588,341	3,421,550	2,449,351	3,134,898
Community services and recreation	427,629	584,338	458,995	534,741
Economic development	–	201,582	–	–
Capital outlay				
General government	27,945	134,880	41,505	10,724
Public safety	66,429	627,711	583,868	140,799
Public works	842,460	508,002	451,905	1,225,707
Community service and recreation	–	145,917	10,100	–
Debt service				
Principal	3,266,360	11,671,360	3,581,360	3,709,840
Interest	731,924	648,132	648,132	625,042
Developer incentives	21,063	–	–	–
Construction/acquisition costs	4,358,471	2,640,272	4,411,023	3,980,116
Total expenditures	21,796,907	30,281,709	23,276,515	24,114,718
Excess of revenues over (under) expenditures	(4,525,712)	(12,203,593)	(1,913,990)	(4,853,536)
Other financing sources (uses)				
Equipment certificates issued	800,000	1,020,000	1,000,000	940,000
Taxable tax increment bonds issued	–	4,315,000	–	–
Bonds issued	2,555,000	2,470,000	2,700,000	840,000
Refunding bonds issued	1,645,000	–	–	–
Premium on debt issued	184,408	131,937	72,715	112,399
Transfers in	1,609,988	1,740,004	1,640,004	1,889,995
Transfers out	–	–	–	–
Sale of capital assets	8,983	133,954	33,841	2,810
Total other financing sources (uses)	6,803,379	9,810,895	5,446,560	3,785,204
Net change in fund balances	\$ 2,277,667	\$ (2,392,698)	\$ 3,532,570	\$ (1,068,332)
Debt service as a percentage of noncapital expenditures	23.7%	45.3%	23.5%	23.5%

Note: Debt service expenditures increased significantly in 2016, due to maturity of the \$6,720,000 Temporary Mall bonds.

Table 4

2019	2020	2021	2022	2023	2024
\$ 12,863,131	\$ 13,608,735	\$ 14,147,826	\$ 15,154,104	\$ 18,531,356	\$ 21,511,289
1,784,802	1,392,702	1,664,938	1,267,064	1,904,634	1,487,358
496,085	496,372	665,512	649,033	631,270	1,049,455
864,332	1,215,355	1,012,488	2,742,510	3,012,375	1,360,918
4,142,716	4,022,552	8,419,659	2,581,918	3,822,187	3,523,263
1,538,425	1,403,236	1,318,341	2,839,923	5,205,861	2,110,197
206,061	110,742	156,038	113,421	211,831	204,493
—	—	—	—	—	—
814,055	410,978	62,283	(84,033)	1,862,143	2,583,915
15,547	287,098	43,415	229,975	396,258	416,320
28,136	73,136	177,382	94,209	105,189	92,415
42,211	41,666	239,764	85,803	201,298	323,187
22,795,501	23,062,572	27,907,646	25,673,927	35,884,402	34,662,810
4,367,443	3,796,660	4,107,150	4,527,462	4,755,414	5,699,367
6,580,163	6,968,191	7,253,921	8,121,859	11,125,833	11,663,065
2,744,879	3,487,778	3,537,652	3,621,423	3,792,475	3,517,519
473,054	328,537	437,760	460,830	451,169	457,670
—	—	—	—	—	—
16,608	594,093	65,450	49,423	61,220	614,105
58,919	154,288	196,722	474,762	879,761	434,021
529,012	269,226	6,541,468	7,835,431	10,077,247	9,182,034
—	—	108,064	41,131	466,035	3,843,553
3,785,000	4,400,000	3,710,000	4,400,000	3,022,800	3,273,363
638,329	700,204	670,765	749,576	893,608	1,422,099
—	—	—	—	—	—
9,545,222	5,074,283	—	—	—	—
28,738,629	25,773,260	26,628,952	30,281,897	35,525,562	40,106,796
(5,943,128)	(2,710,688)	1,278,694	(4,607,970)	358,840	(5,443,986)
845,000	715,000	—	—	—	—
—	—	—	—	—	—
2,630,000	1,690,000	2,535,000	5,915,000	2,860,000	23,955,000
—	650,000	—	—	—	—
508,638	471,930	343,760	576,650	164,941	1,369,179
2,039,996	1,939,996	2,395,000	8,351,402	11,090,161	10,172,716
—	—	—	(5,890,777)	(10,048,624)	(7,322,716)
13,643	89,964	261,180	49,575	120,158	31,083
6,037,277	5,556,890	5,534,940	9,001,850	4,186,636	28,205,262
\$ 94,149	\$ 2,846,202	\$ 6,813,634	\$ 4,393,880	\$ 4,545,476	\$ 22,761,276
23.5%	20.6%	22.3%	22.8%	16.2%	18.7%

CITY OF OAKDALE

Tax Capacity Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Tax Capacity				
	Real Property		All Other Property	Less Captured Tax Increment	Less Fiscal Disparities Contribution
	Residential Property	Commercial Property			
2015	\$ 16,115,412	\$ 9,227,373	\$ 649,815	\$ (565,082)	\$ (3,353,639)
2016	16,457,300	9,465,210	740,052	(707,661)	(3,373,989)
2017	16,866,177	9,683,872	741,500	(820,007)	(3,353,013)
2018	18,586,063	10,626,717	861,755	(1,006,187)	(2,575,643)
2019	19,343,298	11,108,600	847,937	(1,096,429)	(3,529,581)
2020	23,572,557	9,554,808	467,862	(1,208,265)	(3,575,253)
2021	24,440,370	9,991,086	642,178	(1,234,695)	(3,880,464)
2022	25,153,310	10,659,178	407,691	(1,247,727)	(4,138,696)
2023	30,260,868	11,016,458	418,634	(1,055,330)	(4,279,766)
2024	34,013,640	13,037,738	446,501	(1,237,846)	(4,492,086)

Source: Washington County

Table 5

Plus Fiscal Disparity Distribution		Total Tax Capacity	Total Direct Tax Rate	Total Taxable Market Value	Tax Capacity Value as a Percentage of Market Value
\$	3,962,763	\$ 25,992,600	39.131	\$ 2,162,439,300	1.2 %
	4,249,897	26,662,562	39.492	2,216,689,400	1.2
	4,393,092	27,291,549	39.721	2,274,440,600	1.2
	4,525,412	30,074,535	38.540	2,457,661,500	1.2
	4,795,549	31,299,835	39.227	2,644,688,200	1.2
	5,086,664	33,595,227	37.616	2,868,048,600	1.2
	5,058,774	35,073,634	38.821	2,977,729,500	1.2
	5,548,520	36,220,179	39.533	3,070,210,400	1.2
	5,485,631	41,695,960	38.217	3,615,349,000	1.2
	5,596,165	47,497,879	38.131	4,083,880,800	1.2

CITY OF OAKDALE

Table 6

Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	Direct Rates			Overlapping			Total Direct and Overlapping Rates
	City Rate Applicable to Debt	City Rate Applicable to Operations	Total City Direct Rate	County	School District	Other District	
2015	6.130	33.001	39.131	30.186	35.864	5.883	111.064
2016	6.437	33.055	39.492	30.564	35.569	5.321	110.946
2017	7.080	32.641	39.721	30.448	35.582	5.300	111.051
2018	8.170	30.370	38.540	29.951	30.225	8.558	107.274
2019	8.542	30.685	39.227	29.682	29.226	8.155	106.290
2020	8.114	29.502	37.616	28.944	32.503	7.027	106.090
2021	7.808	31.013	38.821	27.435	31.804	6.804	104.864
2022	6.905	32.628	39.533	27.531	32.173	6.401	105.638
2023	6.297	31.920	38.217	23.625	29.825	5.731	97.398
2024	4.269	33.862	38.131	29.990	29.550	5.362	103.033

Note: 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, other district rates apply only to approximately one-third of city property owners whose property is located within that district's geographic boundaries.

Source: Washington County

CITY OF OAKDALE

Table 7

Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2024			2015		
	Taxable Capacity Value	Rank	Percentage of Taxable Capacity Value	Taxable Capacity Value	Rank	Percentage of Taxable Capacity Value
Hadley Estates of MN, LLC	\$ 601,995	1	1.27 %	\$ 289,581	4	1.11 %
Continental 606 Fund, LLC	592,933	2	1.25	—	—	—
Stag Industrial Holdings, LLC	443,456	3	0.93	—	—	—
Larson Family Real Estate, LLLP	440,458	4	0.93	—	—	—
Agree LTD Partnership	381,224	5	0.80	—	—	—
Oakdale Village, LLC	308,500	6	0.65	—	—	—
Xcel Energy	305,602	7	0.64	407,050	3	1.57
Berwald Investments	297,476	8	0.63	159,645	9	0.61
IRC Bergen Plaza, LLC	293,882	9	0.62	—	—	—
Bigos Minnehaha Manor, LLC	284,544	10	0.60	—	—	—
Imation Corporation	—	—	—	711,146	1	2.74
AX Oakdale Village AP	—	—	—	616,102	2	2.37
Inland Real Estate Trust	—	—	—	288,054	5	1.11
Mills Properties	—	—	—	252,294	6	0.97
Menards	—	—	—	232,624	7	0.89
Target Corporation	—	—	—	180,538	8	0.69
Carlson Real Estate	—	—	—	159,210	10	0.61
Total	<u>\$ 3,950,070</u>		<u>8.32 %</u>	<u>\$ 3,296,244</u>		<u>12.67 %</u>

Source: Washington County

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CITY OF OAKDALE

Table 8

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended December 31,	Total Tax Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2015	\$ 10,270,522	\$ 10,204,002	99.4 %	\$ (231,570)	\$ 9,972,432	97.1 %
2016	10,514,149	10,226,378	97.3	14,655	10,241,033	97.4
2017	10,830,475	10,728,802	99.1	5,361	10,734,163	99.1
2018	11,645,249	11,530,220	99.0	31,894	11,562,114	99.3
2019	12,245,295	12,143,534	99.2	46,336	12,189,870	99.5
2020	12,833,351	12,754,565	99.4	31,548	12,786,113	99.6
2021	13,532,996	13,384,976	98.9	58,768	13,443,744	99.3
2022	14,343,622	14,261,739	99.4	(45,090)	14,216,649	99.1
2023	16,064,857	15,867,201	98.8	13,852	15,881,053	98.9
2024	18,065,658	17,787,222	98.5	—	17,787,222	98.5

Note: Collections include abatements, adjustments, and tax credits received through state aid.

CITY OF OAKDALE

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities					
	G.O. Bonds	G.O. Improvement Bonds	G.O. Tax Increment Bonds	G.O. Taxable Housing Bonds	Other G.O. Temp Bonds	Finance Purchase
2015	\$ 2,419,278	\$ 21,090,656	\$ –	\$ 485,000	\$ 6,720,000	\$ 27,560
2016	2,714,208	18,854,261	4,333,911	1,000,226	–	21,200
2017	2,872,934	18,834,371	4,332,969	965,213	–	21,200
2018	3,002,209	16,962,175	4,217,028	910,206	–	–
2019	3,010,991	17,256,789	4,041,087	850,188	–	–
2020	2,878,648	16,566,219	3,860,145	790,176	–	–
2021	1,915,048	16,707,105	3,679,203	730,163	–	–
2022	1,132,906	19,782,213	3,493,261	430,151	–	–
2023	542,609	20,456,549	3,302,320	400,138	–	–
2024	162,133	42,955,805	3,106,378	370,126	–	–

* Information not available for years prior to 2017.

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

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

Table 9

Technology Subscriptions	Total Primary Government	Less Amounts Restricted for Debt Service	Net	Percentage of Estimated Taxable Market Value	Percentage of Personal Income (1)	Per Capita (1)
\$ —	\$ 30,742,494	*	\$ 30,742,494	1.42 %	1.54 %	\$ 1,073
—	26,923,806	*	26,923,806	1.21	1.35	940
—	27,026,687	\$ 12,637,095	14,389,592	1.11	0.72	502
—	25,091,618	10,301,339	14,790,279	1.10	0.74	526
—	25,159,055	10,280,789	14,878,266	1.02	0.68	525
—	24,095,188	10,077,509	14,017,679	0.84	0.63	495
—	23,031,519	10,602,256	12,429,263	0.42	0.59	439
—	24,838,531	9,705,270	15,133,261	0.49	0.68	538
410,736	25,112,352	11,718,254	13,394,098	0.37	0.55	473
302,373	46,896,815	11,169,708	35,727,107	0.87	1.40	1,268

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CITY OF OAKDALE

Table 10

Direct and Overlapping Governmental Activities Debt
as of December 31, 2024

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Direct debt			
City of Oakdale	\$ 46,896,815	100.00 %	\$ 46,896,815
Overlapping debt			
Washington County	106,125,000	9.20	9,763,500
Independent School District No. 622	418,835,000	32.00	134,027,200
Independent School District No. 832	41,390,000	1.30	538,070
Metropolitan Transit	186,410,000	1.00	1,864,100
Metropolitan Council	5,025,000	0.80	40,200
Total overlapping debt			<u>146,233,070</u>
Total direct and overlapping debt			<u>\$ 193,129,885</u>

- (1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the entity's taxable assessed value that is within the City's boundaries and dividing it by the entity's total taxable assessed value.

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

Source: Washington County

CITY OF OAKDALE

Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year			
	2015	2016	2017	2018
Debt limit	\$ 70,075,617	\$ 71,606,280	\$ 73,241,085	\$ 78,519,153
Total net debt applicable to the limit	2,748,521	3,543,401	3,593,951	3,570,765
Legal debt margin	<u>\$ 67,327,096</u>	<u>\$ 68,062,879</u>	<u>\$ 69,647,134</u>	<u>\$ 74,948,388</u>
Total net debt applicable to the limit as a percentage of debt limit	3.92%	4.95%	4.91%	4.55%

Note: Under Minnesota state law, the City's net debt cannot exceed 3.00 percent of the estimated market value.

Table 11

2019	2020	2021	2022	2023	2024
\$ 83,799,375	\$ 90,161,058	\$ 93,334,188	\$ 95,968,242	\$ 111,709,920	\$ 125,378,910
3,267,621	2,878,648	1,915,048	1,132,906	542,609	162,133
<u>\$ 80,531,754</u>	<u>\$ 87,282,410</u>	<u>\$ 91,419,140</u>	<u>\$ 94,835,336</u>	<u>\$ 111,167,311</u>	<u>\$ 125,216,777</u>
3.90%	3.19%	2.05%	1.18%	0.49%	0.13%

Legal Debt Margin Calculation for Fiscal Year 2024

Estimated market value	\$ 4,179,297,000
Debt limit (3.00 percent of market value)	125,378,910
Debt applicable to the limit	<u>162,133</u>
Legal debt margin	<u>\$ 125,216,777</u>

CITY OF OAKDALE

Table 12

Pledged Revenue Coverage
Last Ten Fiscal Years

Fiscal Year	Improvement Bonds				Tax Increment Bonds			
	Special Assessment Collections	Debt Service		Coverage	Tax Increment Collections	Debt Service		Coverage
		Principal	Interest			Principal	Interest	
2015	\$ 1,821,407	\$ 2,570,000	\$ 468,864	60 %	\$ 239,823	\$ —	\$ 108,621	221 %
2016	1,741,198	4,170,000	473,518	37	—	6,720,000	88,909	—
2017	3,641,115	2,700,000	422,374	117	150,000	—	106,339	141
2018	1,215,110	2,660,000	396,964	40	200,000	115,000	108,228	90
2019	1,649,735	2,655,000	365,008	55	250,000	175,000	105,328	89
2020	1,162,388	2,525,000	416,076	40	270,000	180,000	101,778	96
2021	1,220,353	2,580,000	461,252	40	279,000	180,000	98,178	100
2022	1,012,953	3,200,000	449,674	28	280,000	185,000	94,528	100
2023	1,135,548	2,140,000	651,394	41	282,000	190,000	90,778	100
2024	1,208,052	2,600,000	667,241	37	283,000	195,000	86,928	100

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

CITY OF OAKDALE

Table 13Demographic and Economic Statistics
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Median Household Income (2)</u>	<u>Per Capita Personal Income (2)</u>	<u>Unemployment Rate (3)</u>
2015	28,655	\$ 69,500	\$ 32,000	3.1 %
2016	28,655	69,500	32,000	3.5
2017	28,655	69,500	32,000	3.2
2018	28,115	71,350	35,000	3.1
2019	28,315	76,775	37,000	3.2
2020	28,315	79,189	37,000	6.5
2021	28,303	74,303	36,532	3.7
2022	28,135	78,586	38,698	1.9
2023	28,303	86,003	43,460	2.3
2024	28,169	90,739	44,986	2.4

Note 1: Population is based on an estimate from the Minnesota State Demographic Center.

Note 2: Median household income and personal income information is a total for the year.

Note 3: Unemployment rate is an adjusted yearly average.

CITY OF OAKDALE

Table 14Principal Employers
Current Year and Nine Years Ago

Employer	2024		2015	
	Employees	Rank	Employees	Rank
3M Company	10,000	1	11,000	1
Independent School District No. 622	1,458	2	1,550	3
HyVee	425	3	—	—
Slumberland (corporate)	385	4	—	—
Animal Emergency & Referral Center of Minnesota	366	5	—	—
MnDOT	257	6	4,500	2
First Student Transportation	255	7	—	—
Fleet Farm	226	8	250	7
Carestream Health	199	9	—	—
Target Corporation	179	10	170	10
Washington County	—	—	1,200	4
Educational Credit Management	—	—	450	5
Hartford Group	—	—	254	6
Menards	—	—	180	8
Minnesota Department of Human Services	—	—	175	9
Total	<u>13,750</u>		<u>19,729</u>	

Note: The percentage of total city employment is unavailable.

Source: Minnesota Department of Labor and Industry
Local Survey

CITY OF OAKDALE

Table 15Full-Time Equivalent City Government Employees by Function
Last Ten Fiscal Years

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function										
Primary government										
General government	16.50	16.00	16.00	16.00	15.00	16.00	16.00	18.00	19.00	25.00
Public safety	48.50	48.50	48.50	48.00	48.50	48.50	50.00	69.00	74.00	74.50
Public works	21.50	23.00	23.00	22.00	24.00	24.00	24.00	21.00	22.00	21.00
Community service and recreation	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Business-type activities										
Water	3.75	3.75	3.75	4.00	4.00	4.00	4.50	4.50	4.50	4.50
Sewer	3.75	3.75	3.75	4.00	4.00	4.00	4.50	4.50	4.50	4.50
Ambulance	8.00	8.00	8.00	12.00	12.00	12.00	11.00	—	—	—
Total	<u>105.00</u>	<u>106.00</u>	<u>106.00</u>	<u>109.00</u>	<u>110.50</u>	<u>111.50</u>	<u>113.00</u>	<u>120.00</u>	<u>127.00</u>	<u>132.50</u>

Note: Ambulance operations were reclassified from business-type activities to governmental activities in 2022.

Source: Various government departments

CITY OF OAKDALE

Operating Indicators by Function Last Ten Fiscal Years

	Fiscal Year			
	2015	2016	2017	2018
Function				
Police				
Physical arrests	680	630	647	549
Parking violations	1,140	937	955	279
Traffic violations	1,998	2,095	2,095	906
Felony offenses	1,250	450	450	395
Gross and minor misdemeanor offenses	1,350	2,080	2,080	1,839
Fire				
Emergency responses	2,335	2,583	2,762	2,832
Fires extinguished	61	64	71	71
Inspections	592	645	574	659
Building inspection				
Permits issued				
Residential	1,634	1,935	2,189	2,703
Commercial	413	377	443	390
Other public works				
Street resurfacing (miles)	4.0	4.0	3.1	3.1
Potholes repaired	275	275	260	285
Parks and recreation				
Athletic field permits issued	295	295	280	280
Program participants	—	—	—	—
Discovery Center rentals	—	—	—	—
Picnic shelter rentals	—	—	—	—
Water				
New connections	22	22	18	5
Water main breaks	3	3	7	10
Average daily consumption (thousands of gallons)	2,277	2,318	2,415	2,313
Peak daily consumptions (thousands of gallons)	4,810	4,840	5,276	4,715

Note: Indicators are not available for the general government function. For 2019 and 2020, the number of potholes repaired and athletic field permits issued were not tracked. New operating indicators were developed for parks and recreation beginning in 2019.

Source: Various city departments

Table 16

2019	2020	2021	2022	2023	2024
630	494	460	521	479	563
330	321	397	294	295	217
1,802	1,425	1,449	1,034	717	718
561	623	882	857	659	645
1,953	1,797	2,376	2,523	1,967	2,358
2,844	2,832	3,258	3,655	3,776	4,061
41	81	133	90	83	81
659	300	300	275	300	630
1,993	2,375	2,562	4,194	2,453	1,383
371	335	318	153	264	173
3.6	3.5	2.5	2.2	3.0	2.0
—	—	290	300	320	270
—	—	280	280	280	280
27,000	10,000	20,000	20,000	20,000	20,000
57	6	39	59	65	66
221	127	272	262	228	284
4	2	31	85	70	167
19	13	18	8	19	10
2,076	2,285	1,830	1,747	1,603	1,755
4,269	3,250	3,862	3,136	4,028	2,707

CITY OF OAKDALE

Capital Asset Statistics by Function Last Ten Fiscal Years

	Fiscal Year			
	2015	2016	2017	2018
Function				
Police				
Stations	1	1	1	1
Patrol units	3	3	3	3
Fire stations	2	2	2	2
Other public works				
Streets (miles)	98	98	98	98
Streetlights	N/A	N/A	N/A	N/A
Traffic signals	18	18	18	18
Parks and recreation				
Acreage	N/A	N/A	N/A	N/A
Playgrounds	11	11	11	11
Baseball/softball diamonds	19	19	19	19
Soccer/football fields	11	11	11	11
Water				
Water mains (miles)	132	132	132	132
Fire hydrants	1,353	1,353	1,353	1,353
Storage capacity (thousands of gallons)	4,000,000	4,000,000	4,000,000	4,000,000
Wastewater				
Sanitary sewers (miles)	103	103	103	103
Storm sewers (miles)	57	57	57	57

N/A – Not Available

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

Source: Various city departments

Table 17

2019	2020	2021	2022	2023	2024
1	1	1	1	1	1
3	3	3	3	3	3
2	2	2	2	2	2
98	98	98	99	100	100
N/A	2,112	2,112	2,128	2,128	2,128
18	18	18	18	18	18
N/A	624	624	638	638	648
11	11	11	13	13	13
19	19	19	17	17	17
11	11	11	11	11	11
132	132	134	134	134	134
1,353	1,353	1,373	1,630	1,661	1,661
4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
103	103	105	110	111	111
57	57	58	64	65	102

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