

**Administrative Committee
Credit Committee
Board Meeting**

April 28, 2026

Board Chair Mullin and Committee Chairs Marshall and Slaven are calling regular meetings of the Board of Commissioners, Administrative Committee, and Credit Committee for **Tuesday, April 28, 2026. The Administrative Committee and Credit Committee meetings will start at 1:30 p.m., and the Board meeting will start at 2:00 p.m., in the Board Room of the Saint Paul Port Authority, 400 Wabasha Street No., Suite 240, St. Paul, MN.**

**Administrative Committee
1:30 p.m.**

Minutes

Approval of the Minutes from the January 27, 2026 regular Administrative Committee Meeting

Conflicts of Interest

Conflicts with any Items on the Agenda

New Business

1. Authorization for the Continuation of Capital City Properties
2. Acceptance of the 2025 Audit

Such Other Business That May Come Before the Committee

**Credit Committee
1:30 p.m.**

Minutes

Approval of the Minutes from the February 24, 2026 regular Credit Committee Meeting

Conflicts of Interest

Conflicts with any Items on the Agenda

New Business

1. Authorization to Enter into a Non-Binding Term Sheet for a Development Agreement with 499 Snelling Realty Company, LLC – 499 Snelling Avenue North
2. Authorization to Apply for and Accept Grant Funding from Metropolitan Council's Livable Communities Grant Program for Redevelopment Costs at 245 Maryland Avenue East
3. Aurora St. Anthony LLC – Forbearance Agreement
4. Biota Holdings LLC – Approval to Extend Loan Term of \$86,500 Trillion BTU Loan

Such Other Business That May Come Before the Committee

1. Quarterly Report on External PACE Lending – 1Q 2026

Board Meeting

2:00 p.m.

Minutes

Approval of the Minutes from the February 24, 2026 regular Board Meeting

Conflicts of Interest

Conflicts with any Items on the Agenda

New Business

Administrative Committee

1. Resolution No. 4850 – Authorization for the Continuation of Capital City Properties
2. Acceptance of the 2025 Audit

Credit Committee

1. Resolution No. 4851 – Authorization to Enter into a Non-Binding Term Sheet for a Development Agreement with 499 Snelling Realty Company, LLC – 499 Snelling Avenue North
2. Resolution No. 4852 – Authorization to Apply for and Accept Grant Funding from Metropolitan Council’s Livable Communities Grant Program for Redevelopment Costs at 245 Maryland Avenue East, Saint Paul, Minnesota

Such Other Business That May Come Before the Board

1. Industrial Land Study Presentation

cc: City Clerk

**ADMINISTRATIVE COMMITTEE MEETING
JANUARY 27, 2026**

The meeting of the Port Authority Administrative Committee was held on January 27, 2026, at 1:53 p.m. in the Board Room of the Saint Paul Port Authority, 400 Wabasha Street No., Suite 240, Saint Paul, Minnesota, 55102.

The following Committee Members were present:

Amy Brendmoen	Courtney Henry	John Marshall
Don Mullin	Matt Slaven	

Also present were the following:

Ashley Aram	Nick Dragisich	Todd Hurley
Holly Huston	Sarah Illi	Sukaina Jaffri
Emma Kasiga	Annamarie Kosel	Dana Krueger
Emily Lawrence	Michael Solomon	Nikki Tix
Phoua Vang	Annie Watson	Kristine Williams
Linda Williams	JP Yohannes	

Trinidad Uribe, Sprinkler Fitters Local 417
Mindy Utesch, Old National Bank

APPROVAL OF MINUTES

Committee Member Slaven made a motion to approve the minutes of the November 25, 2025 regular Administrative Committee meeting. The motion was seconded by Committee Member Utesch and carried unanimously.

CONFLICTS OF INTEREST

There were no conflicts of interest with any items on the agenda.

AGENDA ITEMS

ACCEPTANCE OF 2026 LEGISLATIVE AGENDA

Ms. Aram reviewed her memorandum with the Committee requesting acceptance of the Saint Paul Port Authority's 2026 legislative agenda. President Hurley shared with the Committee that due to changes in the requirements relating to lobbyist registration, certain staff members would be registered as lobbyists this year. Committee Member Mullin made a motion to approve the request. The motion was seconded by Committee Member Slaven and carried unanimously.

There being no further business, the meeting was adjourned at 2:01 p.m.

By: _____

Its: _____

To: ADMINISTRATIVE COMMITTEE
BOARD OF COMMISSIONERS

Meeting Date: April 28, 2026

From: Dana J. Krueger 

**Subject: AUTHORIZATION FOR THE CONTINUATION OF CAPITAL CITY PROPERTIES
RESOLUTION NO. 4850**

Action Requested:

Approval of a resolution confirming the Port Authority's desire that Capital City Properties ("CCP") remain in existence and exempt from the statutory requirements identified originally in Port Authority Board Resolution No. 3853 and amended by Resolution No. 3902.

Background:

In 1999, the Minnesota Legislature adopted legislation prohibiting the further creation of nonprofit corporations by political subdivisions and requiring that nonprofit corporations previously created by political subdivisions take certain actions in order to remain in existence. This legislation applies to CCP, which was created as an affiliate of the Port Authority in 1991.

Pursuant to this legislation, the Port Authority and CCP adopted resolutions on October 24, 2000, to provide for the continued existence of CCP, to indicate which specific statutory requirements CCP would be subject to and which it would be exempt from, and to agree to comply with these statutory provisions going forward, a copy of which exemptions are described in Attachment 1 of the Resolution. The periodic supporting resolutions required by this legislation have also been adopted by both the Port Authority and CCP.

Current Status:

One of the requirements imposed by the 1999 statute is that nonprofit corporations be audited on an annual basis, and that this audit be presented to the applicable political subdivision at a regularly scheduled meeting. The CCP audit for the year ending December 31, 2025, was presented to the Port Authority and CCP Boards on April 28, 2026.

The 1999 statutes also require that the political subdivision periodically reaffirm the actions originally taken to continue the existence of the nonprofit corporation and the exemption from statutory requirements. This requirement is the subject of this report.

Recommendation:

We recommend approval of a resolution confirming the Port Authority's desire that CCP remain in existence and exempt from the statutory requirements identified originally in Port Authority Board Resolution No. 3853 and amended by Resolution No. 3902.

Attachment: Resolution

**RESOLUTION OF THE
PORT AUTHORITY OF THE CITY OF SAINT PAUL**

[AUTHORIZATION FOR THE CONTINUATION OF CAPITAL CITY PROPERTIES]

WHEREAS, in the 81st legislative session, the Minnesota Legislature adopted Minn. Stat. §465.719, requiring that political subdivisions, such as the Port Authority of the City of Saint Paul (the “Port Authority”) who have either created or have a relationship with a non-profit corporation (such as Capital City Properties (“CCP”)) adopt a resolution at a regularly scheduled meeting in order to provide for the continued existence of such non-profit corporation and to specify what authorities and powers the corporation should possess;

WHEREAS, on October 24, 2000, the Port Authority adopted its Resolution No. 3853 (attached hereto) in which the Port Authority provided for the continued existence of CCP, as contemplated by Minn. Stat. §465.719 and for the exemption of CCP from certain statutory requirements otherwise applicable to the Port Authority; which exemptions are described in Attachment 1 attached hereto;

WHEREAS, by Resolution No. 3902 adopted August 28, 2001 (attached hereto), the Port Authority expanded the scope of CCP activities;

WHEREAS, by Resolution Nos. 3930 adopted April 23, 2002; 4010 adopted May 27, 2003; 4087 adopted August 24, 2004; 4164 adopted April 25, 2006; 4216 adopted June 26, 2007; 4261 adopted on June 24, 2008; 4299 adopted on May 26, 2009; 4344 adopted on June 22, 2010; 4382 adopted on May 24, 2011; 4428 adopted on June 26, 2012; 4460 adopted on May 28, 2013; 4503 adopted on June 24 2014; 4541 adopted on May 26, 2015; 4572 adopted on May 24, 2016; 4597 adopted on April 25, 2017; 4626 adopted on April 24, 2018; 4672 adopted on April 28, 2020; 4716 adopted on April 26, 2022, and 4779 adopted May 28, 2024 the Port Authority determined that the exemptions provided for and for the continued existence of CCP in Resolution Nos. 3853 and 3902 should continue to apply to CCP; and

WHEREAS, at the regularly scheduled meeting of the Board of Commissioners of the Port Authority held on April 28, 2026, CCP presented to the Port Authority an audit of its financials for the calendar year ending December 31, 2025, conducted by CliftonLarsonAllen, and the Port Authority has reviewed such audit and the activities of CCP and, on the basis of such review, has determined that the continued existence of CCP under the scope and exemptions provided in Resolution Nos. 3853 and 3902 is appropriate.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE PORT AUTHORITY OF THE CITY OF SAINT PAUL, AS FOLLOWS:

1. The Port Authority hereby authorizes the continued existence of CCP under the scope and exemptions provided for in Resolution Nos. 3853 and 3902 and fully described in Attachment 1.

2. Port Authority management is hereby authorized and directed to file a certified copy of this resolution with the Secretary of State, as required by Minn. Stat. §465.719, Subdivision 10.

Adopted: April 28, 2026

PORT AUTHORITY OF THE
CITY OF SAINT PAUL

By _____
Its _____

ATTEST:

By _____
Its _____

Attachments: Attachment 1
Resolution No. 3853
Resolution No. 3902

ATTACHMENT 1

1. Need for Corporation. CCP was created to assist the Port Authority in carrying out its purposes by holding and/or operating repossessed real estate on behalf of the Port Authority, thereby reducing or eliminating from the Port Authority those burdens. Since its creation in 1991, this has proven to be true. CCP, as a separate legal entity, has operated the Radisson Riverfront Hotel and the Radisson City Center Hotel, and is currently in the process of constructing a parking ramp to serve those two facilities, as well as the City of Saint Paul in general. In carrying on these activities, CCP, as a separate legal entity, has insulated the Port Authority from the related liabilities, complications and risks associated with the related businesses. CCP's ownership has allowed the Port Authority to avoid adding as many as 500 private employees to its public payroll and related benefits, and has allowed CCP to negotiate employment and collective bargain agreements, as well as other claims which arise in connection with the ownership and operation of the hotels and parking ramps, maintaining those obligations and responsibilities at a non-public level, protecting the resources and taxing authority of the Port Authority.

2. Board Membership. CCP's Articles of Incorporation require that a majority of CCP's directors be either Port Authority commissioners or employees. The Port Authority believes that it is important to continue this requirement, since this continuity of leadership and management between the Port Authority and CCP helps to ensure that CCP will conduct its activities in a way that is consistent with the goals and priorities of the Port Authority, and in fulfillment of the Port Authority's public purpose objectives.

3. Exemption from certain Laws.

A. Uniform municipal contracting law [Minn. Stat. §471.345] – The Port Authority hereby finds that CCP should be exempt from the uniform municipal contracting law because, in its general activities, CCP is providing for the construction and/or renovation of properties that are private and proprietary in nature, although being operated for a public purpose through repossession or otherwise. CCP is also not financing its construction activities with taxpayer or other public funds, and instead is accessing the revenue bond market for funds necessary for these projects. As a result, the safeguards which would generally be appropriate in a governmental project are not necessary in connection with CCP's activities.

B. Limitation on compensation of employees based on governor's salary [Minn. Stat. §43A.17] – As described above, CCP's activities are generally of a proprietary and private natures, relating to properties that, as a general rule, have come into public ownership through repossession. CCP, as the owner of the Radisson Hotel Riverfront and Radisson City Center Hotel, employees approximately 500 people, pursuant to existing contracts and collective bargaining agreements. These employees are hotel employees, and do not consider themselves government employees. As a result, it would be inappropriate, and noncompetitive, to require that CCP be limited by requirements otherwise imposed on governmental employees. [Note – this exemption only applies to CCP employees, and will not apply to Port Authority employees who

might, from time to time, do work for CCP on a contract basis. Port Authority employees, would remain subject to any salary limitation imposed on government employees.]

C. Equitable pay [Minn. Stat. §471.991 to 471.99] – As described above, the employees that work for CCP are, for the most part, union employees entitled to benefits established under collective bargaining agreements negotiated with the unions. As described above, these employees do not consider themselves municipal employees, and should not be entitled to compensation and employment benefits which are generally available only to government employees, and are not generally available in the private sector.

D. Prohibition on acceptance of gifts from interested parties [Minn. Stat. §471.895] – As described above, CCP’s employees do not consider themselves to be governmental employees, and are not governmental employees. Instead, they are private employees for all other intents and purposes and should not be subject to gift ban limitations imposed by Minnesota Statutes on governmental employees. Also, as employees of CCP, these employees do not fall within the definition of “local official”, and are not in a position to influence the activities of local officials. [Note – this exemption only applies to CCP employees, and will not apply to Port Authority employees who might, from time to time, do work for CCP on a contract basis. Port Authority employees, would remain subject to any gift ban imposed on government employees.]

E. Municipal tort liability [Minn. Stat. §466] – Since CCP is not a governmental entity, and is operating businesses which are, for all intents and purposes, private businesses, CCP should not be allowed to unjustly protect itself and these businesses from tort liability. Instead, the businesses operated by CCP should be required to carry insurance to cover risks, as their competitors do.

F. Identification of owned vehicles [Minn. Stat. §471.346] – The vehicles owned by CCP, or by the businesses operated by CCP, will be owned and operated in connection with the proprietary businesses, and not in direct connection with any municipal or governmental services. These vehicles will include hotel airport vans, which need to be clearly identified as belonging to the hotel. Identification of these vehicles with the Port Authority would cause consumer/user confusion.

G. Itemization and declaration of claims [Minn. Stat. §471-38 to 471.41] – CCP is operating its businesses in a proprietary marketplace. The sheer volume of expenditures, and the timing of such operations, precludes compliance with this statutory requirement. Since claims against CCP’s businesses are payable solely out of the revenues of such businesses, standard and prudent operational practices will provide the necessary safeguards, without need for these additional statutory protections.

H. Prohibition on advances of pay, the making or guarantee of loans or the provisions in-kind benefits, unless authorized by law – CCP’s relationships with its

employees are, for the most part, governed by contract or collective bargaining agreements. CCP is obligated to be competitive within the industry in which these businesses operate, which may require, from time to time, pay advances and other activities which would otherwise be precluded by these requirements. Since CCP's operating revenues come from the operation of the businesses in question, public money is not at risk, and the statutory protections are not necessary. [Note – this exemption only applies to CCP employees, and will not apply to Port Authority employees who might, from time to time, do work for CCP on a contract basis. Port Authority employees, would remain subject to any prohibitions imposed on government employees.]

RESOLUTION OF THE
PORT AUTHORITY OF THE CITY OF SAINT PAUL

WHEREAS, the Port Authority of the City of Saint Paul ("the Port Authority") is a political subdivision of the state of Minnesota within the meaning of Minnesota Statutes § 465.719, subdivision 1(a).

WHEREAS, on July 30, 1991, Saint Paul Port Authority Properties Corporation, now known as Capital City Properties ("CCP") was formed by Victor P. Reim, James J. Bellus and Kenneth R. Johnson (then the Chair, President and Vice President of the Port Authority, respectively) as a Minnesota non-profit corporation for the purpose of:

- (a) aiding, assisting and advising the Port Authority in, and engaging in, the planning for and development and improvement of the Saint Paul area;
- (b) providing advice, support, funds, capital, gifts and all other lawful forms of assistance, financial or otherwise, to or for the use of the Port Authority in connection with the development of the Saint Paul area; and
- (c) aiding, supporting and assisting, by loans, guaranties, investments and other lawful forms of assistance, other persons or organizations seeking to develop and improve the Saint Paul area.

WHEREAS, at its formation, and continuing today, the Port Authority is the sole member of CCP.

WHEREAS, on July 30, 1991, the Port Authority adopted its Resolution No. 3330 in which the Port Authority:

- (a) pledged its full support for the creation and operation of CCP;
- (b) approved the Articles of Incorporation of CCP; and
- (c) authorized certain financial support for CCP and pledged to work closely with, and provide all assistance to, CCP to ensure its successful operation.

WHEREAS, under the Articles of Incorporation, as amended, the affairs of CCP are to be managed by a board of directors consisting of not less than five nor more than 11 persons, a majority of which shall be either (a) a commissioner or commissioners of the Port Authority or (b) one or more full-time employees of the Port Authority.

WHEREAS, on April 2, 1993, CCP applied to the Internal Revenue Service for recognition of exemption under Section 501(c)(3) by virtue of its relationship with, and activities

on behalf of, the Port Authority, which exemption was granted by the Internal Revenue Service on February 2, 1994.

WHEREAS, in the 81st legislative session, the Minnesota Legislature adopted Minn. Stat. §465.717, requiring that political subdivisions, such as the Port Authority, who have either created or have a relationship with a non-profit corporation (such as CCP) adopt a resolution at a regularly scheduled meeting in order to provide for the continued existence of such non-profit corporation.

WHEREAS, the Port Authority wishes to provide for the continued existence of CCP, as contemplated by Minn. Stat. §465.717, pursuant to the terms and conditions described herein.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Port Authority of the City of Saint Paul as follows:

1. The Port Authority hereby finds that CCP has fulfilled the purpose for which it was created, which was to be a supporting organization to the Port Authority, with the intent being that CCP would undertake activities at the request of and under contract with the Port Authority, in carrying out land acquisition, development and property management responsibilities that would otherwise have been undertaken by the Port Authority, and that CCP should continue in existence in order to continue those activities on behalf of the Port Authority. The Port Authority continues to believe the land acquisition, development and property management responsibilities currently carried on by CCP on behalf of the Port Authority are best carried on by CCP for the reasons more specifically stated in Attachment 1 to this resolution.

2. The Port Authority intends that CCP have such power and authority as is granted in its Articles of Incorporation and Bylaws. The Port Authority specifically finds that the authorities and powers of CCP shall not exceed the authorities and powers of the Port Authority, except as provided in paragraphs 4 and 5, below.

3. The Port Authority hereby elects to continue the provisions of the Articles of Incorporation of CCP requiring that a majority of CCP's directors be either Port Authority commissioners or employees, for the reasons more specifically stated in Attachment 1.

4. The Port Authority hereby determines that CCP should comply with every law that applies to the Port Authority, as if CCP is a part of the Port Authority, except for the following laws, from which the Port Authority hereby elects to exempt CCP, for the reasons more specifically set forth on Attachment 1.

- Uniform municipal contracting law [Minn. Stat. §471.345]
- Limitation on compensation of employees based on governor's salary [Minn. Stat. §43A.17]
- Equitable pay [Minn. Stat. §471.991 to 471.99]

- Prohibition on acceptance of gifts from interested parties [Minn. Stat. §471.895]
- Municipal tort liability [Minn. Stat. §466]
- Identification of owned vehicles [Minn. Stat. §471.346]
- Itemization and declaration of claims [Minn. Stat. §471-38 to 471.41]
- Prohibition on advances of pay, the making or guarantee of loans or the provisions in-kind benefits, unless authorized by law

5. In connection with the determination made in paragraph 4, above, with respect to the applicability of certain laws to CCP, the Port Authority hereby understands that CCP may not be exempted from the Minnesota Open Meeting Law (Minn. Stat. §471.705), laws governing records management (Minn. Stat. §§138.163 to 138.25) or the Minnesota Government Data Practices Act (Minn. Stat. Chapter 13). In this regard, however, the Port Authority further understands and finds that CCP is entitled to treat the following data as private data under Minn. Stat. §13.02, subdivision 12 or as nonpublic data under Minn. Stat. §13.02, subdivision 9, all data relating either to (a) private businesses consisting of financial statements, credit reports, audits, business plans, income and expense projections, customer lists, balance sheets, income tax returns, and design, market and feasibility studies not paid for with public funds, or (b) enterprises operated by CCP that are in competition with entities offering similar goods and services, so long as the data are not generally known or readily ascertainable by proper means and disclosure of specific data would cause harm to the competitive position of the enterprise or private business, provided that the goods and services do not require a tax levy.

6. The Port Authority hereby undertakes to review the activities of CCP on an annual basis, in connection with the Port Authority's annual review of the CCP audit, and to determine after each such review whether the exemption provided in the preceding paragraph 4 should be continued. Following such review, the Port Authority shall adopt a resolution to continue any exemption which it then deems appropriate to continue, and shall file a certified copy of such resolution with the Secretary of State.

7. Port Authority management is hereby authorized and directed to file a certified copy of this resolution with the Secretary of State, as required by Minn. Stat. §465.717, Subdivision 2.

8. CCP is hereby authorized and directed to adopt and file such amendments to its Articles of Incorporation as may be necessary to make CCP's Articles of Incorporation consistent with this resolution, and to provide for the application of the laws described in paragraphs 4 and 5, above.

Adopted: October 24, 2000

PORT AUTHORITY OF THE CITY
OF SAINT PAUL

By *Paul A. Buszynski*
Its Chair

ATTEST:

Kathy Lentz
Its Secretary

RESOLUTION OF THE
PORT AUTHORITY OF THE CITY OF SAINT PAUL

WHEREAS, in the 81st legislative session, the Minnesota Legislature adopted Minn. Stat. §465.719, requiring that political subdivisions, such as the Port Authority of the City of Saint Paul (the "Port Authority"), who have either created or have a relationship with a non-profit corporation (such as Capital City Properties ("CCP")) adopt a resolution at a regularly scheduled meeting in order to provide for the continued existence of such non-profit corporation and to specify what authorities and powers the corporation should possess.

WHEREAS, on October 24, 2000, the Port Authority adopted its Resolution No. 3853 in which the Port Authority provided: for the continued existence of CCP, as contemplated by Minn. Stat. §465.719; for the exemption of CCP from certain statutory requirements otherwise applicable to the Port Authority; and for CCP to have authorities and powers which do not exceed the authorities and powers of the Port Authority.

WHEREAS, subsequent to the adoption of Resolution No. 3853, the Port Authority has determined that in addition to the powers and authority available to the Port Authority, CCP should retain and have powers which would otherwise be available to a nonprofit corporation, to enter into partnerships, joint ventures and corporate share ownership arrangements, in furtherance of the mission and activities of CCP and the Port Authority.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Port Authority of the City of Saint Paul as follows:

1. The findings and conclusions contained in Resolution No. 3853 are hereby ratified and affirmed, as amended hereby.
2. The Port Authority hereby determines that, in addition to the powers and authorities of the Port Authority, CCP should retain and have the power and authority that a corporation would otherwise have to enter into partnership, joint venture or stock ownership arrangements, as necessary to enable CCP to participate in partnerships, joint ventures or the ownership and operation of other corporations in furtherance of the mission and activities of CCP and the Port Authority, notwithstanding any limitation that would otherwise be imposed on the Port Authority with regard to such activities.
3. Port Authority management is hereby authorized and directed to file a certified copy of this resolution with the Secretary of State, as required by Minn. Stat. § 465.719, Subdivision 2.

Adopted: August 28, 2001

PORT AUTHORITY OF THE CITY
OF SAINT PAUL

By Kathy Hartig
Its ~~Chair~~ Acting Chair


ATTEST:

[Signature]
Its ~~Secretary~~ Asst. Secretary

MEMORANDUM

To: ADMINISTRATIVE COMMITTEE
BOARD OF COMMISSIONERS

Meeting Date: April 28, 2026

From: Michael Solomon 

Subject: ACCEPTANCE OF THE 2025 AUDIT

Action Requested:

Acceptance of the 2025 audit report.

Background:

The completion of the financial statements and external review of our finances is a key milestone and work product of the Port Authority Finance and Operations team. For the past few months, staff have worked with our external auditor, CliftonLarsonAllen (“CLA”), to complete the 2025 financial statements. Representatives from CLA will review the 2025 audited financial statements with the Board of Commissioners (the “Board”).

CLA has completed its audit and has indicated that it will be issuing an unqualified audit opinion for the Port Authority and related entities. The audited financial statements and schedule of expenditures of federal awards are attached to this memo in near-final form.

Recommendation:

Acceptance of the 2025 audit report.

Attachment: 2025 Final Draft Audit

PORT AUTHORITY OF THE CITY OF SAINT PAUL

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2025



CPAs | CONSULTANTS | WEALTH ADVISORS

CLAcconnect.com

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2025**

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT 1

MANAGEMENT'S DISCUSSION AND ANALYSIS 4

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION – PROPRIETARY FUNDS 9

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION –
PROPRIETARY FUNDS 10**

STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS 11

STATEMENT OF FIDUCIARY NET POSITION 12

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION 13

NOTES TO BASIC FINANCIAL STATEMENTS 14

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN NET OPEB LIABILITY (ASSET) 45

**SCHEDULE OF MONEY-WEIGHTED RATE OF RETURN ON PLAN ASSETS –
OPEB 46**

**PERA SCHEDULE OF THE PORT AUTHORITY'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY 47**

PERA SCHEDULE OF THE PORT AUTHORITY'S CONTRIBUTIONS 48

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION 49

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Port Authority of the City of Saint Paul
Saint Paul, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of the Port Authority of the City of Saint Paul, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Port Authority of the City of Saint Paul's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, the discretely presented component units, and the aggregate remaining fund information of the Port Authority of the City of Saint Paul, as of December 31, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof 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 (GAAS) 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Port Authority of the City of Saint Paul 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 the 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 Port Authority of the City of Saint Paul's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' 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 GAAS 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 judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS 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 Port Authority of the City of Saint Paul'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 Port Authority of the City of Saint Paul'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in net OPEB liability (asset), schedule of money-weighted rate of return on plan assets – OPEB, PERA schedule of the Port Authority's proportionate share of the net pension liability, and the PERA schedule of the Port Authority's contributions 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 required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 22, 2026, on our consideration of the Port Authority of the City of Saint Paul's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Port Authority of the City of Saint Paul'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 Port Authority of the City of Saint Paul's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
April 22, 2026

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2025**

The management of the Port Authority of the City of Saint Paul (the Port Authority) provides this narrative overview and analysis of the Port Authority's financial activities for the fiscal year ended December 31, 2025. We encourage readers to consider this information in conjunction with the complete financial statements presented herein. All amounts, unless otherwise indicated, are presented in thousands of dollars.

The Port Authority's annual report consists of three basic financial statements: the statement of net position, the statement of revenue, expenses, and changes in net position, and the statement of cash flows. These statements focus on the financial condition of the Port Authority, the results of operations, and cash flows of the Port Authority as a whole. In addition, the Statement of Fiduciary Net Position relates to funds deposited with the State of Minnesota Investment Board for future retiree health care costs as well as investment held in trust for the Port's defined contribution pension plan.

STATEMENT OF NET POSITION

	2025	2024
Assets:		
Current and Other Assets	\$ 432,371,004	\$ 426,815,473
Capital Assets and Right-to-Use Assets	18,600,042	15,810,383
Total Assets	450,971,046	442,625,856
 Deferred Outflows of Resources	 632,629	 650,656
Liabilities:		
Long-Term Liabilities	327,674,793	312,005,460
Other Liabilities	19,929,409	24,225,591
Total Liabilities	347,604,202	336,231,051
 Deferred Inflows of Resources	 32,179,583	 35,428,819
 Net Position:		
Net Investment in Capital Assets	16,638,134	13,649,388
Restricted, Debt Service	75,068,656	72,436,038
Unrestricted	(19,886,900)	(14,468,784)
Total Net Position	\$ 71,819,890	\$ 71,616,642

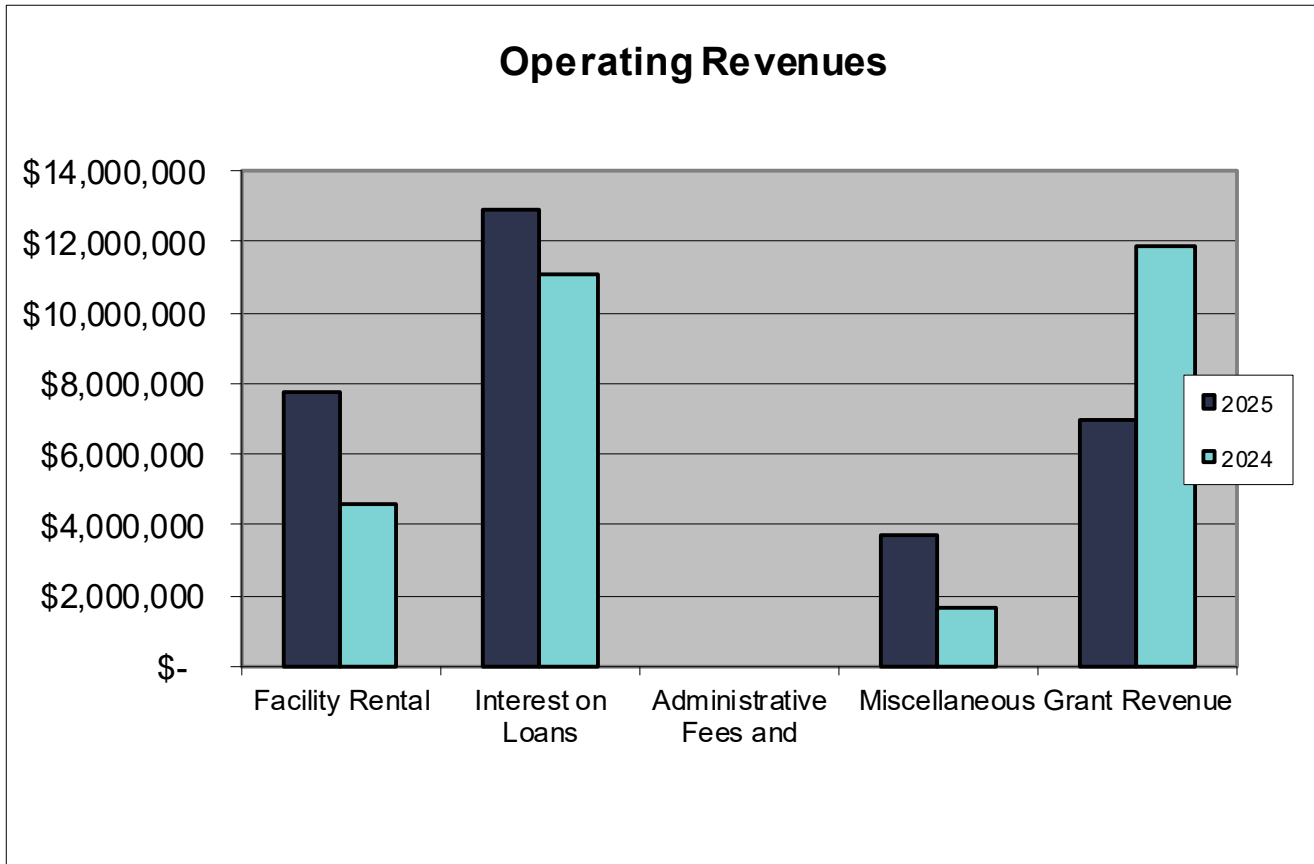
FINANCIAL HIGHLIGHTS

- Total assets were \$8,345,190 or 1.89% greater than in 2024. Current and Other Assets increased \$5,555,531 or 1.30% mainly from an increase of notes payable.
- Total liabilities increased \$11,373,151 for a 3.38% increase over 2024. Debt associated with special assessments for third-party energy saving projects and funded by outside parties increased by \$15,669,333 million or 5.02%.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2025**

Operating Revenues: Operating revenues increased \$2,174,372 or 7.45% to \$31,354,879 in 2025 from \$29,180,507 million 2024. Administrative fees and miscellaneous saw an increase of approximately \$2,121,900, or a 131% increase from 2024, and interest on loans servicing fees associated with third party loans is continuing to increase. Grant revenue decreased \$4,916,234 million due to reimbursement for the Heights Development project in 2024 without a 2025 equivalent. The following schedule presents a summary of the revenues for the years ended December 31, 2025 and 2024, and the percentages of increase or decrease in relation to the prior year's revenues.

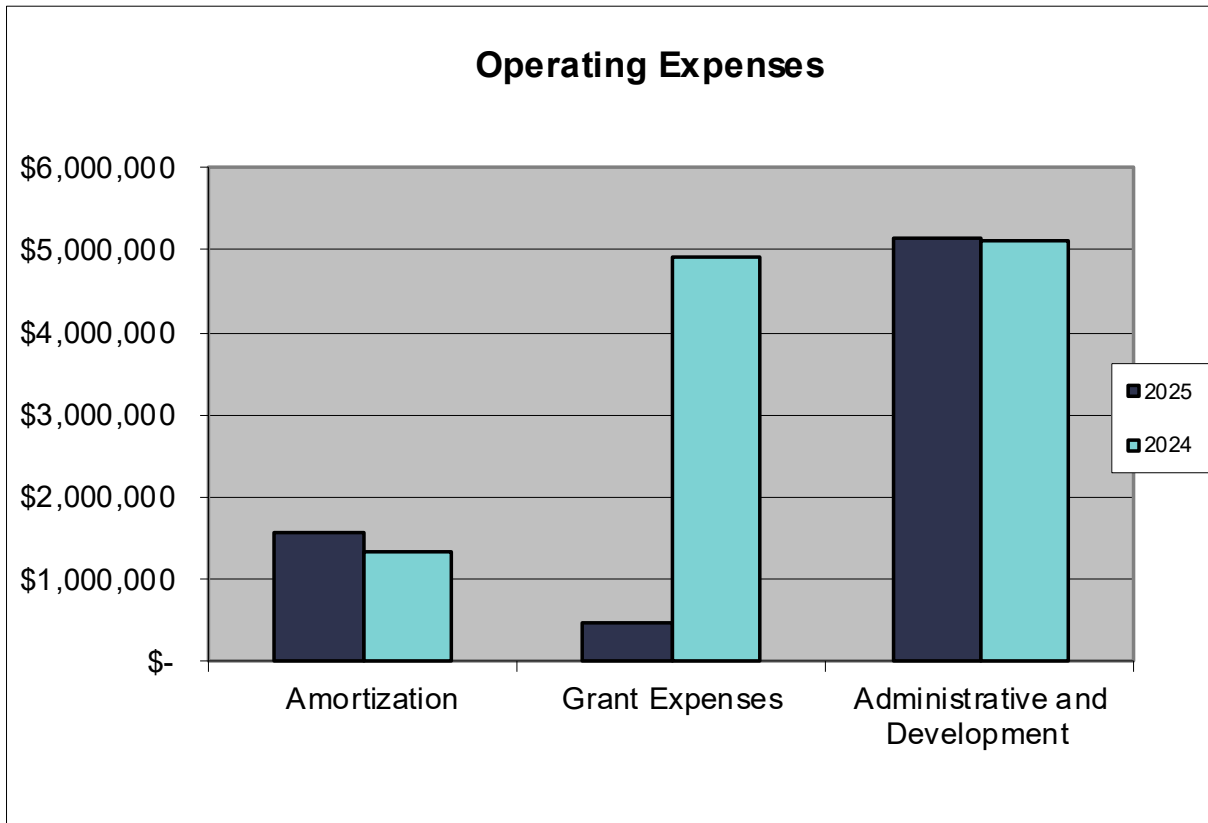
	2025	Percentage of Total	2024	Percentage of Total	(Decrease) from 2023	Percentage Change
Operating Revenues:						
Facility Rental	\$ 7,717,046	24.6 %	\$ 4,584,206	15.7 %	\$ 3,132,840	68.3 %
Interest on Loans	12,927,038	41.3	11,091,172	38.0	1,835,866	16.6
Administrative Fees and Miscellaneous	3,741,476	11.9	1,619,576	5.6	2,121,900	131.0
Grant Revenue	6,969,319	22.2	11,885,553	40.7	(4,916,234)	(41.4)
Total Operating Revenues	\$ 31,354,879	100.0 %	\$ 29,180,507	100.0 %	\$ 2,174,372	7.5 %



**PORT AUTHORITY OF THE CITY OF SAINT PAUL
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2025**

Operating Expenses: Operating expenses decreased \$4,072,554 or 28.96% to \$10,031,903 in 2025 from \$14,063,490 in 2024. Depreciation and amortization expense remained consistent with 2024. Grant expenses decreased \$4,420,415 due to property development costs not having a corresponding grant for 2025 and the completion of other projects. Administrative and Development costs remained relatively consistent, with a decrease of \$21,116 or 0.41% from the prior year. Revenues pledged to others relates to leased property revenues which are pledged to and passed on to third parties. While the majority of the main lease rate increases annually, a portion of this revenue is based upon volume. In 2025 these revenues and related expenses increased by \$150,681 or a 1.07% increase from 2024. The following schedule presents a summary of expenses for the years ended December 31, 2025 and 2024, and the percentage change in relation to the prior year's expenses.

	2025	Percentage of Total	2024	Percentage of Total	Increase (Decrease) from 2023	Percentage Change
Operating Expenses:						
Depreciation and Amortization	\$ 1,550,539	15.5 %	\$ 1,332,243	9.5 %	\$ 218,296	16.4 %
Grant Expenses	481,575	4.7	4,901,990	34.8	(4,420,415)	(90.2)
General and Administrative	5,133,086	51.2	5,113,235	36.4	19,851	0.4
Payment to 876 Bond Fund	2,866,703	28.6	2,716,022	19.3	150,681	5.5
Total	<u>\$ 10,031,903</u>	<u>100.0 %</u>	<u>\$ 14,063,490</u>	<u>100.0 %</u>	<u>\$ (4,031,587)</u>	<u>(28.7)%</u>



**PORT AUTHORITY OF THE CITY OF SAINT PAUL
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2025**

Debt Administration: As of December 31, 2025, the Port Authority has various debt issues outstanding. These issues include \$50,335,000 in general obligation bonds, \$12,845,000 in revenue bonds, \$283,000 in other development bonds, \$1,961,908 in GASB Statement No. 87 lease liability, and \$262,509,490 in promissory notes, for a net increase of \$15,821,752 from 2024. Port Authority's debt is either not rated or, in the case of general obligation debt, is assigned the City of Saint Paul's rating, which is rated AAA by Standard and Poor's Rating Service and Fitch Ratings. The majority of the other bonds, notes and loans were used for energy savings projects, of which most are secured by special assessments on the related projects and are fully offset with loans receivable. See Note 5 for additional information regarding the Port Authority's outstanding debt.

OTHER INFORMATION

Employees: The Port Authority had 19 and 20 regular full-time employees as of December 31, 2025 and 2024 respectively. Part time Employees were 3 as of December 31, 2025, and 2 as of December 31, 2024.

Requests for Information: This financial report is designed to provide a general overview of the Port Authority's finances for all those with an interest in the Port Authority's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Port Authority of the City of Saint Paul, Michael J. Solomon, Chief Financial Officer, 400 Wabasha St. N, Suite 240, Saint Paul, Minnesota 55102.

BASIC FINANCIAL STATEMENTS

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2025**

	Primary Government Business-Type Activities	Component Unit
ASSETS		
Cash and Cash Equivalents	\$ 9,491,928	\$ 17,324,400
Restricted Cash and Cash Equivalents	4,902,421	763,040
Accounts Receivable, Net	4,220,013	1,436,272
Lease Receivable, Current	2,373,312	-
Due from Component Unit	2,976,237	-
Due from Port Authority	-	664,726
Loans Receivable from Port Authority	-	400,000
Prepaid Expenses	190,705	22,751
Restricted Investments	22,585,921	-
Investments	-	7,657,762
Other Assets, Net	339,991,814	1,565,575
Lease Receivable, Long-Term	21,783,218	-
Property Held for Redevelopment	23,855,435	-
Capital Assets:		
Land and Construction in Progress	6,006,474	-
Other Capital Assets, Net of Depreciation and Amortization	12,593,568	44,022,217
Total Assets	450,971,046	73,856,743
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows of Resources - Pensions	398,798	-
Deferred Outflows of Resources - Loss on Debt Refunding	233,831	-
Total Deferred Outflows of Resources	632,629	-
LIABILITIES		
Accounts Payable, Accrued Expenses, and Unearned Revenue	5,847,942	1,636,615
Accrued Interest Payable	1,224,240	2,690,148
Advance to Port Authority	-	3,600,000
Other Accrued Liabilities	8,443,650	95,000
Long-Term Liabilities Due Within One Year	4,413,577	1,435,642
Revenue Bonds and Notes Payable	324,946,759	43,981,686
Lease Liability	1,753,331	-
Net Pension Liability	974,703	-
Total Liabilities	347,604,202	53,439,091
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows of Resources - Pensions	658,786	-
Deferred Inflows of Resources - Leases	23,912,244	-
Deferred Inflows of Resources - Service Concession Arrangements	7,608,553	-
Total Deferred Inflows of Resources	32,179,583	-
NET POSITION		
Net Investment in Capital Assets	16,638,134	(10,148,685)
Restricted for:		
Debt Service	75,068,656	-
Equity On Ice	-	138,424
Other	-	763,040
Unrestricted	(19,886,900)	29,664,873
Total Net Position	\$ 71,819,890	\$ 20,417,652

See accompanying Notes to Basic Financial Statements.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2025**

	Primary Government	Component Unit
OPERATING REVENUES		
Revenue Bond Facilities and Loans:		
Facility and Other Rentals	\$ 7,717,046	\$ -
Interest on Loans	12,927,038	-
Operating Income on Owned Facilities	-	5,578,134
Administrative and Other Fees	3,741,476	1,081,131
Grant Revenues	6,969,319	-
Total Operating Revenues	31,354,879	6,659,265
OPERATING EXPENSES		
Administrative and Development	5,133,086	1,419,684
Operations of Owned Facilities	-	1,183,575
Revenues Pledged to Others	2,866,703	-
Depreciation and Amortization	1,550,539	2,202,478
Grant Expenses	481,575	850,000
Real Estate Taxes	-	1,084,095
Total Operating Expenses	10,031,903	6,739,832
OPERATING INCOME (LOSS)	21,322,976	(80,567)
NONOPERATING REVENUES (EXPENSES)		
Investment Income (Loss)	1,689,831	3,094,883
Equity Earnings on Joint Ventures	-	16,439,515
Debt Service Levies	9,666,029	-
Miscellaneous Revenue	-	218,443
Interest Expense on Revenue Bonds and Notes Payable	(14,631,334)	(4,050,058)
Fiscal and Development Fees	(17,844,254)	-
Nonoperating Revenues (Expenses)	(21,119,728)	15,702,783
CHANGES IN NET POSITION	203,248	15,622,216
Net Position - Beginning of Year	71,616,642	4,795,436
NET POSITION - END OF YEAR	\$ 71,819,890	\$ 20,417,652

See accompanying Notes to Basic Financial Statements.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2025**

	2025
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers and Users	\$ 7,717,046
Grant Receipts	6,969,319
Other Operating Receipts	33,023,160
Payments for Administrative and Development Expenses	(42,094,225)
Payments to Employees	(3,371,175)
Grant Expenses and Other Payments for Operations	(481,575)
Net Cash Provided by Operating Activities	1,762,550
CASH FLOWS FROM NONCAPITAL FINANCIAL ACTIVITIES	
Proceeds for Issuance of Debt	37,322,198
Principal Paid on Debt	(16,684,314)
Interest and Paying Agent Fees on Bonds	(32,949,717)
Receipts from Debt Service Levies	14,652,936
Net Cash Provided by Noncapital Financing Activities	2,341,103
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of Capital Assets	(4,357,342)
Principal Paid on Capital Debt	(4,816,132)
Net Cash Used by Capital and Related Financing Activities	(9,156,330)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Income	1,689,831
Purchase of Investments	(8,686,721)
Proceeds from the Sale of Investments	10,697,869
Net Cash Provided by Investing Activities	3,700,979
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,351,698)
Cash and Cash Equivalents - Beginning of Year	15,746,047
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 14,394,349
RECONCILIATION OF OPERATING INCOME TO NET CASH USED BY OPERATING ACTIVITIES	
Operating Income	\$ 21,322,976
Adjustments to Reconcile Operating Income to Net Cash Used by Operating Activities:	
Depreciation	1,550,539
Changes in Assets and Liabilities:	
(Increase) Decrease in:	
Receivables	386,501
Prepays	17,466
Loans Receivable	(33,018,978)
Lease Receivable	2,418,244
Other Assets	12,251,807
Property Held For Redevelopment	3,983,919
Net OPEB Asset	55,757
Deferred Outflows	18,027
Increase (Decrease) in:	
Payables	743,209
Other Liabilities	(4,717,681)
Lease Deferred Inflows	(2,685,825)
Other Deferred Inflows	(563,411)
Net Cash Provided by Operating Activities	\$ 1,762,550
SUPPLEMENTAL DISCLOSURE OF NONCASH FINANCING ACTIVITIES	
Amortization of Bond Premiums	\$ 408,663

See accompanying Notes to Basic Financial Statements.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2025**

	<u>OPEB Irrevocable Trust</u>
ASSETS	
Restricted Investments	\$ 706,040
LIABILITIES	
Due to the Port Authority	<u> 40,967</u>
NET POSITION	
Restricted for OPEB	<u><u> \$ 665,073</u></u>

See accompanying Notes to Basic Financial Statements.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED DECEMBER 31, 2025**

	OPEB Irrevocable Trust
ADDITIONS	
Earnings on Investments	\$ 58,055
DEDUCTIONS	
Benefits Paid to Plan Members	40,967
NET INCREASE (DECREASE) IN NET POSITION	17,088
Net Position - Beginning of Year	647,985
NET POSITION - END OF YEAR	\$ 665,073

See accompanying Notes to Basic Financial Statements.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Organization

The Port Authority of the City of Saint Paul (a component unit of the City of Saint Paul, Minnesota) (the Port Authority) is a body corporate of the state of Minnesota and a redevelopment agency within the meaning of Minnesota statutes. The Port Authority is an enterprise fund and accounts for operations similar to private business enterprises, where the intent is that the costs to provide services on a continuing basis be financed or recovered primarily through user charges. The Port Authority's purpose is to redevelop underused land into thriving business centers, to bring jobs and tax base to St. Paul; and manage the St. Paul Harbor on the Mississippi River, providing jobs and connecting our region to a global marketplace.

Financial Reporting Entity

The powers of the Port Authority are vested in the seven-member board of commissioners, the members of which are nominated by the Mayor and confirmed by the City Council of the City of Saint Paul. Once appointed, the board of commissioners exercises all oversight responsibilities, including, but not limited to, matters of personnel, management, finance, and budget. The accompanying financial statements present the Port Authority and its component unit, an entity for which the Port Authority is considered to be financially accountable. The discretely presented component unit, described below, is reported in a separate column in the government-wide financial statements to emphasize that it is legally separated from the Port Authority.

Certain Port Authority bond issues have been backed by the full faith and credit of the City. This general obligation pledge has allowed the Port Authority to obtain lower borrowing costs for the purpose of financing redevelopment projects. Governmental Accounting Standards Board (GASB) Accounting Standards Codification (ASC) 2100 states that a primary government that appoints a voting majority of an organization's officials and is obligated in some manner for the debt of that organization is financially accountable for that organization. Based on this criterion, the Port Authority is considered a discretely presented component unit of the City and is included in its basic financial statements.

Discretely Presented Component Unit

Capital City Properties (CCP) is a Minnesota nonprofit corporation established in 1991 for the purpose of performing the functions and carrying out certain public purposes of the Port Authority. All the members of the board of directors of CCP are either commissioners or staff of the Port Authority. CCP participates in various joint ventures. CCP separately issues its own financial statements which may be obtained by contacting CCP at 400 Wabasha St. N, Suite 240, Saint Paul, Minnesota 55102.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

**NOTE 1 NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Measurement Focus and Basis of Accounting

The Port Authority's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The GASB is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations).

The Port Authority utilizes the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows.

The Port Authority excludes from its basic financial statements all debt considered conduit debt as well as the related assets and operations. The Port Authority defines conduit debt as "no-commitment" debt for which the Port Authority has no further obligation, as defined by governmental accounting standards generally accepted in the United States of America. See Note 12 for further information related to no-commitment debt.

Use of Accounting Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, and deferred inflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Ultimate results could differ from those estimates.

Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents include demand deposit and savings accounts, money market funds, and commercial paper with original maturities of three months or less. Some cash of the discretely presented component unit is deposited with the Port Authority's deposits and invested on a short-term basis in checking, savings, and money market accounts. Interest income earned as a result of the pooling is distributed based on the investment fund balances for the proprietary funds. All of the Port Authority's cash and cash equivalents are restricted by bond indentures and/or board resolutions.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

**NOTE 1 NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Restricted Investments

Restricted investments are reported at fair market value, with the unrealized gains and losses reported as a component of investment income, except for debt securities that have a remaining maturity at the time of purchase of one year or less, which are reported at amortized cost. All investments and earnings attributable to these restricted funds are accounted for directly by the Port Authority and are restricted in accordance with the provisions of bond indentures and a board resolution for operations and payments of debt service on the bonds. The funds and accounts the Port Authority is required to maintain are as follows:

- *Operations:* Pursuant to Board of Commissioners Resolution Number 3300 dated February 19, 1991, the Port Authority established an operating reserve account to enable the Port Authority to continue to carry out the covenants made with holders of bonds issued pursuant to certain bond financing programs. The reserve account is reviewed periodically, to determine whether the reserve is adequate.
- *Development programs:* Amounts have been restricted for the project-specific purposes.

Unamortized Bond Discounts and Premiums

Unamortized bond discounts and premiums are amortized over the life of the related debt.

Other Assets

Other assets consist of future tax levies receivable, levied taxes receivable, and loans receivable (see Note 3). The Port Authority records a receivable for future tax levies related to various bonds that are issued to finance projects. The bonds issued establish an irrevocable levy which creates a legally enforceable claim for repayment of the outstanding bond proceeds.

Property Held for Redevelopment

Property Held for Redevelopment represent property acquired by the Port Authority to be redeveloped and held for sale. The property is held at net realizable value. The redevelopment costs associated with the property are funded through various sources (tax increment financing, bond proceeds, state or federal grants, etc.). The Port Authority determines net realizable value of these costs on a project-by-project basis and based on known factors related to future funding sources, expenditures, and proceeds on the final sale of the property.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

**NOTE 1 NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Capital Assets

Properties and facilities are capitalized and reported at cost or estimated historical cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its life are not capitalized. Donated capital assets are recorded at acquisition value at the date of donation. Rental income is recorded for all properties and facilities under as applicable under GASB Statement No. 87. Land and construction in progress are not depreciated. Depreciation and amortization are computed on the straight-line method over the estimated useful lives of the assets, as follows:

Land Improvements	10 to 40 Years
Furniture, Fixtures, and Equipment	3 to 5 Years

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Impairment of Capital Assets

The Port Authority reviews its capital assets for recoverability whenever events or changes in circumstances suggest that the service utility of a capital asset may have significantly or unexpectedly declined, indicating that an impairment of its capital assets has occurred. If impairment has occurred, the estimated impairment is based on the diminished service utility of the capital asset. To date, management has determined that no impairment of long-lived assets exists.

Pensions

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

PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1 NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Port Authority's irrevocable OPEB trust and additions to/deductions from the Port Authority's irrevocable OPEB trust's fiduciary net position have been determined on the same basis as they are reported by the Port Authority's irrevocable OPEB trust. For this purpose, Port Authority recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Leases

The Port Authority determines if an arrangement is a lease at inception. Lessee leases are included in right-to-use assets and lease liabilities in the statements of net position. See Note 1 – Capital Assets for more on accounting policies related to lessee leases. Lessor arrangements are included in lease receivables and deferred inflows of resources in the statements of net position and fund financial statements.

Lease receivables represents the Port Authority's claim to receive lease payments over the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease receivables are recognized at commencement date based on the present value of expected lease payments over the lease term, reduced by any provision for estimated uncollectible amounts. Interest revenue is recognized ratably over the contract term.

Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner over the lease term.

The Port Authority has elected to recognize payments received for short-term leases with a lease term of 12 months or less as revenue as the payments are received. These leases are not included as lease receivables or deferred inflows on the statements of net position and fund financial statements.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 2 DEPOSITS AND INVESTMENTS

Deposits

In accordance with applicable Minnesota state statutes, the Port Authority maintains deposits at financial institutions authorized by the board of commissioners. All such depositories are members of the Federal Reserve System. Minnesota Statutes require that all deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by insurance or corporate surety bonds.

Authorized collateral includes U.S. Government treasury bills, notes, and or bonds; securities issued by a U.S. Government agency; general obligations of local governments rated "A" or better; revenue obligations of a state or local government rated "AA" or better; irrevocable standby letters of credit issued by a Federal Home Loan Bank; and time deposits insured by a federal agency. Minnesota Statutes require securities pledged as collateral held in safekeeping in a restricted account at the Federal Reserve Bank or at an account at a trust department of a commercial bank or other financial institution not owned or controlled by the depository.

Custodial Credit Risk – Deposits

In the case of deposits, custodial risk is the risk that in the event of bank failure, the Port Authority's deposits may not be returned to it. The Port Authority's deposit policy does not provide additional restrictions beyond Minnesota State Statutes. At year-end, the carrying amount of the Port Authority's deposits was not entirely covered by federal depository insurance or by surety bonds and collateral in accordance with Minnesota Statutes. The uncovered portion of deposits was \$1,903.

Investments

The Port Authority may also invest idle funds as authorized by Minnesota Statutes as follows:

- 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 and with the highest credit rating, is 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.
- Obligations of a school district with an original maturity not exceeding 13 months which is (i) rated in the highest category by a national bond rating service or (ii) enrolled in the credit enhancement program pursuant to Minn. Stat. § 126C.55.
- Bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

- Commercial paper issued by United States corporations or their Canadian subsidiaries, of highest quality category by at least two nationally recognized rating agencies and maturing 270 days or less.
- Guaranteed investment contracts guaranteed by United States commercial banks or domestic branches of foreign banks, or United States insurance companies if similar debt obligations of the issuer or the collateral pledged by the issuer is in one of the top two rating categories.
- Repurchase or reverse purchase agreements and security 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, a primary reporting dealer in U.S. Government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.

The Port Authority held the following investments as of December 31, 2025:

Investment Type	Fair Value
U.S. Treasury Notes	\$ 717,527
Federal Home Loan Bank	29,159
Total Investments at Fair Value	\$ 746,686

Investment Type	Amortized Cost
First American Government Obligations:	
Money Markets	\$ 7,120,753
Minnesota Municipal Money Market Fund	13,718,749
Total Investments at Amortized Cost	\$ 20,839,502

The OPEB Irrevocable Trust Fund held the following investments as of December 31, 2025:

Investment Type	Amortized Cost
MN SBI Non-Retirement Bond Fund	\$ 448,445
MN SBI Non-Retirement Equity Fund	146,984
MN SBI Non-Retirement Money Market Fund	110,611
Total Investments at Amortized Cost	\$ 706,040

MN SBI investments are subject to the policies and procedures established by the Minnesota State Board of Investment. They have no restrictions or limitations on withdrawals other than requiring a five-business day notice. The investment in the 4M external investment pool is with the 4M Fund which is regulated by Minnesota Statutes and the board of directors of the League of Minnesota Cities.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

Interest Rate Risk

As a means of managing its exposure to fair value losses arising from increasing interest rates, it is the Port Authority's practice to match maturities to its liquidity needs. The Port Authority establishes benchmarks that reflect its expected cash flow needs and minimize interest rates that are materially longer or shorter than those established by the benchmarks chosen. Maximum duration of the portfolio is 120% of the benchmark duration.

The Port Authority's schedule of the average maturities by investment type as of December 31, 2025 is as follows:

Investment Type	Investment Maturities (In Years)					Total
	Less than 1	1-5	6-10	More Than 10	No Maturity	
U.S. Treasury Notes	\$ 75,375	\$ 616,990	\$ 25,162	\$ -	\$ -	\$ 717,527
Government-sponsored Enterprises:						
Federal Home Loan Bank	-	-	29,159	-	-	29,159
Money Markets	-	-	-	-	7,120,753	7,120,753
4M - External Investment Pools	-	-	-	-	13,718,749	13,718,749
Total	<u>\$ 75,375</u>	<u>\$ 616,990</u>	<u>\$ 54,321</u>	<u>\$ -</u>	<u>\$ 20,839,502</u>	<u>\$ 21,586,188</u>

The OPEB Irrevocable Trust Fund's schedule of the average maturities by investment type as of December 31, 2025 is as follows:

Investment Type	Investment Maturities (In Years)
	No Maturity
MN SBI Non-Retirement Bond Fund	\$ 448,445
MN SBI Non-Retirement Equity Fund	146,984
MN SBI Non-Retirement Money Market Fund	110,611
Total	<u>\$ 706,040</u>

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

Credit Risk

As a means of managing its exposure that an issuer of a debt security will not fulfill its obligation, it is the Port Authority's practice to follow state law, which limits investments in authorized securities to certain credit risk ratings and maturities. It is the Port Authority's policy that securities must carry an A- or higher long-term rating by one rating agency or the highest quality short-term rating (without regard to modifiers) by two of the following rating agencies: *Standard & Poors*, *Fitch*, or *Moody's*. The Port Authority's investments at December 31, 2025 carried the following ratings:

Investment Type	Credit Risk (Lowest rating from Moody's, S&P, and Fitch Ratings)				Total
	AAA/Aaa	AA+/Aa1	A	NR or NA	
U.S. Treasury Notes	\$ -	\$ 692,365	\$ -	\$ 25,162	\$ 717,527
Government-Sponsored Enterprises:					
Federal Home Loan Bank	-	29,159	-	-	29,159
Money Markets	-	-	-	7,120,753	7,120,753
4M - External Investment Pools	-	-	-	13,718,749	13,718,749
Total	<u>\$ -</u>	<u>\$ 721,524</u>	<u>\$ -</u>	<u>\$ 20,864,664</u>	<u>\$ 21,586,188</u>

The OPEB Irrevocable Trust Fund's investments at December 31, 2025 carried the following ratings:

Investment Type	Credit Risk (Lowest Rating from Moody's, S&P, and Fitch Ratings)
	Not Rated
MN SBI Non-Retirement Bond Fund	\$ 448,445
MN SBI Non-Retirement Equity Fund	146,984
MN SBI Non-Retirement Money Market Fund	110,611
Total	<u>\$ 706,040</u>

PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

Custodial Credit Risk

For an investment, the custodial credit risk is that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the Port Authority will not be able to recover the value of its investments that are in the possession of another party. The Port Authority requires all securities purchased to be made in such a manner so that the securities are registered in the Port Authority's name or are in the possession of the Port Authority or a third-party custodian in the Port Authority's name.

Concentration of Credit Risk

The Port Authority diversifies its portfolio in order to minimize the impact of losses from any one individual issuer. It is the Port Authority's policy to limit the amount invested in any one issuer at the time of the purchase, excluding securities of the U.S. Government and government sponsored enterprise securities. There were no violations of the policy during the year.

At December 31, 2025, the Port Authority's had not invested more than 5% of its investments in any particular issuer.

At December 31, 2025, the OPEB Irrevocable Trust Fund had not invested more than 5% of its Fund's investments any particular issuer.

Fair Value Measurements

The Port Authority uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures.

The Port Authority follows an accounting standard which defines fair value, establishes framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and requires expanded disclosures about fair value measurements. In accordance with this standard, the Port Authority has categorized its investments, based on the priority of inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quotes and prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Fair Value Measurements (Continued)

Financial assets and liabilities recorded on the combined statements of financial position are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities.

Level 2 – Financial assets and liabilities are valued based on quoted prices for similar assets or inputs that are observable, either directly or indirectly, for substantially the full term through corroboration with observable market data.

Level 3 – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset, inputs that reflect the reporting entity’s own assumptions about the assumptions market participants would use in pricing the asset.

Assets of the Port Authority measured at fair value on a recurring basis are as follows:

Investment Type	Level 1	Level 2	Level 3	Total
U.S. Treasury Notes	\$ 717,527	\$ -	\$ -	\$ 717,527
Government-sponsored Enterprises:				
Federal Home Loan Bank	-	29,159	-	29,159
Total Investments Measured at Fair Value	<u>\$ 717,527</u>	<u>\$ 29,159</u>	<u>\$ -</u>	<u>\$ 746,686</u>

The OPEB Irrevocable Trust Fund did not have any assets which were measured at fair value.

NOTE 3 OTHER ASSETS

Other assets consist of the following at December 31, 2025:

Future Tax Levies	\$ 63,448,773
Loans Receivable	278,117,395
Allowance for Doubtful Accounts	(1,574,354)
Total	<u>\$ 339,991,814</u>

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 4 CAPITAL ASSETS

Capital asset additions, retirements, and balances for the year ended December 31, 2025 were as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Land and Construction in Progress				
Land	\$ 2,045,165	\$ -	\$ -	\$ 2,045,165
Construction in Progress	-	3,961,309	-	3,961,309
Total Capital Assets, Not Being Depreciated	2,045,165	3,961,309	-	6,006,474
Other Capital Assets, Being Depreciated and Amortized:				
Land Improvements	47,123,407	224,017	-	47,347,424
Furniture and Equipment	2,510,785	172,016	807,826	1,874,975
Leased Buildings and Improvements	2,704,306	-	-	2,704,306
Total Capital Assets, Being Depreciated and Amortized	52,338,498	396,033	807,826	51,926,705
Less: Accumulated Depreciation and Amortization for:				
Land Improvements	36,285,738	1,149,613	-	37,435,351
Furniture and Equipment	1,611,465	175,567	790,682	996,350
Leased Buildings and Improvements	676,077	225,359	-	901,436
Total Accumulated Depreciation and Amortization	38,573,280	1,550,539	790,682	39,333,137
Total Capital Assets, Being Depreciated and Amortized, Net	13,765,218	(1,154,506)	17,144	12,593,568
Total Business-Type Activities Capital Assets, Net	\$ 15,810,383	\$ 2,806,803	\$ 17,144	\$ 18,600,042

NOTE 5 REVENUE BONDS AND NOTES PAYABLE

Unless otherwise noted below, all obligations are in the name of the Port Authority of the City of Saint Paul with interest due semi-annually and principal due in varying installments. At December 31, 2025, revenue bonds and notes payable consisted of the following:

<u>Description</u>	<u>Amount</u>
General Obligation Debt:	
Port Authority of the City of Saint Paul, 2.0% to 3.625% Taxable General Obligation Bonds, Series 2013-1, interest due semi-annually with principal due in varying installments through 2038 for financing the acquisition, remediation and improvement of blighted and marginal land for redevelopment.	\$ 4,880,000
Port Authority of the City of St. Paul, 1.0% to 2.9%, Taxable General Obligation Bonds, Series 2016-2, interest due semi-annually with principal due in varying annual installments through 2029, for financing the acquisition, remediation, and improvement of blighted and marginal land for redevelopment, backed by the full faith and credit of the City of Saint Paul.	3,670,000

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 5 REVENUE BONDS AND NOTES PAYABLE (CONTINUED)

<u>Description (Continued)</u>	<u>Amount</u>
General Obligation Debt (Continued):	
Port Authority of the City of St. Paul, 2.0% to 4.0%, Tax Exempt General Obligation Refunding Bonds, Series 2016-3, interest due semi-annually with principal due in varying annual installments through 2029, backed by the full faith and credit of the City of Saint Paul.	\$ 2,280,000
Port Authority of the City of St. Paul, 1.6% to 2.72%, Taxable General Obligation Bonds, Series 2019-1, interest due semi-annually with principal due in varying annual installments through 2040, for financing the acquisition of the former Hillcrest Golf Course in preparation for redevelopment, backed by the full faith and credit of the City of Saint Paul.	5,825,000
Port Authority of the City of St. Paul, 5.0%, Taxable Exempt Obligation Bonds, Series 2019-2, interest due semi-annually with principal due in varying annual installments through 2044, for financing the acquisition, of the former Hillcrest Golf Course in preparation for redevelopment, backed by the full faith and credit of the City of Saint Paul.	2,440,000
Port Authority of the City of St. Paul, 3.0% General Obligation Refunding Bonds, Series 2019-3, interest due semi-annually with principal due in varying annual installments through 2030, backed by the full faith and credit of the City of Saint Paul.	2,675,000
4.0% to 5.0% Tax-Exempt General Obligation Bonds (Sustainability Bonds), Series 2022-1, with principal due through 2037, backed by the full faith and credit of the City of Saint Paul.	10,020,000
3.0% Taxable General Obligation Bonds (Sustainability Bonds), Series 2022-2, with principal due through 2030, backed by the full faith and credit of the City of Saint Paul.	4,205,000
5.0% to 5.2% Taxable General Obligation Bonds, Series 2023-1, with principal due through 2039, backed by the full faith and credit of the City of Saint Paul.	9,340,000
5.0% Tax-Exempt General Obligation Bonds, Series 2023-2, with principal due through 2041, backed by the full faith and credit of the City of Saint Paul.	5,000,000
Revenue Bonds:	
Port Authority of the City of Saint Paul, 4.02% Taxable Revenue Bonds Series 2013-6, interest due semi-annually with principal due in varying annual installments through 2039, for the financing of a new multi-purpose regional ballpark.	5,965,000

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 5 REVENUE BONDS AND NOTES PAYABLE (CONTINUED)

<u>Description (Continued)</u>	<u>Amount</u>
Bonds Collateralized by Tax Increment Financing:	
Port Authority of the City of St. Paul, 4.25% Tax Exempt Tax Increment Revenue Refunding Bonds, Series 2017-6, interest due semi-annually with the last principal payment due in 2027, for the Riverbend project.	\$ 283,000
Limited Debt Collateralized by Future Tax Levies:	
Port Authority of the City of Saint Paul, 5.0% Tax-Exempt Limited Tax-Supported Refunding Bonds, Series 2017-1, interest due semi-annually with the last principal payment due in 2037.	6,880,000
Other Debt:	
Other Notes and Loans Payable	262,509,490
Lease Liability	<u>1,961,908</u>
Total	327,934,398
Plus: Unamortized Bond Premium	3,179,269
Less: Current Maturities	<u>(4,413,577)</u>
Total	<u><u>\$ 326,700,090</u></u>

The Port Authority's lending and development programs are primarily financed by the issuance of various forms of revenue bonds or notes, which are collateralized based upon the circumstances under which the bonds were issued. The Port Authority's revenue bond and note agreements include various restrictions and covenants.

Scheduled maturities of long-term obligations for the years ending December 31 are as follows:

<u>Year Ending December 31,</u>	<u>Bonds Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 4,205,000	\$ 2,540,170	\$ 6,745,170
2027	4,223,000	2,394,608	6,617,608
2028	4,280,000	2,244,213	6,524,213
2029	4,425,000	2,088,159	6,513,159
2030	4,110,000	1,941,911	6,051,911
2031-2035	25,340,000	8,034,809	33,374,809
2036-2040	15,220,000	2,568,700	17,788,700
2041-2045	1,660,000	5,875	1,665,875
Total	<u><u>\$ 63,463,000</u></u>	<u><u>\$ 21,818,445</u></u>	<u><u>\$ 85,281,445</u></u>

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 5 REVENUE BONDS AND NOTES PAYABLE (CONTINUED)

<u>Year Ending December 31,</u>	<u>Notes Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ -	\$ -	\$ -
2027	-	-	-
2028	261,965,980	-	261,965,980
2029	-	-	-
2030	-	-	-
2031-2033	543,510	-	543,510
Total	<u>\$ 262,509,490</u>	<u>\$ -</u>	<u>\$ 262,509,490</u>

Long-term liability activity for the year ended December 31, 2025 was as follows:

<u>Description</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Bonds Payable:					
General Obligation Bonds	\$ 53,860,000	\$ -	\$ 3,525,000	\$ 50,335,000	\$ 3,230,000
Taxable Revenue Bonds	6,280,000	-	315,000	5,965,000	325,000
Development Revenue Bonds	630,045	-	347,045	283,000	195,000
Limited Tax Supported Bonds	7,310,000	-	430,000	6,880,000	455,000
Bond Premiums	3,587,932	-	408,663	3,179,269	-
Total Bonds Payable	<u>71,667,977</u>	<u>-</u>	<u>5,025,708</u>	<u>66,642,269</u>	<u>4,205,000</u>
Notes and Loans Payable	241,871,606	37,322,198	16,684,314	262,509,490	-
Lease Liability	2,160,995	-	199,087	1,961,908	208,577
Total Long-Term Liabilities	<u>\$ 315,700,578</u>	<u>\$ 37,322,198</u>	<u>\$ 21,909,109</u>	<u>\$ 331,113,667</u>	<u>\$ 4,413,577</u>

NOTE 6 RELATED PARTY TRANSACTIONS

As discussed in Note 1, CCP's corporate purpose is to perform functions and carry out certain public purposes of the Port Authority. In conjunction with this purpose, CCP makes periodic grants to the Port Authority. During 2025, these grants totaled \$850,000.

In 2011, the Port Authority refinanced its Series 2003-1 Taxable Tax Increment Revenue Note. CCP purchased the Series 2011-2 Taxable Tax Increment Revenue Refunding Note of \$1,740,000 with a final maturity in 2031. Under the terms of the note, annual payment will be made from available tax increment from the Energy Lane Business Center Tax Increment Financing District. In 2025, payments were \$137,045, resulting in an outstanding balance of \$0 at December 31, 2025.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 7 DEFINED BENEFIT PENSION PLANS

A. Plan Description

The Port Authority participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). These plan provisions are established and administered according to Minnesota Statutes chapters 353, 353D, 353E, 353G, and 356. Minnesota Statutes chapter 356 defines each plan's financial reporting requirements. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

General Employees' Retirement Plan

Membership in the General Plan includes employees of counties, cities, townships, schools in non-certified 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.

B. Benefits Provided

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

General Employees Plan Benefits

General Employees Plan 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 General Plan 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, General Plan members receive 1.2% of the highest average salary for each of the first 10 years of service and 1.7% for each additional year. Under the Level formula, General Plan members receive 1.7% 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 requirement benefit as early as age 55 if they have three or more years of service. Early retirement benefits are reduced by .25% for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of .25% for each month the member is younger than age 62. The Level formula allows General Plan 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.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

B. Benefits Provided (Continued)

General Employees Plan Benefits (Continued)

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1% and a maximum of 1.5%. The 2025 annual increase was 1.25%. 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.

C. Contributions

Minnesota Statutes chapters 353, 353E, 353G, and 356 set the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature.

General Employees Fund Contributions

General Plan members were required to contribute 6.50% of their annual covered salary in fiscal year 2025 and the Port Authority was required to contribute 7.50% for General Plan members. The Port Authority's contributions to the General Employees Fund for the year ended December 31, 2025 were \$190,998. The Port Authority's contributions were equal to the required contributions as set by state statute.

D. Pension Costs

General Employees Fund Pension Costs

At December 31, 2025, the Port Authority reported a liability of \$974,703 for its proportionate share of the General Employees Fund's net pension liability. The Port Authority's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the Port Authority totaled \$23,513.

Port Authority's Proportionate Share of the Net Pension Liability		\$ 974,703
State's Proportionate Share of the Net Pension Liability Associated with the Port Authority		23,513
Total		\$ 998,216

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

D. Pension Costs (Continued)

General Employees Fund Pension Costs (Continued)

The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Port Authority's proportionate share of the net pension liability was based on the Port Authority's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2024 through June 30, 2025, relative to the total employer contributions received from all of PERA's participating employers. The Port Authority's proportionate share was 0.0294% at the end of the measurement period and 0.0282% for the beginning of the period.

For the year ended December 31, 2025, the Port Authority recognized pension expense of \$184,371 for its proportionate share of the General Employees Plan's pension expense. In addition, the Port Authority recognized an additional (\$3,607) as pension expense (and grant revenue) for its proportionate share of the state of Minnesota's contribution of \$16 million to the General Employees Fund.

At December 31, 2025, the Port Authority reported deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual		
Economic Experience	\$ 92,868	\$ -
Changes in Actuarial Assumptions	23,485	224,125
Net Difference Between Projected and Actual		
Earnings on Pension Plan Investments	-	387,844
Changes in Proportion and Differences Between		
Port Authority Contributions and Proportionate		
Share of Contributions	169,959	46,817
Port Authority Contributions Subsequent to the		
Measurement Date	112,486	-
Total	<u>\$ 398,798</u>	<u>\$ 658,786</u>

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

D. Pension Costs (Continued)

General Employees Fund Pension Costs (Continued)

The \$112,486 reported as deferred outflows of resources related to pensions resulting from Port Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2026. 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 June 30.</u>	<u>Pension Expense</u>
2026	\$ (78,889)
2027	(106,152)
2028	(116,567)
2029	(70,866)
Total	<u>\$ (372,474)</u>

Total Pension Expense

The total pension expense for all plans recognized by the Port Authority for the year ended December 31, 2025 was \$184,371.

E. Long-Term Expected Return on Investment

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	33.50 %	5.10 %
International Equity	16.50	5.30
Fixed Income	25.00	0.75
Private Markets	25.00	5.90
Total	<u>100.00 %</u>	

PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

F. Actuarial 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 to determine the total liability is 7.0%. The 7.0% assumption is based on a review of inflation and investment 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 7.0% is within that range.

Inflation is assumed to be 2.25% for the General Employees Plan. Benefit increases after retirement are assumed to be 1.50% for the General Employees Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 11.5% after one year of service to 3% after 27 years of service.

Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table.

Actuarial assumptions for the General Employees Plan are reviewed every four years. The most recent four-year experience study for the General Employees Plan was completed in 2022. The assumption changes were adopted by the Board and became effective with the July 1, 2023 actuarial valuation. 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.

The following changes in actuarial assumptions and plan provisions occurred in 2025:

Changes in Actuarial Assumptions:

- The combined service annuity loading factors increased from 15% to 19% for vested terminated members and from 3% to 44% for non-vested, terminated members.
- The assumed post-retirement benefit increase changed from 1.25% to 1.5%.

Changes in Plan Provisions:

- The post-retirement benefit increase formula changed to 100% of the Social Security annual increase, between 1% and 1.75% , beginning January 1, 2026. If the funded ratio (on a market value of assets basis) is less than 85% for the last two consecutive annual valuations or is less than 80% in the most recent actuarial valuation, the maximum is reduced to 1.5%. Previously, the benefit increase was 50% of the Social Security annual increase, between 1% and 1.5%.
- The 1% additional employer contribution is eliminated when the plan reaches 98% funded status (on an actuarial value of assets basis); this contribution was previously scheduled to stop when the plan reached 100% funded status.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

G. Discount Rate

The discount rate used to measure the total pension liability in 2025 was 7.0%. 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, Police and Fire, and Correctional Plans were projected to be available to make all projected future benefit payments of current plan members. 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.

H. Pension Liability Sensitivity

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

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
GERF Discount Rate	6.00%	7.00%	8.00%
Port Authority's Proportionate Share of the GERF Net Pension Liability	\$ 2,367,400	\$ 974,703	\$ (155,088)

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.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS PAYABLE

Single Employer Retiree Healthcare Benefit Program

A. Plan Description

The Port Authority employees hired prior to January 1, 2002 and retiring after 20 or more years of service are eligible for up to \$300 per month toward the cost of health insurance. Employees who retired prior to 1996 are reimbursed for 100% of the cost of health insurance for themselves and their spouse. At December 31, 2025, there were eleven beneficiaries receiving benefits. In addition, there are four current employees that may become eligible for benefits in the future.

Effective September 1, 2018, the Port Authority established an OPEB Irrevocable Trust Fund pursuant to Minnesota Statute Section 471.6175 with the Minnesota Public Employees Retirement Association serving as the administrator. The plan does not issue a stand-alone financial report.

B. Contributions and Funding Policy

Retiree health care benefits are currently funded based on the benefit disclosed above on a pay-as-you-go basis. The board of commissioners may change the funding policy at any time.

C. Net OPEB Liability

As the Port Authority had fewer than 100 employees as of December 31, 2025, the Port Authority's net OPEB liability was measured as of December 31, 2025, and the total OPEB liability used to calculate the net OPEB liability was determined through the use of the alternative measurement method as of that date.

D. Actuarial Assumptions

The total OPEB liability in the December 31, 2025 alternative measurement method valuation was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified. The Port Authority has estimated the liability associated with this benefit using an alternative valuation method that takes into account the existing age of the individuals, their years of service and life expectancy, probability of receiving a benefit, a health care cost trend factor of 8.5%, 3.0% rate of inflation, and a 2.5% discount rate.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS PAYABLE (CONTINUED)

Single Employer Retiree Healthcare Benefit Program (Continued)

D. Actuarial Assumptions (Continued)

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These asset class estimates are combined to produce the portfolio long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage (or target allocation, if available). Best estimates of rates of return for each major asset class included in the OPEB plan's asset allocation as of the measurement date are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
MN State Board of Investment Non-Retirement Bond Fund	50.00 %	5.25 %
MN State Board of Investment Non-Retirement Equity Fund	25.00	8.00
MN State Board of Investment Non-Retirement Money Market Fund	25.00	1.25
Total	<u>100.00 %</u>	

For the year ended December 31, 2025 the annual money weighted rate of return on investments, net of investment expense, was 4.94%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

E. Changes in the Net OPEB Liability

The following table summarizes the changes in the plan's total OPEB liability, plan fiduciary net position, and the related net OPEB liability:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at December 31, 2024	\$ 592,228	\$ 647,985	\$ (55,757)
Changes for the Year:			
Service Cost	33,080	-	33,080
Contributions - Employer	80,732	-	80,732
Net Investment income	-	58,055	(58,055)
Benefit Payments	(40,967)	(40,967)	-
Net Changes	<u>72,845</u>	<u>17,088</u>	<u>55,757</u>
Balances at December 31, 2025	<u>\$ 665,073</u>	<u>\$ 665,073</u>	<u>\$ -</u>

There were no significant plan and assumption changes which occurred in 2025.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS PAYABLE (CONTINUED)

Single Employer Retiree Healthcare Benefit Program (Continued)

F. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.5%) or 1-percentage-point higher (3.5%) than the current discount rate:

	1% Decrease (1.5%)	Discount Rate (2.5%)	1% Increase (3.5%)
Net OPEB Liability (Asset)	\$ 62,852	\$ -	\$ (54,341)

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.3%) or 1-percentage-point higher (7.3%) than the current healthcare cost trend rates:

	Healthcare Cost		
	1% Decrease (7.5%)	Current Trend Rates (8.5%)	1% Increase (9.5%)
Net OPEB Liability (Asset)	\$ 422	\$ -	\$ (437)

G. OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available on the statement of fiduciary net position and the statement of changes in fiduciary net position, as listed in the table of contents of these financial statements. The OPEB plan does not issue separate financial statements.

H. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2025, the Port Authority recognized OPEB expense of (\$14,790). At December 31, 2025, the Port Authority reported no deferred outflows of resources and deferred inflows of resources related to OPEB.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 9 LEASE RECEIVABLE

The Port Authority, acting as lessor, leases land and shoreline for barge terminal and fleeting purposes along the Mississippi River under long-term, noncancelable lease agreements. The lease terms expire at various dates through 2050 and provide for renewal options ranging from one year to 10 years. The leases carry an interest rate ranging from 2.5% to 7.3%. During the year ended December 31, 2025, the Port Authority recognized \$2,685,825 and \$511,267 in lease revenue and interest revenue, respectively, pursuant to these contracts.

Total future minimum lease payments to be received under the lease agreement are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 2,373,312	\$ 638,782	\$ 3,023,332
2027	2,415,379	682,983	3,098,362
2028	1,864,962	614,699	2,479,661
2029	1,813,567	617,525	2,431,092
2030	1,728,697	607,484	2,336,181
2031-2035	7,368,616	2,684,857	10,053,473
2036-2040	3,803,158	1,352,423	5,155,581
2041-2045	1,583,456	1,140,628	2,724,084
2046-2050	1,205,383	1,120,880	2,326,263
Total Minimum Lease Payments	<u>\$ 24,156,530</u>	<u>\$ 9,460,261</u>	<u>\$ 33,628,029</u>

NOTE 10 LEASE LIABILITY

The Port Authority leases office facilities under a long-term, non-cancelable lease agreement. The discount rate applied to the lease was the Port's incremental borrowing rate as of January 1, 2022, of 2.25%. The lease term expires on December 31, 2033.

Total future minimum lease payments under the lease agreement are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 208,577	\$ 41,532	\$ 250,109
2026	218,376	36,729	255,105
2027	228,492	31,702	260,194
2028	238,932	26,444	265,376
2029	249,797	20,946	270,743
2030-2032	817,734	27,343	845,077
Total Minimum Lease Payments	<u>\$ 1,961,908</u>	<u>\$ 184,696</u>	<u>\$ 2,146,604</u>

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 11 COMMITMENTS AND CONTINGENCIES

Grants

The Port Authority receives financial assistance from numerous federal, state, and local governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Such audits could result in a liability to the Port Authority.

Tax Increment Financing

The Port Authority receives incremental property tax revenue generated by some or all of the value of certain development sites. These funds are used to repay existing tax increment bonds as well as related administrative and economic development activities. The terms of each financing plan are unique for each project as are the tax increment revenues derived from the project. The adequacy of tax increment revenues to meet debt service requirements is dependent upon a number of variables, the outcome of which cannot be predicted with certainty.

Risk Management

The Port Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; and general liability, for which the Port Authority carries insurance and also requires lessees, payers under loans receivable, or property managers (in the case of real estate owned and operated) to carry commercial insurance. The Port Authority has not reduced insurance coverage requirements in the past year, and a claim was made for damages to a monument at a business center in August of 2025 the amount was approximately \$60,000, for the two years prior to 2025 there were no claims paid to the Port Authority.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 12 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Capital Assets

The Port Authority has pledged the revenues from certain of its assets, generally those in its barge terminals, to a bond program; the ongoing lease payments associated with these leases are recorded in the financial statements as revenue with an offsetting expense for the payment to the revenue bond program. In addition, if the Authority sells any of these pledged assets before September 1, 2032, the net proceeds from the sale is also pledged to the revenue bond program. No such sales are currently contemplated and therefore no liability is recorded.

Other Contingencies

In the normal course of its business, the Port Authority is subject to contingencies relating to the performance and completion of contracts, environmental matters, and claims of others. In the opinion of management and internal legal counsel, the ultimate settlement of known claims or disputes will not adversely affect the financial position or results of operations of the Port Authority.

NOTE 12 NO-COMMITMENT DEBT

The Port Authority has issued certain limited-obligation revenue bonds from the following financing sources:

Authority Resolution No. 876

The Common Revenue Bond Fund (Resolution 876) of the Port Authority of the City of Saint Paul (the 876 Bond Fund) includes balances and transactions relating to projects financed by bonds issued under Resolution 876. All debt service on revenue bonds issued under Resolution 876 is payable solely and exclusively from amounts specifically pledged, including amounts to be received under leases or loan agreements and account earnings.

These debt obligations are collateralized by all of the 876 Bond Fund assets and the related proceeds from operations and sale of 876 Bond Fund facilities. The 876 Bond Fund is managed by the Port Authority; however, these obligations are not secured by the credit of the Port Authority.

The 876 Bond Fund did not have adequate cash to pay the full principal amount due on December 1, 2004. Since then it has not made full debt service payments and it is unlikely full principal and interest payments will be made in the future.

The Port Authority and a group of bond holders entered into a mediated settlement which clarified various issues related to the 876 bonds, the pledged revenues and the maturity date of the bonds. The settlement was approved by the Ramsey County District Court in late 2011. As part of the Settlement, US Bank was appointed to act as the Trustee.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 13 NO-COMMITMENT DEBT (CONTINUED)

Conduit Financings

Conduit Financings represent bonds issued for project financings which are collateralized by the related amounts to be received under leases, loan agreements and property taxes.

None of the debt obligations issued from the above financing sources are secured by the credit of the Port Authority. The Port Authority is not obligated in any manner for repayment of this debt and, accordingly, it is not reported as liabilities in the accompanying financial statements. The aggregate amount of outstanding debt for the 876 Bond Fund and Conduit Financing obligations debt issues was \$160,294,137 at December 31, 2025.

NOTE 13 TAX INCREMENT FINANCING

The Port Authority has entered into various agreements under Minnesota Statutes Section 469.174, Subdivision 10, and Section 469.175, which allow for certain entities to develop tax increment financing plans. As part of developing tax increment financing (TIF) plans, the Port Authority identifies TIF districts for the purpose of financing redevelopment, housing, or economic development through the use of tax increment generated from the captured net tax capacity in the TIF district. The Port Authority has the following types of TIF districts:

Redevelopment Districts

These districts must, per state statute, be parcels with 70% of the area occupied by buildings, streets, utilities, parking lots, or other similar structures with more than 50% of those structures being substandard and requiring substantial renovation or clearance or be properties consisting of vacant, unused, underused, or inappropriately used rail yards, rail storage facilities, or excessive or vacated railroad rights-of-way.

Economic Development Districts

These districts must, per state statute, be areas which consist of projects which the Port Authority finds to be in the public interest because it will discourage commerce, industry, or manufacturing from moving their operations to another state or municipality, result in increased employment in the state, or result in preservation and enhancement of the tax base of the state.

Hazardous Substance Subdistricts

These subdistricts are created, per state statute, within a TIF district and are made up of any parcels within the TIF district that are designated hazardous substance sites or are contiguous to the hazardous substance sites. Development or redevelopment of these sites would not reasonably be expected to occur solely through private investment and tax increment otherwise available.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 14 TAX INCREMENT FINANCING (CONTINUED)

As part of the tax increment financing plans, the Port Authority enters into agreements with developers and other entities for Taxable Tax Increment Revenue Notes or Pay-As-You-Go TIF Notes. Under these agreements, the Port Authority pledges a certain percentage of future tax increment revenue received from the TIF district in return for agreed upon improvements or development activities to be performed within the TIF district by the other entity. Each Pay-As-You-Go TIF Note contains a principal amount, and the Notes terminate at the earlier of the date on which the entire principal has been paid in full or a termination date included in the agreement. Once the termination date is reached, the Port Authority has no more liability to make payments on the Note, regardless of whether or not the principal had been paid in full.

During fiscal year 2025, the Port Authority had five such Pay-As-You-Go TIF Notes in place and made payments totaling \$542,096 from tax increments received from the TIF Districts. The five agreements call for between 25% and 95% of the tax increments collected to be returned to the developer and have termination dates ranging from 2032 to 2044.

NOTE 14 PUBLIC-PRIVATE AND PUBLIC-PUBLIC PARTNERSHIPS

For many years the Port Authority has owned and operated Energy Park Utility Company (EPUC), which provides heating and cooling services through the operation of a hot and chilled-water system to business and residences located in Energy Park, an industrial and residential development district located in Saint Paul. In December 2021, the Port Authority entered into an agreement with DE Energy Park, LLC (District Energy) to provide them the right to use the EPUC facilities, equipment, machinery, real property, customer and operating contracts, business information, and real estate and operation of the business. The initial term of the agreement is 20 years, expiring on December 21, 2041, but includes a 10-year optional extension to be agreed upon by both parties.

Under the agreement the Port Authority would convey to District Energy the rights and related obligations to provide the heating and cooling services to Energy Park through the use of the existing EPUC facilities in exchange for quarterly installment payments, totaling \$182,667 a year, and an initial payment sufficient to defease the full amount of the existing bonds outstanding which were issued by the Port Authority to upgrade the facilities in 2013, as well as several smaller loans and liabilities outstanding. District Energy would then be responsible for operating the facilities and collecting fees from the customers within Energy Park. The agreement also requires District Energy to operate the facilities under the existing franchise agreement with the City of Saint Paul, which includes rate restrictions and other guidelines for its operations. Upon termination of the agreement, all facilities, equipment and real property included in the agreement must be returned to the Port Authority in proper working condition subject to normal wear and tear related to the useful life of the property. All of these conditions result in the agreement being considered a service concession arrangement.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 15 PUBLIC-PRIVATE AND PUBLIC-PUBLIC PARTNERSHIPS (CONTINUED)

District Energy's upfront payment to the Port Authority included the following:

- 1) \$7,069,932 in proceeds from bonds issued by District Energy were placed into an irrevocable escrow to provide sufficient amounts to make future payments of EPUC's outstanding bonds, series 2012-3 and 2012-4, this constituting a defeasance of the bonds.
- 2) \$913,244 was paid to EPUC and was then used to purchase equipment from Capital City Properties (CCP) which EPUC had been leasing from CCP.
- 3) \$291,384 was paid to EPUC and subsequently used to pay the remaining outstanding balance of a loan payable to CCP.
- 4) \$87,840 was paid to EPUC and subsequently used to pay the remaining outstanding balance on an intrafund loan with the St. Paul Port Authority.

In accordance with GASB 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, the transferor entity (Port Authority) should record deferred inflows of resources for the difference between the up-front payment and any contractual obligations (liabilities) as well as a receivable and related deferred inflows of resources for present value of the recurring installment payments.

As such, the Port Authority has recorded a receivable for the recurring cash flow in the amount of \$2,003,630 and a deferred inflow for the net up-front payment and related to the receivable in the net amount of \$7,608,553 as of December 31, 2025, to be recognized as revenue over the term of the agreement. The discount rate used to measure the receivable was 5.0%.

Because the agreement requires that all facilities, equipment, and real property be returned to the Port Authority at the termination of the agreement in proper working condition, subject to normal wear and tear, the Port Authority is including these assets in the financial statements and the assets are continuing to be depreciated. The Port Authority reports the Energy Park's related capital assets with a carrying amount of \$6,912,916 at year-end.

REQUIRED SUPPLEMENTARY INFORMATION

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
SCHEDULE OF CHANGES IN NET OPEB LIABILITY (ASSET)
LAST TEN YEARS***

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability:								
Service Cost	\$ 74,047	\$ 33,887	\$ 46,558	\$ 51,462	\$ 13,038	\$ 27,822	\$ 107,680	\$ 17,729
Benefit Payments	(40,967)	(39,765)	(38,383)	(36,428)	(34,788)	(38,861)	(44,586)	(34,108)
Net Change in Total OPEB Liability	33,080	(5,878)	8,175	15,034	(21,750)	(11,039)	63,094	(16,379)
Total OPEB Liability - Beginning	631,993	637,871	629,696	614,662	636,412	647,451	584,357	600,736
Total OPEB Liability - Ending (a)	665,073	631,993	637,871	629,696	614,662	636,412	647,451	584,357
Plan Fiduciary Net Position:								
Contributions - Employer	-	-	38,383	36,428	9,788	19,361	44,586	634,108
Net Investment Income	58,055	40,489	52,036	(76,005)	13,955	47,922	56,475	(2,622)
Benefit Payments	(40,967)	(39,765)	(38,383)	(36,428)	(34,788)	(38,861)	(44,586)	(34,108)
Net Change in Plan Fiduciary Net Position	17,088	724	52,036	(76,005)	(11,045)	28,422	56,475	597,378
Plan Fiduciary Net Position - Beginning	647,985	647,261	595,225	671,230	682,275	653,853	597,378	-
Plan Fiduciary Net Position - Ending (b)	665,073	647,985	647,261	595,225	671,230	682,275	653,853	597,378
Net OPEB Liability (Asset) - Ending (a) - (b)	\$ -	\$ (15,992)	\$ (9,390)	\$ 34,471	\$ (56,568)	\$ (45,863)	\$ (6,402)	\$ (13,021)
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	100.00%	102.53%	101.47%	94.53%	109.20%	107.21%	100.99%	102.23%
Covered-Employee Payroll	\$ 2,812,282	\$ 2,590,691	\$ 2,419,243	\$ 2,207,399	\$ 2,203,256	\$ 2,014,858	\$ 1,998,663	\$ 1,933,886
District's Net OPEB Liability as a Percentage of Covered-Employee Payroll	0.00%	-0.62%	-0.39%	1.56%	-2.57%	-2.28%	-0.32%	-0.67%
Actuarially Determined Contribution (ADC)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in Relation to the ADC	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contribution Deficiency (Excess)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Covered-Employee Payroll	\$ 2,812,282	\$ 2,590,691	\$ 2,419,243	\$ 2,207,399	\$ 2,203,256	\$ 2,014,858	\$ 1,998,663	\$ 1,933,886
Contributions as a Percentage of Covered-Employee Payroll	0.00%	0.00%	1.59%	1.65%	0.44%	0.96%	2.23%	32.79%

* The Port Authority of the City of Saint Paul implemented GASB Statement No. 75 in fiscal year 2018, and the above table will be expanded to 10 years of information as the information becomes available.

See accompanying Notes to Required Supplementary Information.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
SCHEDULE OF MONEY-WEIGHTED RATE OF RETURN ON PLAN ASSETS – OPEB
LAST TEN YEARS***

	2025	2024	2023	2022	2021	2020	2019	2018
Annual Money-Weighted Rate of Return, Net of Investment Expense	5.72%	6.07%	8.21%	-11.55%	2.00%	7.07%	9.03%	-0.88%

* The Port Authority of the City of Saint Paul implemented GASB Statement No. 75 in fiscal year 2018, and the above table will be expanded to 10 years of information as the information becomes available.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
PERA SCHEDULE OF THE PORT AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST TEN YEARS**

Measurement Date June 30,	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Port Authority's Proportion of the Net Pension Liability	0.0294%	0.0282%	0.0244%	0.0275%	0.0257%	0.0256%	0.0231%	0.0215%	0.0212%	0.0237%
Port Authority's Proportionate Share of the Net Pension Liability	\$ 974,703	\$ 1,043,969	\$ 1,364,421	\$ 2,178,009	\$ 1,097,505	\$ 1,534,837	\$ 1,277,147	\$ 1,192,732	\$ 1,353,394	\$ 1,924,322
State's Proportionate Share of the Net Pension Liability Associated with the Port Authority	<u>23,513</u>	<u>26,995</u>	<u>37,653</u>	<u>63,839</u>	<u>33,535</u>	<u>47,348</u>	<u>39,665</u>	<u>39,115</u>	<u>17,006</u>	<u>-</u>
Total	<u>\$ 998,216</u>	<u>\$ 1,070,964</u>	<u>\$ 1,402,074</u>	<u>\$ 2,241,848</u>	<u>\$ 1,131,040</u>	<u>\$ 1,582,185</u>	<u>\$ 1,316,812</u>	<u>\$ 1,231,847</u>	<u>\$ 1,370,400</u>	<u>\$ 1,924,322</u>
Port Authority's Covered Payroll	\$ 2,663,846	\$ 2,390,002	\$ 2,008,464	\$ 1,997,795	\$ 1,851,210	\$ 1,827,279	\$ 1,633,678	\$ 1,444,486	\$ 1,364,776	\$ 1,472,398
Port Authority's Proportionate Share of the Net Pension	36.59%	43.68%	67.93%	109.02%	59.29%	84.00%	78.18%	82.57%	99.17%	130.69%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.78%	89.08%	83.10%	76.67%	87.00%	79.06%	80.20%	79.50%	75.90%	68.90%

See accompanying Notes to Required Supplementary Information.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
PERA SCHEDULE OF THE PORT AUTHORITY'S CONTRIBUTIONS
LAST TEN YEARS**

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily Required Contribution	\$ 204,632	\$ 190,998	\$ 190,998	\$ 170,342	\$ 144,935	\$ 136,523	\$ 133,244	\$ 114,619	\$ 105,054	\$ 103,056
Contributions in Relation to the Statutorily Required	(204,632)	(190,998)	(190,998)	(170,342)	(144,935)	(136,523)	(133,244)	(114,619)	(105,054)	(103,056)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Port Authority's Covered Payroll	\$ 2,728,427	\$ 2,546,640	\$ 2,546,640	\$ 2,271,227	\$ 1,932,467	\$ 1,820,307	\$ 1,776,587	\$ 1,528,253	\$ 1,400,720	\$ 1,374,080
Contributions as a Percentage of Employee Payroll	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%

See accompanying Notes to Required Supplementary Information.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025**

CHANGES IN SIGNIFICANT PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS

General Employees Fund

2025 Changes

Changes in Actuarial Assumptions:

- The combined service annuity loading factors increased from 15% to 19% for vested terminated members and from 3% to 44% for non-vested, terminated members.
- The assumed post-retirement benefit increase changed from 1.25% to 1.5%.

Changes in Plan Provisions:

- The post-retirement benefit increase formula changed to 100% of the Social Security annual increase, between 1% and 1.75% , beginning January 1, 2026. If the funded ratio (on a market value of assets basis) is less than 85% for the last two consecutive annual valuations or is less than 80% in the most recent actuarial valuation, the maximum is reduced to 1.5%. Previously, the benefit increase was 50% of the Social Security annual increase, between 1% and 1.5%.
- The 1% additional employer contribution is eliminated when the plan reaches 98% funded status (on an actuarial value of assets basis); this contribution was previously scheduled to stop when the plan reached 100% funded status.

2024 Changes

Changes in Actuarial Assumptions:

- Rates of merit and seniority were adjusted, resulting in slightly higher rates. An additional one-time direct state aid contribution of \$170.1 million will be contributed to the Plan on October 1, 2023.
- 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 updated to reflect the changes in assumptions.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025**

**CHANGES IN SIGNIFICANT PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS
(CONTINUED)**

General Employees Fund (Continued)

2023 Changes

Changes in Actuarial Assumptions:

- The investment return assumption and single discount rate were changed from 6.5% to 7.00%.

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 2.5% minus the actual 2024 adjustment will be payable in a lump -sum for calendar year 2024 by March 31, 2024.

2022 Changes

Changes in Actuarial Assumptions:

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

Changes in Plan Provisions:

- There were no changes in plan provisions since the previous valuation.

2021 Changes

Changes in Actuarial Assumptions:

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

Changes in Plan Provisions:

- There were no changes in plan provisions since the previous valuation.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025**

**CHANGES IN SIGNIFICANT PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS
(CONTINUED)**

General Employees Fund (Continued)

2020 Changes

Changes in Actuarial Assumptions:

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 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 Scale MP-2018 to Scale 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% Joint and Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025**

**CHANGES IN SIGNIFICANT PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS
(CONTINUED)**

General Employees Fund (Continued)

2020 Changes (Continued)

Changes in Plan Provisions:

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

2019 Changes

Changes in Actuarial Assumptions:

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

Changes in Plan Provisions:

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

2018 Changes

Changes in Actuarial Assumptions:

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

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% to 3.00%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Postretirement benefit increases were changed from 1.00% per year with a provision to increase to 2.50% upon attainment of 90.00% funding ratio to 50.00% of the Social Security Cost of Living Adjustment, not less than 1.00% and not more than 1.50%, 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.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025**

**CHANGES IN SIGNIFICANT PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS
(CONTINUED)**

General Employees Fund (Continued)

2017 Changes

Changes in Actuarial Assumptions:

- The combined service annuity (CSA) loads were changed from 0.80% for active members and 60.00% for vested and nonvested deferred members. The revised CSA load are now 0.00% for active member liability, 15.00% for vested deferred member liability, and 3.00% for nonvested deferred member liability.
- The assumed postretirement benefit increase rate was changed for 1.00% per year for all years to 1.00% per year through 2044 and 2.50% per year thereafter.

Changes in Plan Provisions:

- The State's contribution for the Minneapolis Employees Retirement Fund equals \$16,000,000 in 2017 and 2018, and \$6,000,000 thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21,000,000 to \$31,000,000 in calendar years 2019 to 2031. The state's contribution changed from \$16,000,000 to \$6,000,000 in calendar years 2019 to 2031.

2016 Changes:

Changes in Actuarial Assumptions:

- The assumed postretirement benefit increase rate was changed from 1.00% per year through 2035 and 2.50% per year thereafter to 1.00% per year for all years.
- The assumed investment return was changed from 7.90% to 7.50%. The single discount rate changed from 7.90% to 7.50%.
- 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% to 3.25% for payroll growth and 2.50% for inflation.

Changes in Plan Provisions:

- There have been no changes since the prior valuation.

2015 Changes:

Changes in Actuarial Assumptions:

- The assumed postretirement benefit increase rate was changed from 1.00% per year through 2030 and 2.50% per year thereafter to 1.00% per year through 2035 and 2.50% per year thereafter.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025**

**CHANGES IN SIGNIFICANT PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS
(CONTINUED)**

General Employees Fund (Continued)

2015 Changes (Continued):

Changes in Plan Provisions:

- 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 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.



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAGlobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
SINGLE AUDIT AND OTHER REQUIRED REPORTING
YEAR ENDED DECEMBER 31, 2025**



CPAs | CONSULTANTS | WEALTH ADVISORS

CLAconnect.com

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2025**

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	1
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE	3
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	7
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	7
INDEPENDENT AUDITORS REPORT ON MINNESOTA LEGAL COMPLIANCE	8
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	9



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

Board of Commissioners
Port Authority of the City of Saint Paul
Saint Paul, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of the Port Authority of the City of Saint Paul, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Port Authority of the City of Saint Paul's basic financial statements, and have issued our report thereon dated April 22, 2026. The financial statements of Capital City Properties, a discretely presented component unit of the Port Authority, were not audited in accordance with *Government Auditing Standards*. This report does not include the results of the testing of internal control over financial reporting or compliance and other matters reported on for the discretely presented component unit.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Port Authority of the City of Saint Paul's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Port Authority of the City of Saint Paul's internal control. Accordingly, we do not express an opinion on the effectiveness of Port Authority of the City of Saint Paul's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

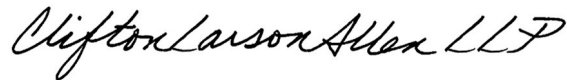
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
April 22, 2026



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL
OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Board of Commissioners
Port Authority of the City of Saint Paul
Saint Paul, Minnesota

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Port Authority of the City of Saint Paul's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Port Authority of the City of Saint Paul's major federal programs for the year ended December 31, 2025. Port Authority of the City of Saint Paul's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Port Authority of the City of Saint Paul complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Port Authority of the City of Saint Paul and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Port Authority of the City of Saint Paul's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Port Authority of the City of Saint Paul's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Port Authority of the City of Saint Paul's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Port Authority of the City of Saint Paul's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Port Authority of the City of Saint Paul's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Port Authority of the City of Saint Paul's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Port Authority of the City of Saint Paul's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2025-001 to be material weaknesses.

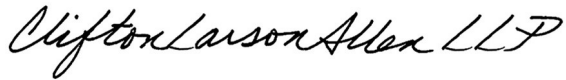
Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on Port Authority of the City of Saint Paul's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Port Authority of the City of Saint Paul's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of the Port Authority of the City of Saint Paul as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Port Authority's basic financial statements. We have issued our report thereon, dated April 22, 2026, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
April 22, 2026

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2025**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Pass-Through Entity Identifying Number	Federal Assistance Listing Number	Total Federal Expenditures
U.S. Department of Energy			
MN Department of Commerce:			
ARRA - State Energy Program	CFMS B38838	81.041	\$ 1,653,545
Total Expenditures of Federal Awards			<u>\$ 1,653,545</u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE A BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the Port Authority of the City of Saint Paul (the Port Authority) under programs of the federal government for the year ended December 31, 2025. The information presented in this Schedule is presented in accordance with the requirements Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Port Authority, it is not intended to and does not present the financial position, change in net position, or cash flows of the Port Authority.

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Port Authority does not charge indirect costs to its federal programs and, therefore, does not utilize the de minimus indirect cost rate allowed under the Uniform Guidance.

NOTE C STATE ENERGY PROGRAM

The amount reported on the financial statements for the ARRA-State Energy Program (81.041) for the Port Authority is the administrative and collection costs. Below is a summary of the loan activity during fiscal year 2025.

	State Energy Program
Loans Receivable Beginning	\$ 13,807,701
New Loans Issued	1,653,545
Loan Repayments	(2,217,026)
Loans Receivable Ending	<u>\$ 13,244,220</u>



INDEPENDENT AUDITORS' REPORT ON MINNESOTA LEGAL COMPLIANCE

Board of Commissioners
Port Authority of the City of Saint Paul
and Capital City Properties
Saint Paul, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of the Port Authority of the City of Saint Paul (a component unit of the City of Saint Paul) and its component unit (Capital City Properties) (collectively, the Organization) as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Organization's basic financial statements, and have issued our report thereon dated April 22, 2026.

In connection with our audit, we noted that the Organization failed to comply with provisions of the Depositories of public funds and public investments and contracting bid laws sections of *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, in so far as they relate to accounting matters as described in the Schedule of Findings and Questioned Costs as items 2025-002 and 2025-003. Also, in connection with our audit, nothing came to our attention that caused us to believe that the Organization failed to comply with the provisions of the claims and disbursements, conflicts of interest, miscellaneous provisions, and tax increment financing sections of the *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions*, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the entity's noncompliance with the above-referenced provisions, insofar as they relate to accounting matters.

Government Auditing Standards requires the auditor to perform limited procedures on the Organization's response to the legal compliance findings identified in our audit are described in the Schedule of Findings and Questioned Costs. The Organization's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Minneapolis, Minnesota
April 22, 2026

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2025**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? x yes _____ no
 - Significant deficiency(ies) identified? _____ yes x none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes _____ no

Identification of Major Federal Programs

Program	ALN
U.S. Department of Energy: ARRA - State Energy Program	81.041

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? _____ yes x no

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2025**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported.

Section III – Findings and Questioned Costs – Major Federal Programs

2025 – 001

Federal Agency: US Department of Energy

Federal Program Name: ARRA State Energy Program

Assistance Listing Number: 81.041

Federal Award Identification Number and Year: DE-FOA-0000052 - 2025

Pass-Through Agency: MN Dept. of Commerce

Pass-Through Number: CFMS B38838

Award Period: N/A – Revolving Loan

Type of Finding: Material Weakness in Internal Control over Compliance

Criteria or specific requirement: 2 CFR Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award* requires compliance with the provisions of procurement, suspension, and debarment. Non-federal entities are prohibited from contracting with or making subawards under covered transactions that are suspended or debarred. Before entering into a covered transaction, the entity must verify that the contractor is not suspended, debarred, or otherwise excluded from participating in the transaction.

Condition: 4 of the 5 items selected for testing did not contain formal documentation that SAM.gov was checked prior to funding the related loans.

Questioned costs: None noted.

Context: 4 of the 5 items selected for testing did not contain formal documentation that SAM.gov was checked prior to funding the related loans.

Cause: There was personnel turnover and the check was not completed as a result.

Effect: The Authority could have entered into an agreement with a contractor that was suspended or debarred. Although the Port Authority was able to demonstrate that contracts were not entered into with vendors who were suspended or debarred, the absence of documentation performed prior to contract execution presents a risk of noncompliance with applicable procurement regulations.

Repeat Finding: No

Recommendation: We recommend the Port re-implement its previous controls of using a tracking checklist and retaining documentation of the verification process.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2025**

Views of responsible officials: There is no disagreement with the finding.

Section IV – Minnesota Legal Compliance

2025-002 – IC-134 Withholding Affidavit

Criteria or specific requirement: Minnesota Statutes, section 270C.66 provides that no department of the state of Minnesota nor any political or governmental subdivision thereof shall make final settlement with any contractor, under a contract requiring the employment of employees for wages by said contractor, until satisfactory showing is furnished to said department or governmental subdivision that the contractor in question has complied with the withholding provisions of Minnesota Statutes, section 290.92. The statute further provides that a certificate issued by the commissioner of revenue shall satisfy this requirement.

Condition/Context: The Port Authority did not receive and retain an IC-134 before making a final payment for one of the contracts tested.

Cause: The lack of obtaining the IC-134 appeared to be a simple oversight.

Effect: The Port Authority was not in compliance with state statutes.

Recommendation: We recommend that the Port Authority review its procedures for applicable contracts to ensure an IC-134 is obtained before final payment is made.

Views of responsible officials: Management agrees with the finding.

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2025**

Section IV – Minnesota Legal Compliance, (Continued)

2025-003 – Uncollateralized Deposits

Criteria or specific requirement: Minnesota Statutes, section § 118A.03, subd. 3 provides that Collateral pledged must equal at least ten percent more than the uninsured and unbonded amount on deposit at the close of the banking day. If irrevocable standby letters of credit from Federal Home Loan Banks are used, the amount must be equal to the amount of the excess deposit at the close of the banking day.

Condition/Context: The entity was not in compliance with the Minnesota State statutes and they had \$1,903 in uncollateralized deposits.

Cause: The Port Authority did not expect or anticipate one of its bank accounts to be above \$250,000 in deposits and be over the FDIC threshold.

Effect: The entity was not in compliance with the Minnesota State statutes and they had \$1,903 in uncollateralized deposits.

Recommendation: We recommend that the Port Authority review its procedures to ensure all accounts have proper collateralization.

Views of responsible officials: Management agrees with the finding.



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAGlobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.

CREDIT COMMITTEE MEETING
FEBRUARY 24, 2026

The regular meeting of the Port Authority Credit Committee was held on February 24, 2026, at 1:46 p.m. in the Board Room of the Saint Paul Port Authority, 400 Wabasha Street, Suite 240, Saint Paul, Minnesota, 55102.

The following Committee Members were present:

Amy Brendmoen	John Marshall	Don Mullin
Matt Slaven		

Also present were the following:

Jan Almquist	Ashely Aram	Tonya Bauer
Nick Dragsich	Todd Hurley	Holly Huston
Emma Kasiga	Annamarie Kosel	Dana Krueger
Emily Lawrence	Laurie Siever	Mike Solomon
Nikki Tix	Louie Tuccitto	Phoua Vang
Annie Watson	Kristine Williams	Linda Williams
JP Yohannes	Sukaina Jaffri	

Aaron Delaney, 4AM Fitness
Silver Moran-Steward, City of Saint Paul
Tatiana McCoy, City of Saint Paul

APPROVAL OF MINUTES

Committee Member Marshall made a motion to approve the minutes of the January 27, 2026 regular Credit Committee meeting. The motion was seconded by Committee Member Mullin and carried unanimously.

CONFLICTS OF INTEREST

There were no conflicts of interest with any items on the agenda.

AGENDA ITEMS

SAINT PAUL EVENT CENTER LOAN AMENDMENT

Ms. Huston reviewed her memorandum with the Committee, requesting approval of an amendment (the “Amendment”) of the St. Paul Event Center & Catering LLC’s (the “Borrower”) Business Development Fund loan and Emergency Business Development Fund loan. The Committee discussed the Borrower’s lease with Go Wild, LLC for its space in the Treasure Island Center and its relationship to the Amendment. Committee Member Marshall then made a motion to approve the request. The motion was seconded by Committee Member Mullin and carried unanimously.

PROSPECT FOUNDRY, LLC – WRITE-OFF OF TWO SEPARATE TRILION BTU LOANS

Ms. Huston reviewed her memorandum with the Committee, requesting approval to write-off two separate Trillion BTU loans with Prospect Foundry, LLC. Committee Member Mullin made a motion to approve the request. The motion was seconded by Committee Member Marshall and carried unanimously.

**APPROVAL OF LEASE RENEWAL AND AMENDMENT FOR ALTER LOGISTICS
COMPANY d/b/a ALTER RIVER TERMINAL SAINT PAUL – SOUTHPORT TERMINAL**

Ms. Williams reviewed her memorandum with the Committee, requesting approval of a Lease Renewal and Amendment for the Port Authority of the City of Saint Paul to extend the lease term for land leased by Alter Logistics Company d/b/a Alter River Terminal Saint Paul, located in the Southport Terminal at 801, 781, 751 and 0 Barge Channel Road in Saint Paul, Minnesota. Committee Member Brendmoen made a motion to approve the request. The motion was seconded by Committee Member Marshall and carried unanimously.

There being no further business, the meeting was adjourned at 2:02 p.m.


By: _____

Its: _____

MEMORANDUM

To: CREDIT COMMITTEE
BOARD OF COMMISSIONERS

Meeting Date: April 28, 2026

From: Kristine Williams 

**Subject: AUTHORIZATION TO ENTER INTO A NON-BINDING TERM SHEET FOR A DEVELOPMENT AGREEMENT WITH 499 SNELLING REALTY COMPANY, LLC – 499 SNELLING AVENUE NORTH
RESOLUTION NO. 4851**

Action Requested:

Approval to enter into a non-binding term sheet (the “Term Sheet”) with 499 Snelling Realty Company, LLC (“Developer”) setting forth certain terms to be incorporated into a Development Agreement (the “Development Agreement”) obligating Developer to construct housing and retail space at 499 Snelling Avenue North in Saint Paul, Minnesota (the “Property”) in exchange for the Port Authority of the City of Saint Paul (the “Port Authority”) contributing up to \$750,000 to fund the relocation of utilities at the site, which will assist in preparing the site for construction, and to enter into further negotiations of the Development Agreement.

Background:

The CVS that was previously located at the Property closed in 2020 after the civil unrest following the murder of George Floyd, reopened seven months later, and then permanently closed in April 2022. The business has been closed since that time and until recently the building remained abandoned on the Property. In the summer of 2025, the City of Saint Paul (the “City”) condemned the Property and in March of 2026 demolished the building. A Site Plan of the Property is attached as Exhibit A.

The City Council and Port Authority are committed to seeing a higher and better use of the Property. The Port Authority has a history of supporting redevelopment by removing barriers to foster economic development. This is a key location in the Midway neighborhood that could build upon the extensive investment made by Dr. Bill McGuire at Allianz Field and the surrounding United Village.

Current Status:

Developer has entered into a Purchase Agreement with the owners of the now vacant Property, with plans to construct a mixed-use development featuring ground floor retail with market rate apartments above.

The Port Authority will support redevelopment by contributing up to \$750,000 to support the cost of relocating the overhead utilities underground, allowing residential development on the adjacent former CVS property.

MEMORANDUM

The Term Sheet contains the following provisions:

1. The Developer will acquire the former CVS Property and secure approvals to build no less than 6,000 square feet of ground floor commercial/retail and no fewer than 30 apartment units on the site
2. Developer will be responsible for securing approval for no less than 40 surface parking spaces to support the commercial/retail development
3. Port Authority will coordinate the relocation of overhead utilities in the alley north of the former CVS building and contribute \$450,000 plus \$20,000 per apartment unit, up to a maximum of \$750,000, for the cost of relocation
4. If Developer does not commence construction within 12 months of the completion of the relocation of overhead utilities, the Port Authority will be reimbursed by Developer for all costs
5. Developer will not seek Tax Increment Financing or other further financial support from the City or Port Authority
6. Developer's acceptance of all City and Port Authority compliance requirements, including a Project Labor Agreement

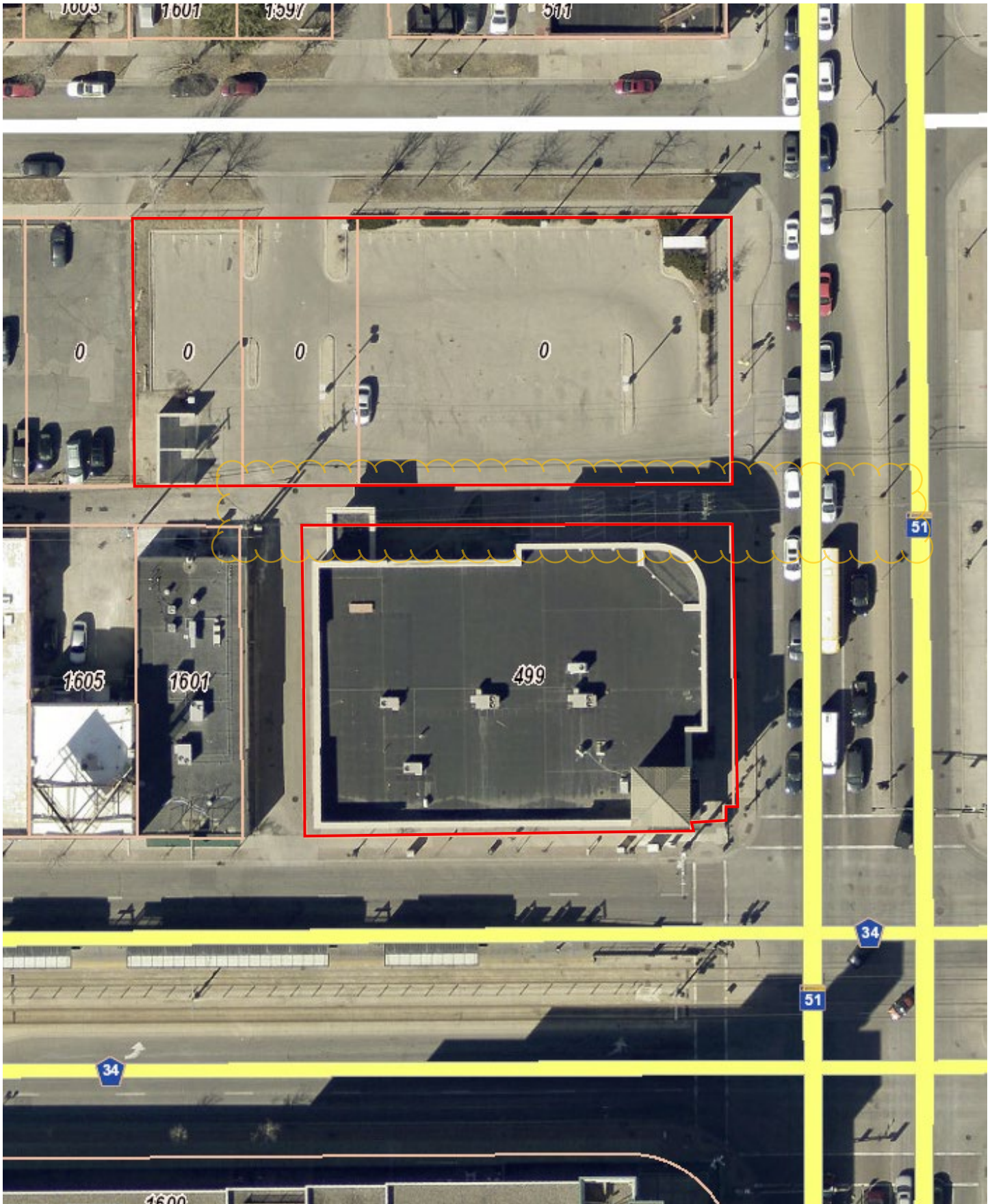
The authorization requested today would permit the Port Authority to enter into the non-binding Term Sheet and to enter into negotiations for a Development Agreement with the Developer. The Term Sheet contains a contingency for final approval of the Development Agreement by the Port Authority Board of Commissioners (the "Board"), and it will be presented to the Board at a later date for its approval.

Recommendation:

Approval to enter into non-binding Term Sheet with Developer for a Development Agreement and authorization to further negotiate thereunder.

Attachment: Site Plan
Resolution

Exhibit A : Site Plan



**RESOLUTION OF THE
PORT AUTHORITY OF THE CITY OF SAINT PAUL**

**[AUTHORIZATION TO ENTER INTO A NON-BINDING TERM SHEET FOR A DEVELOPMENT
AGREEMENT WITH 499 SNELLING REALTY COMPANY, LLC – 499 SNELLING AVENUE NORTH]**

WHEREAS, the Port Authority of the City of Saint Paul (the “Port Authority”) is a public body corporate and politic organized pursuant to Chapter 469 of Minnesota Statutes;

WHEREAS, the Port Authority’s Board of Commissioners (“Board”) are appointed by the Mayor of the City of Saint Paul (the “City”) subject to approval by the Council of the City (the “City Council”);

WHEREAS, two of the Port Authority Commissioners must be members of the City Council who shall serve on the Port Authority Board so long as they continue to be members of the City Council;

WHEREAS, the district of the Port Authority is in the City;

WHEREAS, under Minn. Stat. §§ 469.048 to 469.068, the Port Authority has the powers and duties conferred upon all port authorities by said statute;

WHEREAS, under Minn. Stat. § 469.084, subs. 1 to 15, the Port Authority has additional statutory duties and powers including powers, including those related to recreational facilities and small business capital;

WHEREAS, under Minn. Stat. § 469.084, subd. 8, the Port Authority, furthermore, has the power of and is authorized to do what a redevelopment agency may do or must do under sections 469.152 to 469.165 (Municipal Industrial Development);

WHEREAS, the Port Authority has undertaken numerous redevelopment projects in the City, and the Port Authority is committed to the development of underutilized properties within the City, as part of its mission to expand the City’s tax base and contribute to the growth of job opportunities within the City;

WHEREAS, on November 5, 2025, via Resolution RLH RR 25-30, the City declared the former CVS building located at 499 Snelling Avenue North in St. Paul (the “Property”) a nuisance building under Saint Paul Legislative Code §45.02 and ordered that the building be razed and removed from the Property; and the building has now been demolished;

WHEREAS, 499 Snelling Realty Company, LLC (the “Developer”) has obtained site control of the Property and plans to develop the Property for mixed housing and commercial use;

WHEREAS, the Port Authority believes that the development of the Property by the Developer aligns with the Port Authority’s mission of supporting redevelopment of underutilized properties for the goals of increasing the tax base and job creation;

WHEREAS, in furtherance of the goals of the redevelopment of the Property from nuisance property status back to productive use, the Port Authority intends to contribute up to \$750,000 (the “Contribution”) to assist in funding the relocation of utilities located at the site to support the Developer’s redevelopment of the Property; and

WHEREAS, Developer and the Port Authority have agreed upon the terms of a non-binding Term Sheet (the “Term Sheet”) for the Developer’s redevelopment obligations and the Port Authority’s Contribution, as further detailed in staff’s Memorandum to the Board, subject to the negotiation and execution of a final agreement between Developer and the Port Authority (the “Development Agreement”) and future Board approval of the Development Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE PORT AUTHORITY OF THE CITY OF SAINT PAUL, that the President of the Port Authority, or anyone acting under his direction, is authorized to enter into the Term Sheet for the development of the Property and the Contribution, as further described in staff’s Memorandum presented to the Board.

BE IT FURTHER RESOLVED that the President of the Port Authority, or anyone acting under his direction, is hereby authorized to execute the Term Sheet and to enter into negotiations for the Development Agreement and any other necessary documents reasonably necessary to effectuate the purposes described herein on behalf of the Port Authority, in a form approved by counsel.

I certify that the above resolution was adopted by the Board of Commissioners of the Port Authority of the City of Saint Paul on April 28, 2026.

PORT AUTHORITY OF THE
CITY OF SAINT PAUL


By _____
Its Chair

ATTEST:

By _____
Its Secretary

To: CREDIT COMMITTEE
BOARD OF COMMISSIONERS

Meeting Date: April 28, 2026

From: Anna M. Watson 

Subject: AUTHORIZATION TO APPLY FOR AND ACCEPT GRANT FUNDING FROM METROPOLITAN COUNCIL'S LIVABLE COMMUNITIES GRANT PROGRAM FOR REDEVELOPMENT COSTS AT 245 MARYLAND AVENUE EAST
RESOLUTION NO. 4852

Action Requested:

The Port Authority of the City of Saint Paul (the "Port Authority") seeks authorization for the application to, and acceptance of grant funds, from the Metropolitan Council's Livable Communities ("LCA") program for a grant of up to \$500,000 (the "Grant") to fund certain costs associated with the redevelopment of 245 Maryland Avenue East, St. Paul, Minnesota (the "Property").

Background:

The Metropolitan Council's LCA grant program provides funding for projects that plan to "build new, rehabilitate, or preserve affordable housing and community-driven commercial spaces." The program supports costs in the following areas:

- Development Projects
- Environmental Cleanup and Investigation
- Policy and Program Development
- Small Area Planning Projects

The Property was formerly a Kmart retail store and has been vacant since the store's closing in 2019, posing safety and blight issues to the surrounding neighborhood. Since acquiring the Property in 2024, the Port Authority and community stakeholders have seen the site as an opportunity for light industrial redevelopment, bringing new jobs and increased tax base to St. Paul.

Current Status:

Both a Phase I and a Phase II environmental assessment have been conducted for the Property, and the vacant building was demolished at the end of 2025. Port Authority staff are currently discussing partnership opportunities with various developers. Anticipated next steps include:

- Further environmental investigation determined by future redevelopment plans
- Development of a Response Action Plan
- Removal of underground storage tank
- Removal of foundation

- Site remediation as necessary

The Port Authority submitted an application for the Grant on April 15, 2026. Due to the timing issue created by the cancellation of the March Board of Commissioners meeting and the April 15th deadline for this Grant application, the Port Authority relied on the general authority granted to staff under Resolution 4845 (Grant Application and Acceptance Authorization For The Year 2026) to submit its application for this Grant prior to the Board's April meeting. As required by Resolution 4845, staff is now requesting the Board's retroactive authorization of the application and authorization to accept the Grant funding, if awarded, from the Metropolitan Council LCA grant program. The Grant funds would be used for further site preparations for redevelopment, including removal of the concrete foundation.

Recommendation:

We recommend approval of a resolution retroactively authorizing the application for and acceptance of the Grant for certain redevelopment-related costs at the Property.

Attachment: Resolution

**RESOLUTION OF THE
PORT AUTHORITY OF THE CITY OF SAINT PAUL**

**[AUTHORIZATION TO APPLY FOR AND ACCEPT GRANT FUNDING FROM
METROPOLITAN COUNCIL'S LIVABLE COMMUNITIES GRANT PROGRAM FOR
REDEVELOPMENT COSTS AT 245 MARYLAND AVENUE EAST, SAINT PAUL, MINNESOTA]**

WHEREAS, the Port Authority of the City of Saint Paul (the "Port Authority") is a public body corporate and politic organized pursuant to Chapter 469 of Minnesota Statutes;

WHEREAS, the Port Authority's Board of Commissioners (the "Board") are appointed by the Mayor of the City of Saint Paul subject to the approval of the Council of the City of Saint Paul;

WHEREAS, two of the Port Authority Commissioners must be members of the Council of the City of Saint Paul;

WHEREAS, said members of the Council of the City of Saint Paul serve on the Port Authority Board so long as they continue to be members of the Council of the City of Saint Paul;

WHEREAS, the district of the Port Authority is the City of Saint Paul;

WHEREAS, under Minn. Stat. §§ 469.048 to 469.061, the Port Authority has the powers and duties conferred upon all port authorities;

WHEREAS, under Minn. Stat. § 469.084, subds. 1 to 15, the Port Authority has additional statutory duties and powers including powers related to recreational facilities and small business capital;

WHEREAS, under Minn. Stat. § 469.084, subd. 8, the Port Authority, furthermore, has the power of and is authorized to do what a redevelopment agency may do or must do under Sections 469.152 to 469.165 (Municipal Industrial Development), and the Port Authority has undertaken numerous redevelopment projects in the City of Saint Paul;

WHEREAS, the Port Authority is committed to the redevelopment of the property located at 245 Maryland Avenue East in Saint Paul, Minnesota (the "Property"), which it acquired in 2024;

WHEREAS, the Port Authority, is eligible to apply for project funding from Metropolitan Council's Livable Communities Grant Program (the "Program"), which provides funding for projects that plan to build new, rehabilitate, or preserve affordable housing and community-driven commercial spaces;

WHEREAS, the Program supports development projects and environmental cleanup and investigation, and the anticipated grant funds would be used for further environmental investigation, development of a Response Action Plan, removal of an underground storage tank, removal of foundation and any other site remediation that is necessary at the Property (the "Project"); and

WHEREAS, the Port Authority has determined that the Project at the Property meets the Program's purposes and criteria and has submitted a grant application to the Program for a grant of up to \$500,000 in funding for the Project (the "Application").

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE PORT AUTHORITY OF THE CITY OF SAINT PAUL that the Port Authority supports the Project at the Property and authorizes the Application.

BE IT FURTHER RESOLVED that the President is hereby authorized on behalf of the Port Authority to make such grant Application to the Program, and to accept such funds if awarded, up to \$500,000, for certain redevelopment-related costs at the Property.

BE IT FURTHER RESOLVED that if the Port Authority is awarded a grant by the Program, the Port Authority may enter into an agreement for the above-referenced Project as is necessary to accept and document such award and implement the Project, and certifies that it will comply with all applicable laws and regulations as stated in all grant award agreements.

I certify that the above resolution was adopted by the Board of Commissioners of the Port Authority of the City of Saint Paul on April 28, 2026.

PORT AUTHORITY OF THE CITY OF SAINT PAUL


By _____
Its Chair

ATTEST:

By _____
Its Secretary

To: CREDIT COMMITTEE

Meeting Date: April 28, 2026

From: Holly Huston 

Subject: AURORA ST. ANTHONY LLC - FORBEARANCE AGREEMENT

Action Requested:

Approval of Forbearance Agreement from January 1, 2025 to October 31, 2026, including an extension of the maturity date of the Loan from August 1, 2026 to July 1, 2028, with payments to re-commence beginning November 1, 2026 (the “Forbearance”) with Aurora St. Anthony Limited, LLC (the “Borrower”).

Background:

The Borrower, Aurora St. Anthony Neighborhood Development Corporation (ASANDC), is a 501(c)3 nonprofit serving Rondo, Frogtown, and Summit-University.

On April 18, 2019, the Port Authority of the City of Saint Paul (the “Port Authority”) entered into a Trillion BTU Loan Agreement with the Borrower for a loan in the principal amount of \$70,596 (the “Loan”). The Loan has a seven-year term and a 5.00% interest rate. The financing supported a portion of a 152-kilowatt solar photovoltaic installation. Remaining project costs were funded through a Renewable Development Fund grant. The solar array offsets energy costs for 60 units of affordable housing.

This Loan is not a PACE loan. It is a traditional Trillion BTU loan and is secured by a security interest in the solar equipment. Loan payments are currently billed monthly in the amount of \$997.87. If the proposed Forbearance is approved, the new payments will be \$1,253.22 monthly.

In December 2024, the Borrower contacted the Port Authority to indicate its intent to pay off the Loan in connection with a planned sale of the building and payoff of the solar equipment. During the sale and payoff process, Loan payments were not made. Ultimately, the sale and Loan payoff did not proceed, and the Borrower fell significantly behind on its Loan obligations while undergoing leadership and financial transitions. Prior to this period, the Borrower had a history of timely loan payments.

To date, a total of \$58,870.10 has been paid on the Loan. The current outstanding principal balance is \$23,642.84. Approval of the requested Forbearance would add accrued interest of \$2,139.91, resulting in a new principal balance of \$25,148.86.

Proposal:

Provide Borrower a twenty-two month forbearance starting in January 2025, with the current outstanding amount being reversed. Interest will accrue during the forbearance period, and the accrued interest will be added to the outstanding principal amount of the Loan. Payments will resume on November 1, 2026. This proposal will provide Borrower time to identify a revenue source to pay back the Loan. As part of this Forbearance, the maturity date of the Loan will be extended through July 1, 2028.

Recommendation:

We recommend approval of the Forbearance with the Borrower.

To: CREDIT COMMITTEE **Meeting Date:** April 28, 2026
From: Holly Huston *HH*
Subject: **BIOTA HOLDINGS LLC**
APPROVAL TO EXTEND LOAN TERM OF \$86,500 TRILLION BTU LOAN

Action Requested:

Provide approval for the Port Authority to extend the term of Biota Holdings LLC’s (the “Borrower”) \$86,500 Trillion BTU loan (the “Loan”) for an additional five years.

Background:

In 2020, the Borrower secured a five-year Trillion BTU Loan, amortized over 10 years, which includes a balloon payment due at the end of the term. The balloon payment is scheduled for 2026, and the Borrower is requesting a five-year extension with a comparable monthly payment structure (\$870.31 vs \$890.75). Approval of this request would extend the Loan term for an additional five years, for a total of ten years, consistent with other Port Authority Trillion BTU loans. The Borrower is current on all loan payments, and the balloon amount to be refinanced is \$46,969.12. The Loan extension will be at current interest rates, an increase of 1% from 4.25% to 5.25%.

Project Completed:

34-kW Solar Array	
Purchase Price and Installation	\$86,500

Sources and Uses of Funds:

Sources of funds:	
Trillion BTU	\$86,500

Financial Analysis:

Biota Holdings LLC is the real estate holding company for Biota Landscape Company.

Debt Service Coverage:	2.48	Trillion standard of at least:	1.15
Debt-to-Equity:	2.14	Trillion standard of less than:	4.00

Terms:

Source of Funds: Trillion BTU

Use of Funds: 34-kW Solar Array

Amount of Loan: \$86,500, **remaining balance \$46,969.12**

Rate: 4.25%, extended term rate is 5.25% to match current rate

Term: 5 years - 10-year amortization, **proposal to make term 10 years**

Collateral: Signed Loan Agreement

Policy Exceptions:


No

Recommendation:

We recommend the approval for the Port Authority to extend the term of the Loan for an additional five years.

To: CREDIT COMMITTEE

Meeting Date: April 28, 2026

From: Holly Huston 

Subject: QUARTERLY REPORT ON EXTERNAL PACE LENDING – 1Q 2026

Externally Funded PACE Performance in 2026

Externally Funded PACE Loans - Quarter 1 2026							
Name	Loan Amount	Lender	City	County	Annual Energy Savings (\$)	Annual Energy savings (kWh)	Energy Savings Type
3800 LLC	\$48,600	Blaze	Minneapolis	Hennepin	\$207	191 kWh	Roof
Citadel Building LLC	\$95,800	Blaze	Minneapolis	Hennepin	\$7,186	45,056 kWh	Boiler
X WH REDF2-TSE Two22 Propco, LLC	\$11,411,642	Nuveen	Minneapolis	Hennepin	\$81,873	906,845 kWh	Retrofit
Monticello Hospitality Group LLC	\$4,500,000	Peachtree	Monticello	Wright	\$32,946	207,966 kWh	New Construction
Brenk Brothers Inc	\$1,621,000	Blaze	Fridley	Anoka	\$92,137	1,049,057 kWh	Solar

- Total Loans: 5
- Total Loan Amount: \$17,677,042
- Total Annual Energy Savings: \$214,439
- Total Annual Energy Savings: 2,209,115 kWh | 7.5 TBTU

Summary

- MinnPACE had a strong first quarter:
 - Total project activity was equal to last year.
 - Investment in energy efficiency was tripled compared to last year (\$17.7MM vs \$5MM).
 - Driving the investment increased was a single closing of an \$11.0 million transaction in Minneapolis.
- The SPPA Loan Team attended two national association conferences:
 - National Association of C-PACE Program Administrator (NAPPA)
 - PACENation

Key conference topics included delinquency, large scale deals, embodied carbon, resiliency, and continued interest in scaling small deals.

Trends

- Refinancing existing PACE loans and early payoffs of new construction projects continue to be trends in the marketplace.
- The Loan team is focused on strengthening the pipeline and modeling revenue forecasting. Preliminary analysis supports the newly implemented fee structure is reducing the revenue impact of prepayments.

Outlook

- Quarter two has multiple PACE projects in the pipeline, and four are expected to close.

**REGULAR BOARD MEETING
FEBRUARY 24, 2026**

The regular meeting of the Port Authority Board was held on February 24, 2026, at 2:02 p.m. in the Board Room of the Saint Paul Port Authority, 400 Wabasha Street, Suite 240, Saint Paul, Minnesota, 55102.

The following Board Members were present:

Amy Brendmoen	John Marshall	Don Mullin
Matt Slaven		

Also present were the following:

Ashley Aram	Tonya Bauer	Nick Dragisich
Todd Hurley	Holly Huston	Emma Kasiga
Annamarie Kosel	Dana Krueger	Emily Lawrence
Laurie Siever	Mike Solomon	Nikki Tix
Louie Tuccitto	Phoua Vang	Annie Watson
Kristine Williams	Linda Williams	JP Yohannes
Sukaina Jaffri		
Aaron Delaney, 4AM Fitness		
Silver Moran-Steward, City of Saint Paul		
Tatiana McCoy, City of Saint Paul		

APPROVAL OF MINUTES

Commissioner Slaven made a motion to approve the minutes of the June 24, 2025 Regular Board meeting. The motion was seconded by Commissioner Marshall and carried unanimously.

CONFLICTS OF INTEREST

There were no conflicts of interest with any items on the agenda.

NEW BUSINESS

CREDIT COMMITTEE

RESOLUTION NO. 4849

**APPROVAL OF LEASE RENEWAL AND AMENDMENT FOR ALTER LOGISTICS
COMPANY d/b/a ALTER RIVER TERMINAL SAINT PAUL – SOUTHPORT TERMINAL**

Motion was made by Commissioner Slaven to approve Resolution No. 4849, which was reviewed by the Credit Committee and recommended for approval by the Board. The motion was seconded by Commissioner Brendmoen and carried unanimously.

Such Other Business That May Come Before the Board

Mr. Hurley introduced Mr. Delaney, a guest in the audience, who has been working with Mr. Yohannes to explore potential opportunities in the fitness center space on the third level of the Treasure Island Center building. He also introduced Louie Tuccitto, the Port Authority's newest intern, who will be working with the Development Team. In addition, he extended his congratulations to Mr. Solomon on being named one of the Minneapolis–St. Paul Business Journal's 40 Under 40 honorees in recognition of this prestigious achievement.

There being no further business, the meeting was adjourned at 2:06 p.m.

By: _____

Its: _____