



*Lighting the path forward*

# City of North Mankato

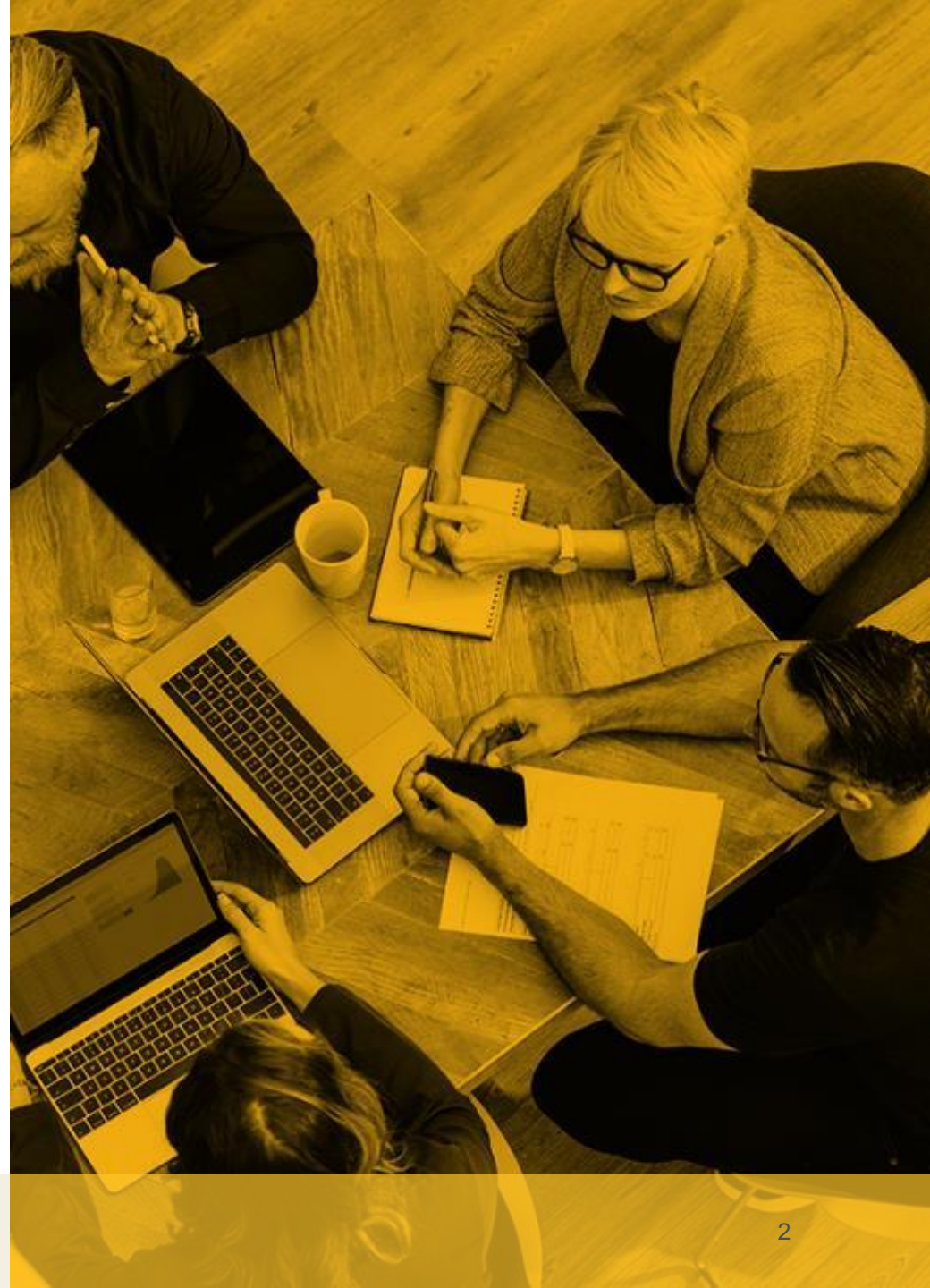
2022 Financial Statement Audit



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# Introduction

- Audit Opinion and Responsibility
- General Fund Results
- Other Governmental Funds
- Enterprise Funds
- Key Performance Indicators



# Audit Results

## Auditor's Opinion



Unmodified opinion under GAAP

## Minnesota Legal Compliance



No instances of noncompliance

## Single Audit Report



No instances of noncompliance with  
OMB Compliance Supplement  
requirements

# Audit Results

## 2022 Audit Findings

- Preparation of Financial Statements
  - Internal Control Finding
- Material Audit Adjustments
  - Internal Control Finding



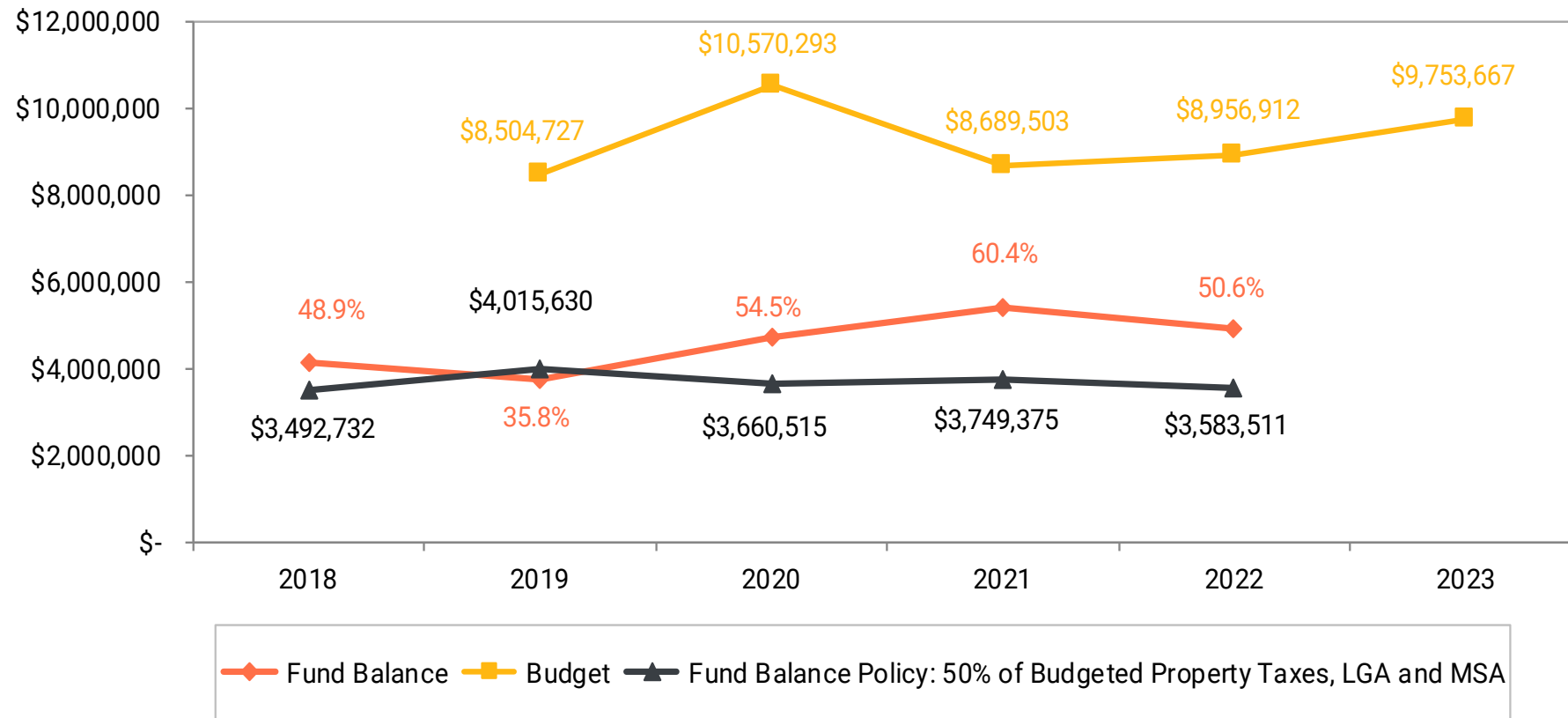
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# Results from Prior Year 2021 Audit Findings

- Preparation of Financial Statements
  - Internal Control Finding
- Material Audit Adjustments
  - Internal Control Finding



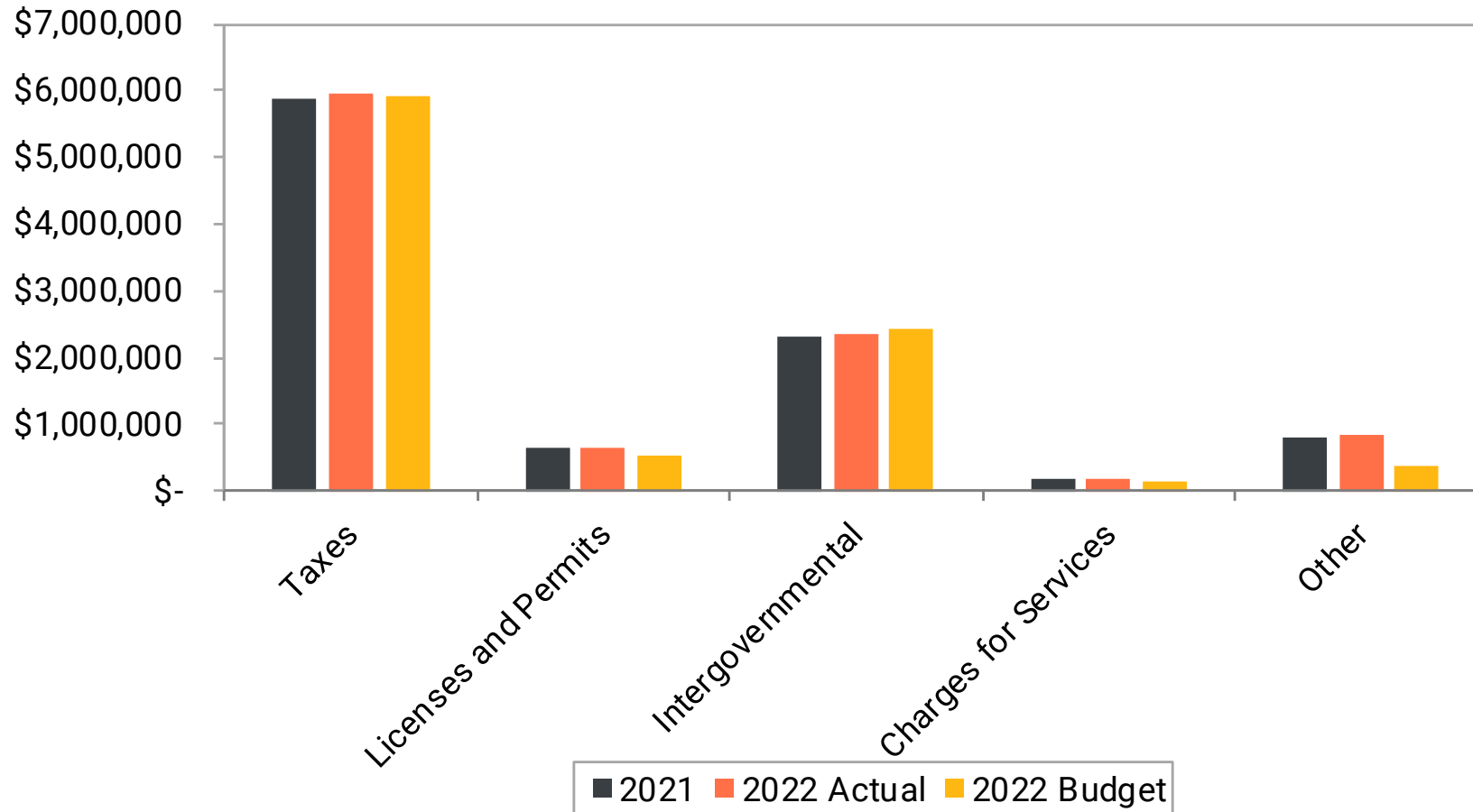
# General Fund Fund Balances



# General Fund Budget to Actual

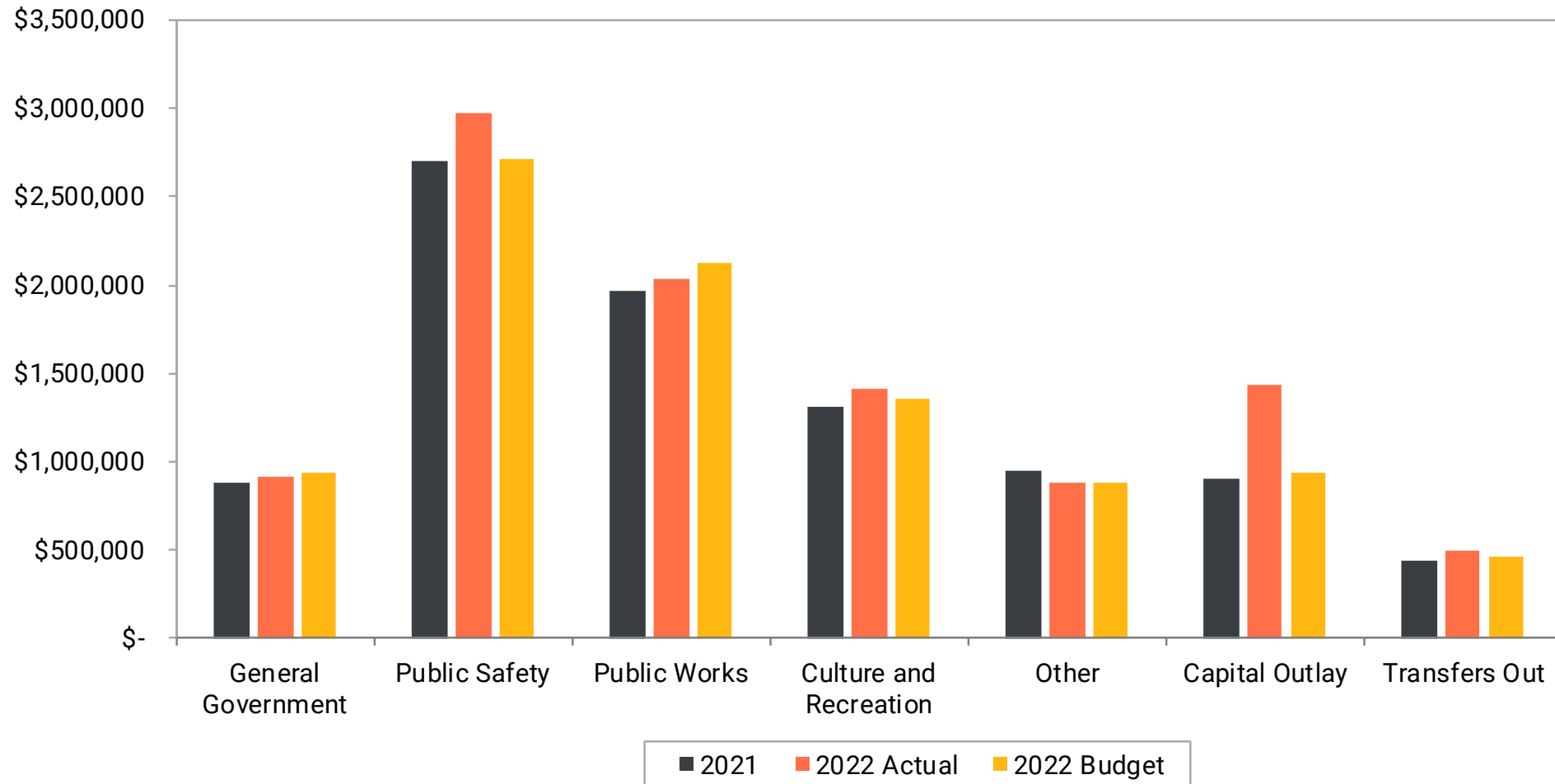
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues	\$ 9,127,331	\$ 9,353,442	\$ 226,111
Expenditures	<u>8,956,912</u>	<u>9,661,542</u>	<u>(704,630)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>170,419</u>	<u>(308,100)</u>	<u>(478,519)</u>
Other Financing Sources (Uses)			
Sale of capital assets	500	-	(500)
Transfers in	293,750	589,157	295,407
Transfers out	<u>(457,000)</u>	<u>(497,391)</u>	<u>(40,391)</u>
Total Other Financing Sources (Uses)	<u>(162,750)</u>	<u>91,766</u>	<u>254,516</u>
Net Change in Fund Balances	<u>\$ 7,669</u>	(216,334)	<u>\$ (224,003)</u>
Fund Balances, January 1		<u>5,152,553</u>	
Fund Balances, December 31		<u>\$ 4,936,219</u>	

# General Fund Revenues by Type



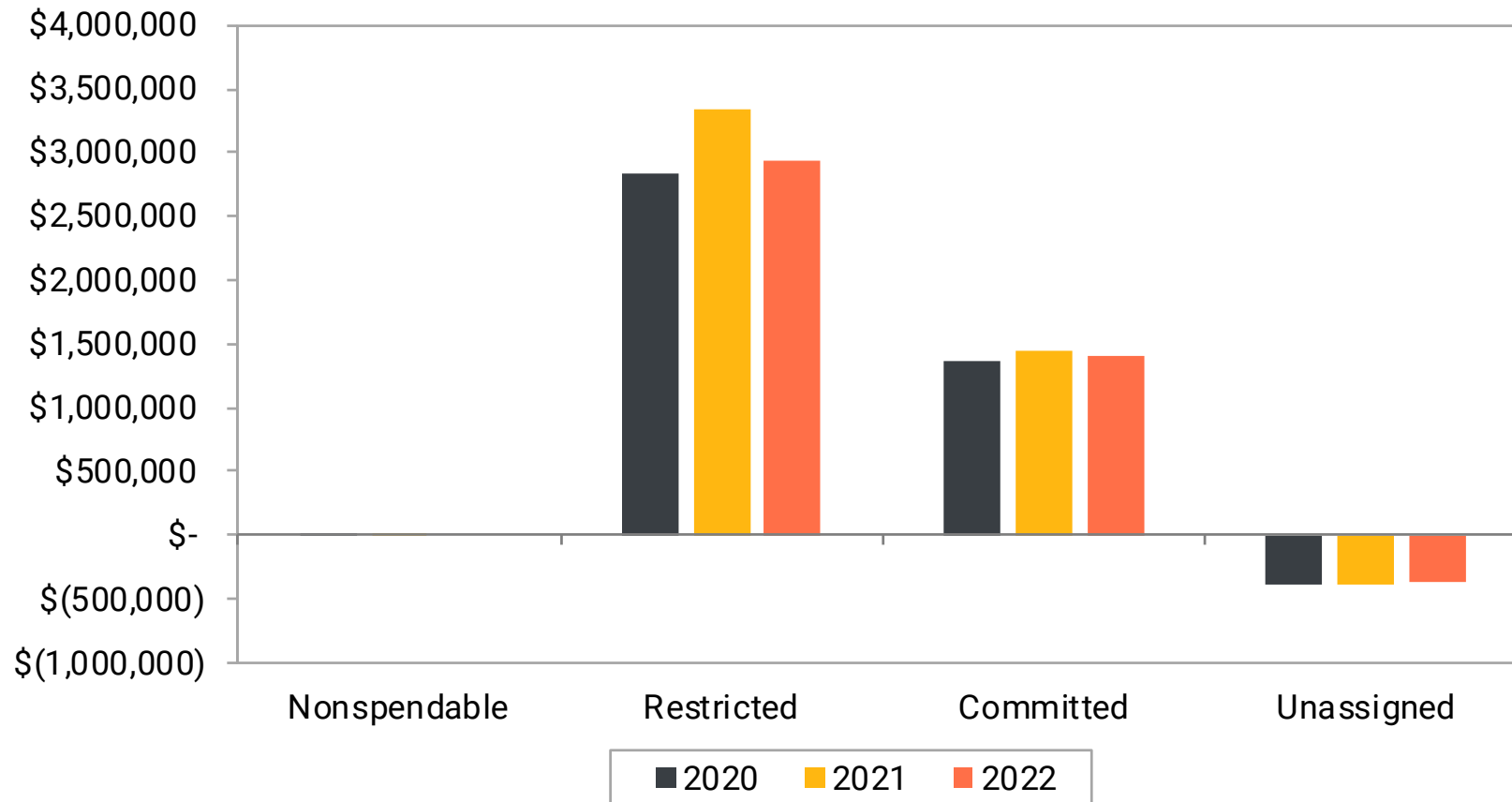


# General Fund Expenditures by Type



Fund	Fund Balances December 31		Increase (Decrease)	Cash Balances
	2022	2021		December 31 2022
Nonmajor				
Caswell Sports	\$ 41,306	\$ 102,787	\$ (61,481)	\$ 53,117
Youth Football	48,427	71,963	(23,536)	56,502
Swim Facility	-	-	-	-
Caswell North	-	-	-	197
Culture and Recreation	-	-	-	909
Library Endowment	38,582	59,077	(20,495)	43,679
Community Development Block Grant	15,296	15,296	-	15,296
Local Option Sales Tax	478,893	898,633	(419,740)	360,293
Park Development	5,866	5,866	-	5,866
Port Authority	170,282	143,143	27,139	170,282
Federal Revolving Loan	1,928,409	1,886,960	41,449	1,452,519
Local Revolving Loan	238,414	236,209	2,205	132,275
Joint Economic Development	1,146,981	1,155,677	(8,696)	-
Marigold TIF #8	(373,874)	(380,657)	6,783	136,264
Webster Redevelopment TIF #14	101,647	86,407	15,240	101,647
Webster Avenue TIF #2	2,485	2,485	-	2,485
Ziegler Caterpillar TIF #20	-	-	-	83,848
422 Belgrade TIF #19	24,185	19,504	4,681	24,185
Lindsay TIF #22	-	-	-	21,498
D & K Powder Coating TIF #23	-	-	-	-
Brichwood Cottages TIF #24	-	-	-	-
Blue Star Power Systems TIF #25	-	-	-	-
Belgrade Development TIF #26	-	-	-	-
10% Gambling	109,382	102,949	6,433	109,382
Total	<u>\$ 3,976,281</u>	<u>\$ 4,406,299</u>	<u>\$ (430,018)</u>	<u>\$ 2,770,244</u>

# Special Revenue Fund Balances



# Special Revenue Fund Balances

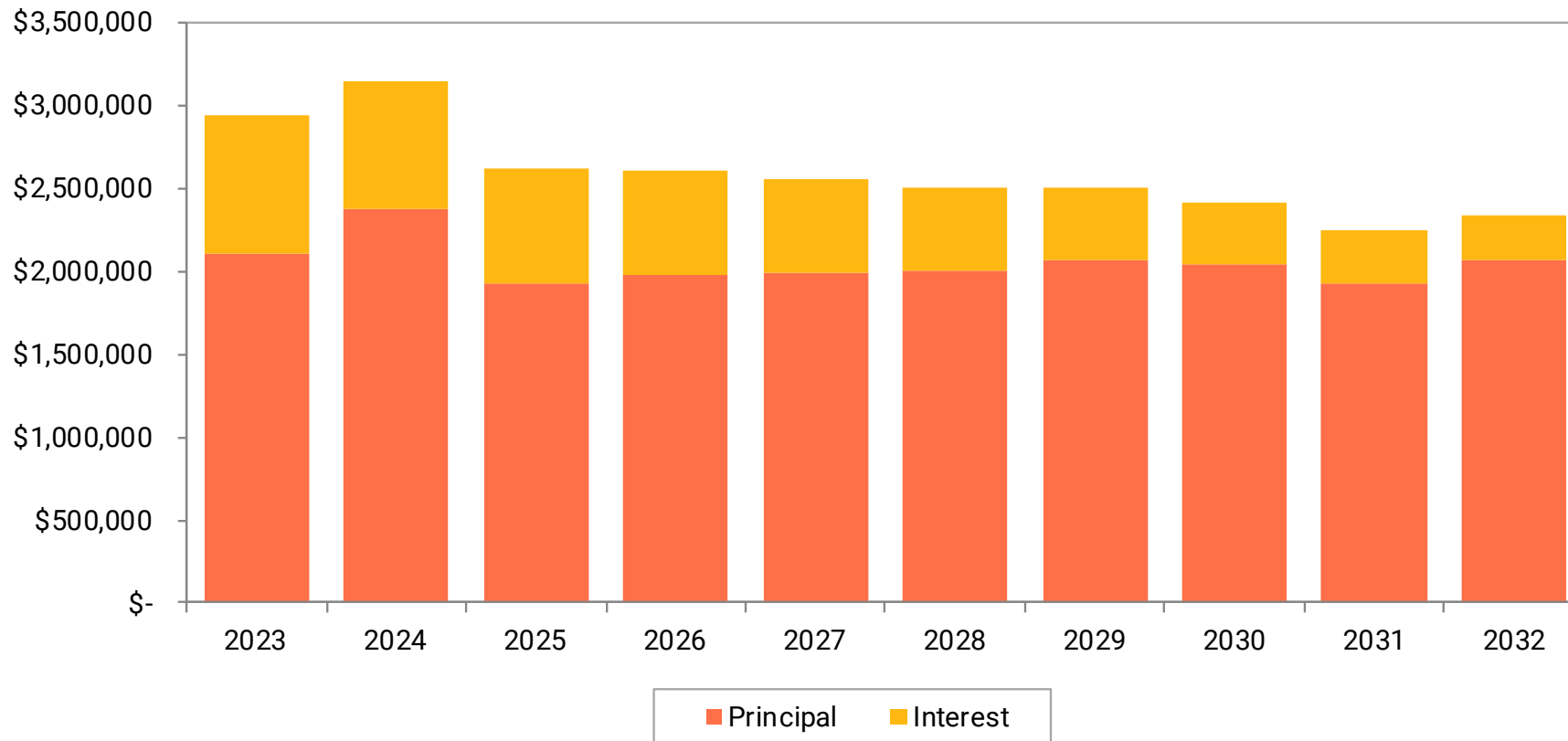
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# Debt Service Funds

Debt Description	Total Cash and Temporary Investments	Total Assets	Outstanding Debt	Maturity Date
<b>General Obligation Bonds</b>				
Bond Reserve	\$ 1,456,560	\$ 2,828,723	\$ -	N/A
General Refunding Obligations - 2021C	38,883	42,489	420,000	12/01/29
General Obligations - 2015A	-	-	335,000	12/01/30
General Obligations - 2016A	-	-	220,000	02/01/26
General Obligations - 2018A	-	54,723	3,520,000	02/01/34
General Obligations - 2019A	-	225,882	210,000	02/01/29
General Obligations - 2020A	-	-	2,095,000	02/01/34
Total G.O. Bonds	<u>1,495,443</u>	<u>3,151,817</u>	<u>6,800,000</u>	
<b>Tax Increment Bonds</b>				
Taxable G.O. Tax Increment Bonds of 2010D	-	-	210,000	02/01/37
Taxable G.O. Tax Increment Revenue Bonds of 2011B	29,784	29,784	340,000	02/01/35
Taxable G.O. Tax Increment Revenue Bonds of 2021A	<u>247,379</u>	<u>414,188</u>	<u>425,000</u>	02/01/37
Total Tax Increment Bonds	<u>277,163</u>	<u>443,972</u>	<u>975,000</u>	
<b>G.O. Special Assessment Bonds</b>				
2015A G.O. Improvement Bonds	-	348,286	1,045,000	12/01/30
2015B G.O. Crossover Refunding Bonds	296,582	801,582	505,000	12/01/28
2016A G.O. Improvement Bonds	1,173	61,006	640,000	02/01/32
2018A G.O. Improvement Bonds	-	-	400,000	02/01/34
2019A G.O. Improvement Bonds	-	-	1,240,000	02/01/34
2020B G.O. Improvement Bonds	-	229,448	3,200,000	02/01/36
2021A G.O. Improvement Bonds	-	-	1,780,000	02/01/37
2021C G.O. Refunding Bonds	-	-	830,000	12/01/27
2022A G.O. Improvement Bonds	<u>152,949</u>	<u>877,514</u>	<u>3,925,000</u>	02/01/38
Total G.O. Special Assessment Bonds	<u>450,704</u>	<u>2,317,836</u>	<u>13,565,000</u>	
<b>G.O. Revenue Bonds</b>				
2009C G.O. Sales Tax Revenue Bonds	-	-	440,000	12/01/24
2010B G.O. Sales Tax Revenue Bonds	-	-	180,000	12/01/25
2021A G.O. Sales Tax Revenue Bonds	-	-	9,150,000	02/01/39
Total G.O. Revenue Bonds	<u>-</u>	<u>-</u>	<u>9,770,000</u>	
<b>Total All Debt Service Funds</b>	<u>\$ 2,223,310</u>	<u>\$ 5,913,625</u>	<u>\$ 31,110,000</u>	
<b>Future Interest on Debt</b>			<u>\$ 6,314,497</u>	

# Debt Service Funds

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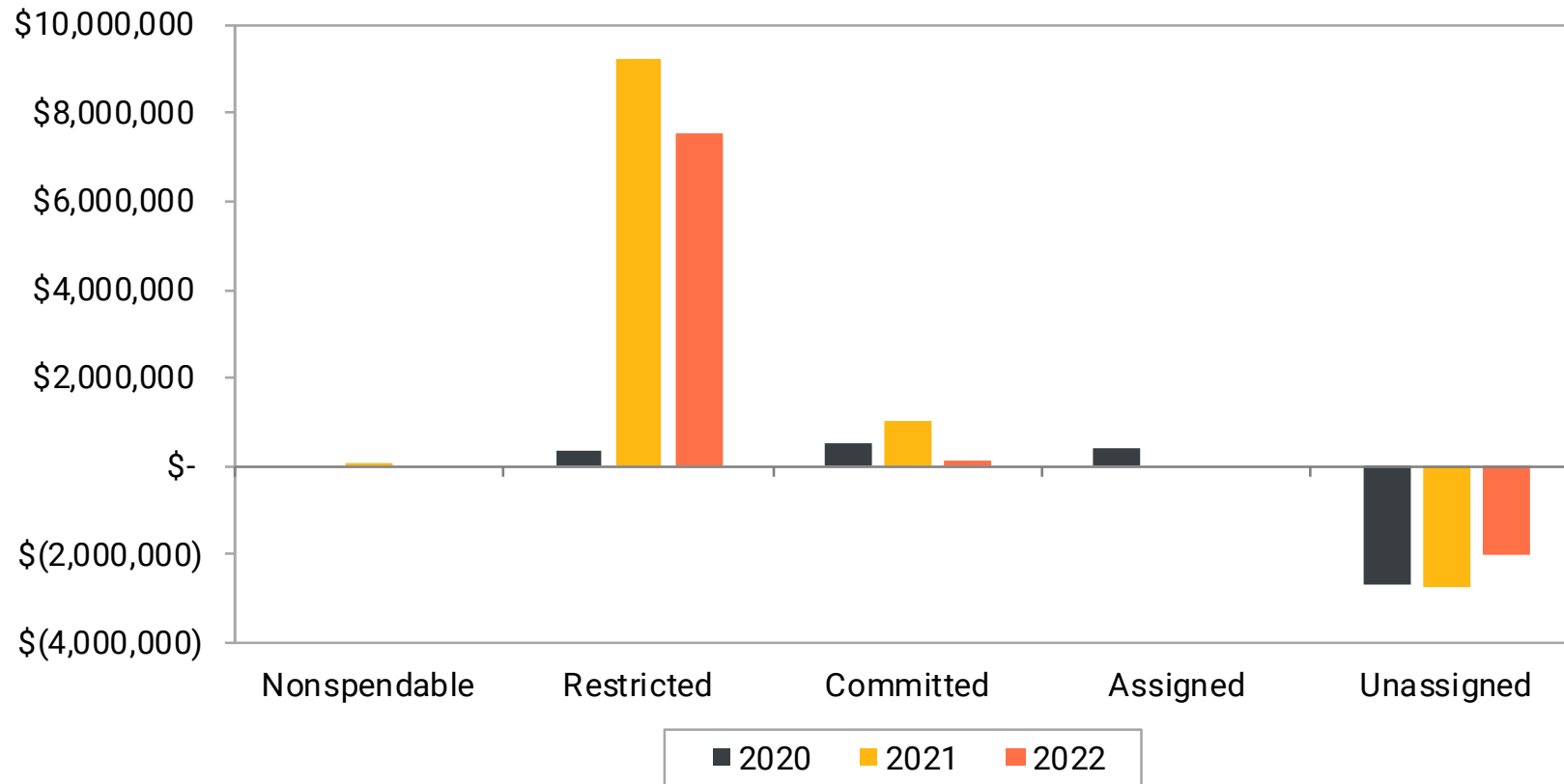


Fund	Fund Balances December 31		Increase (Decrease)
	2022	2021	
<b>Major</b>			
Revolving MSA	\$ (1,753,392)	\$ (2,325,122)	\$ 571,730
2020 Construction	-	47,360	(47,360)
2022 Construction	81,863	(107,685)	189,548
Caswell Indoor Rec	6,363,666	6,807,078	(443,412)
Caswell Softball Complex	(34,369)	1,589,881	(1,624,250)
<b>Nonmajor</b>			
Capital Facilities and Equipment Replacement - General	133,174	478,708	(345,534)
Caswell North	(221,405)	(272,090)	50,685
2017 Construction	-	-	-
2019 Construction	-	247,675	(247,675)
2021 Construction	1,099,060	1,131,007	(31,947)
2023 Construction	-	(18,835)	18,835
2024 Construction	(2,915)	-	(2,915)
2025 Construction	(11,189)	(11,069)	(120)
<b>Total</b>	<b>\$ 5,654,493</b>	<b>\$ 7,566,908</b>	<b>\$ (1,912,415)</b>

# Capital Projects Fund Balances

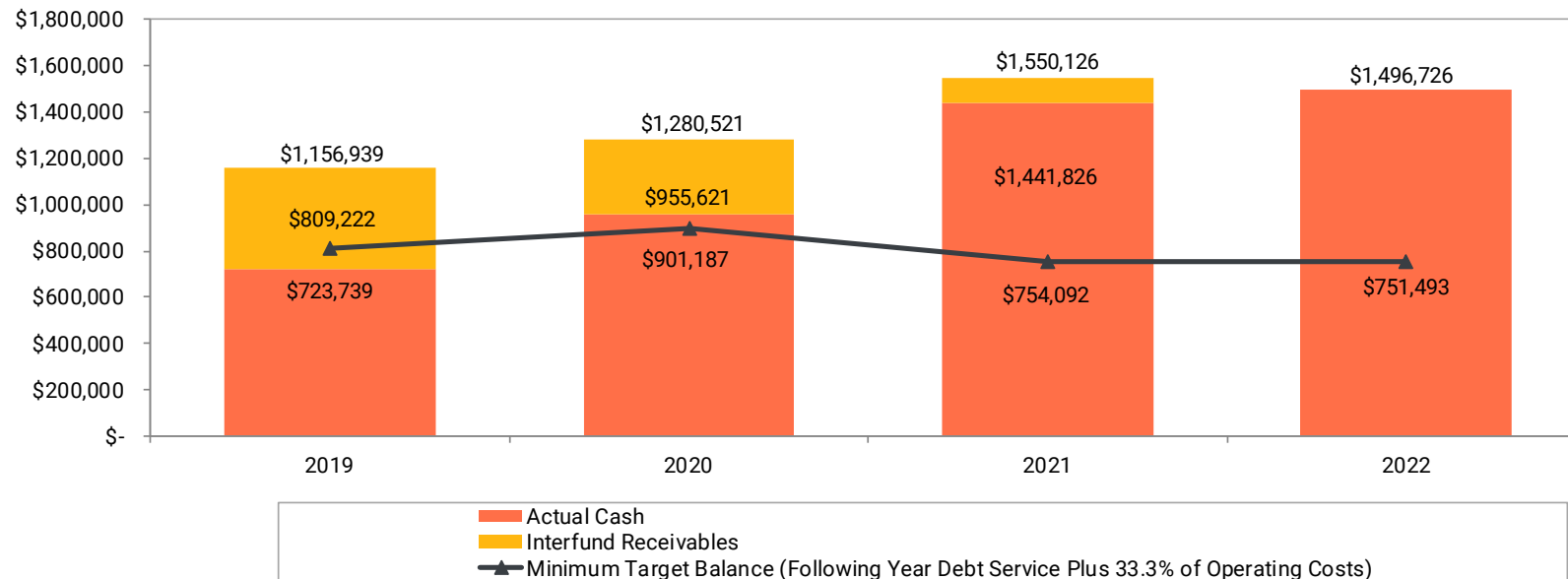
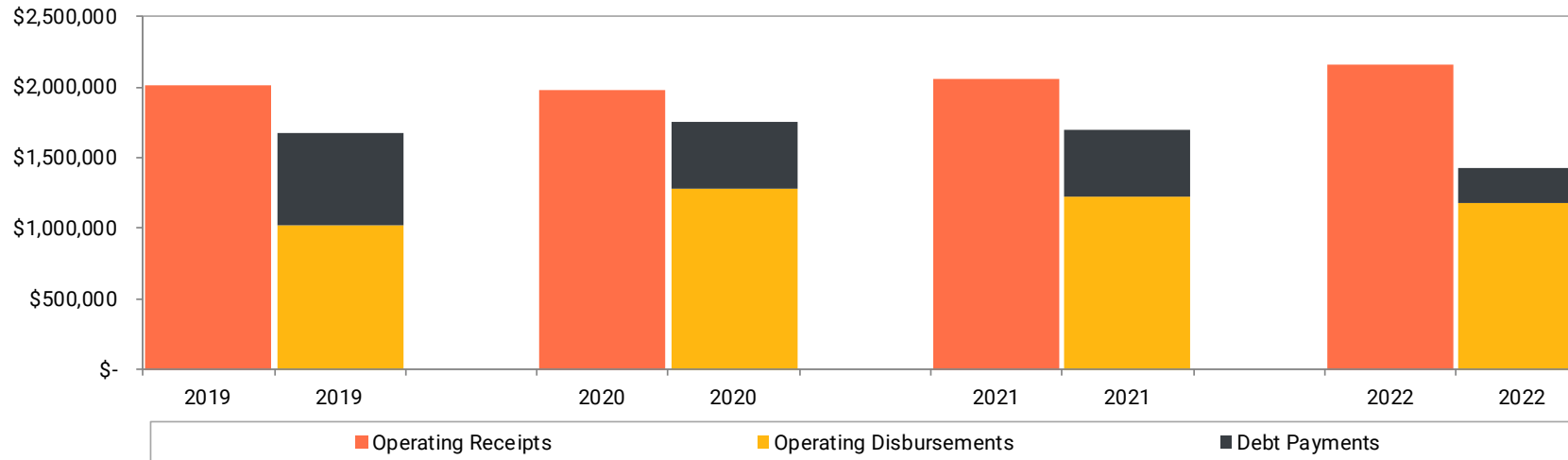
# Capital Projects Fund Balances

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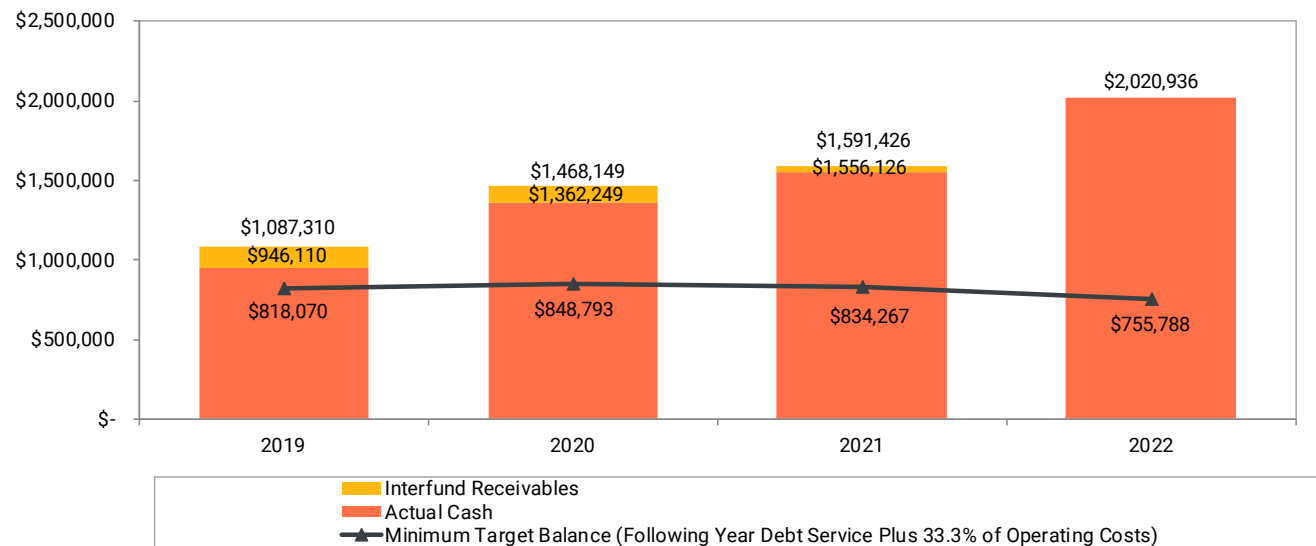
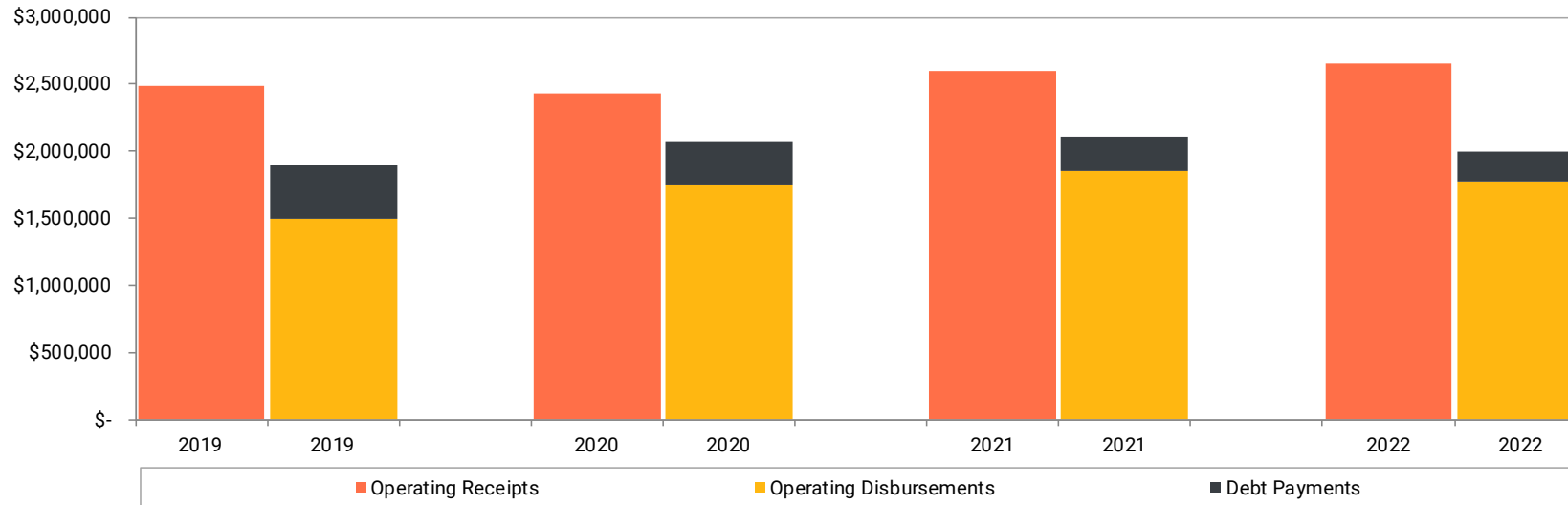
# Water Fund

## Cash Flows from Operations and Cash Balances





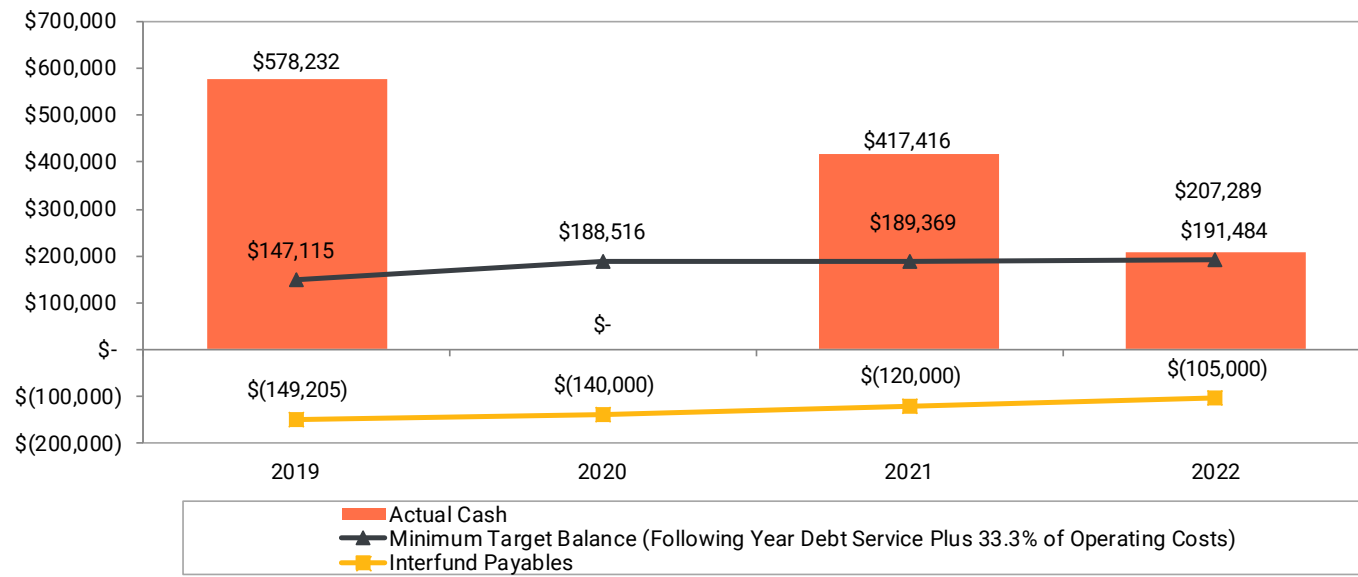
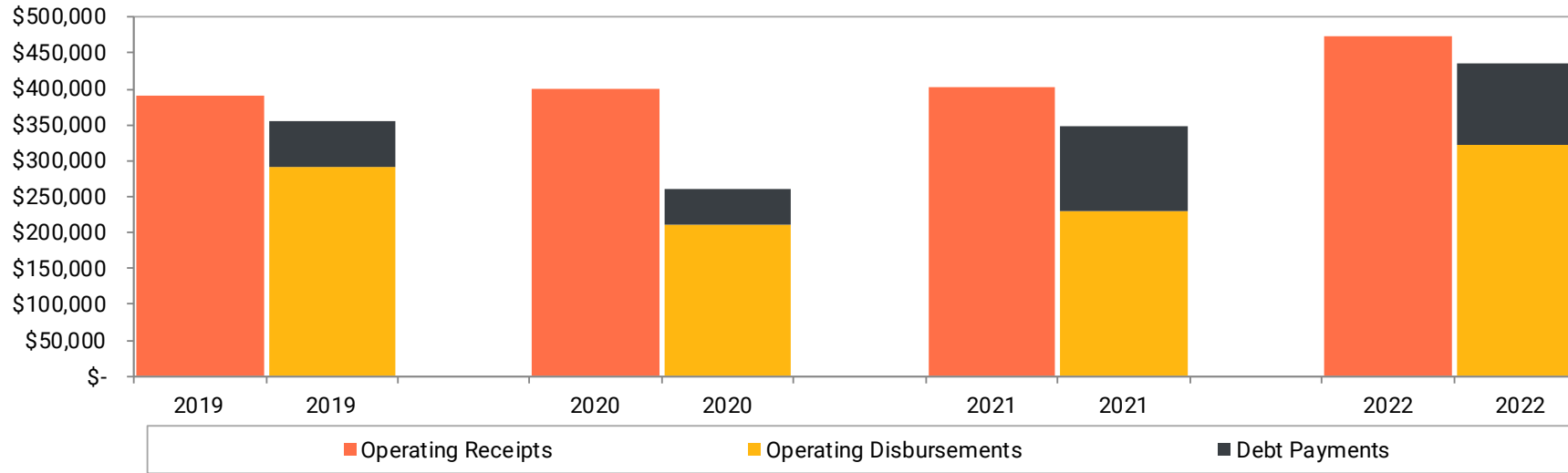
# Sewer Fund



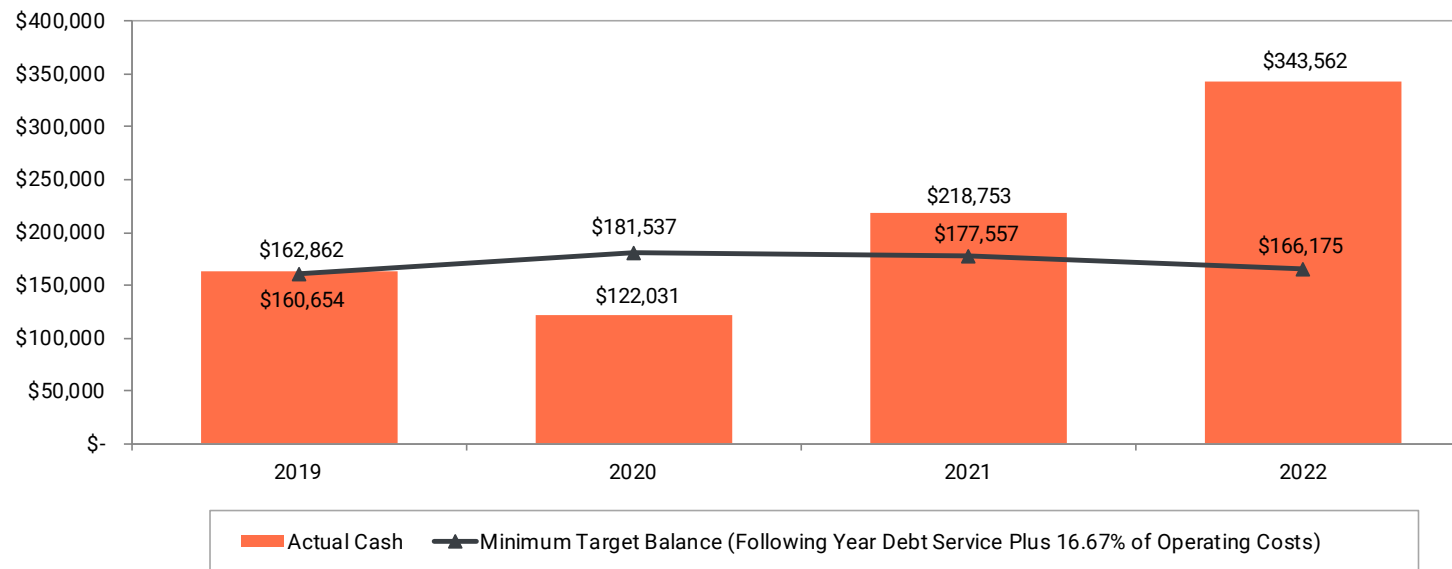
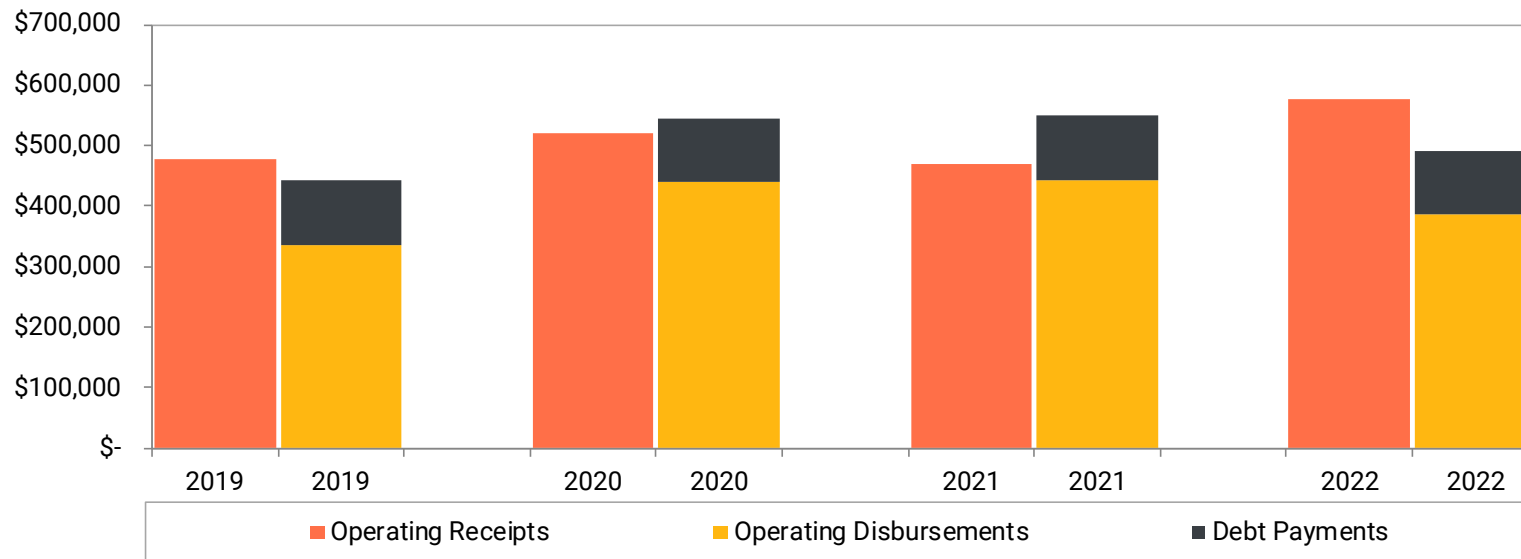
## Cash Flows from Operations and Cash Balances

# Storm Water Fund

## Cash Flows from Operations and Cash Balances

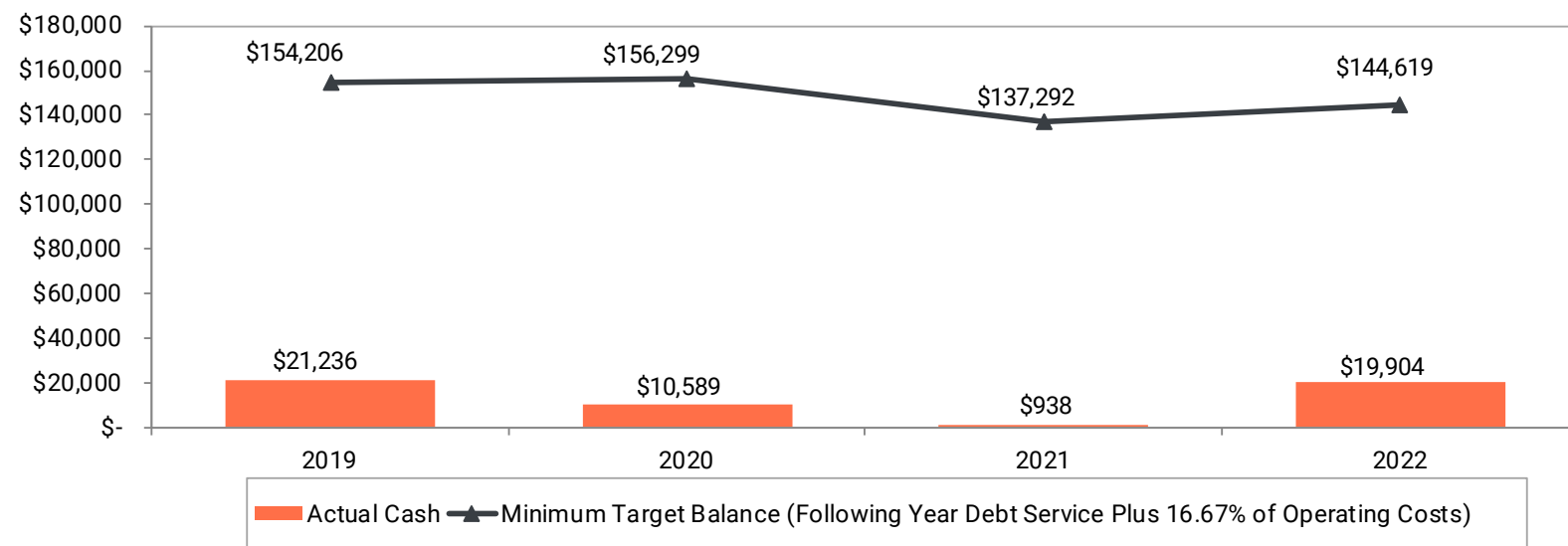
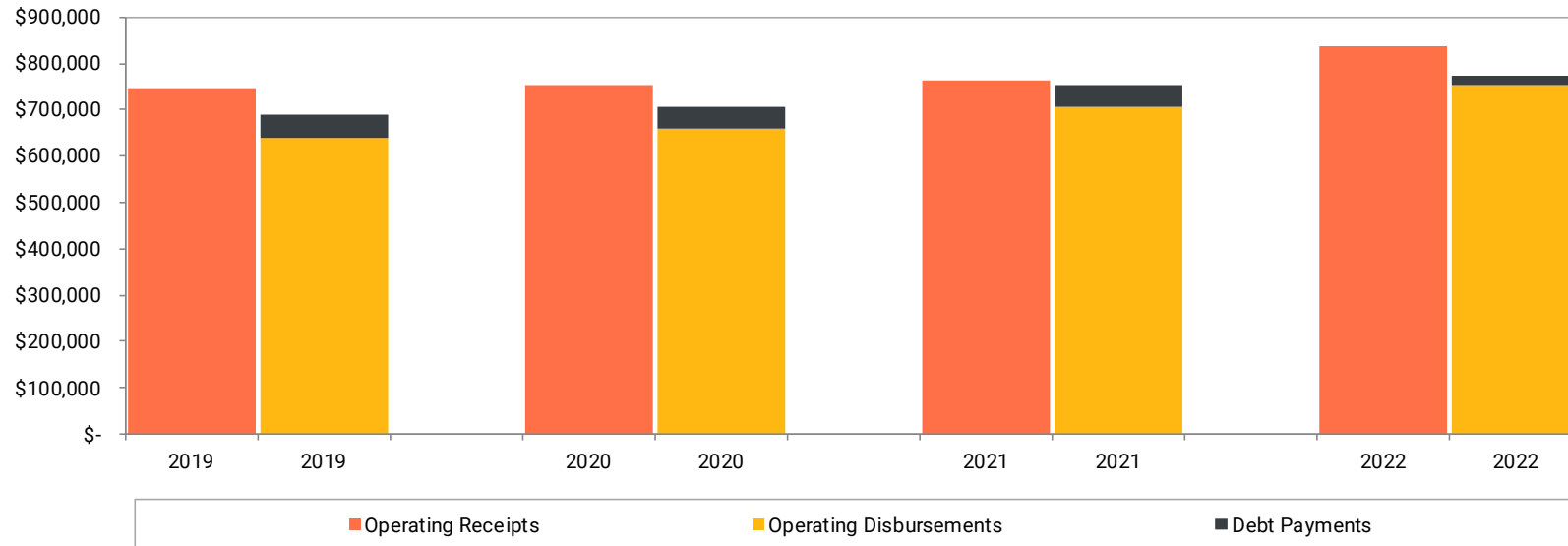


# Recycling Fund



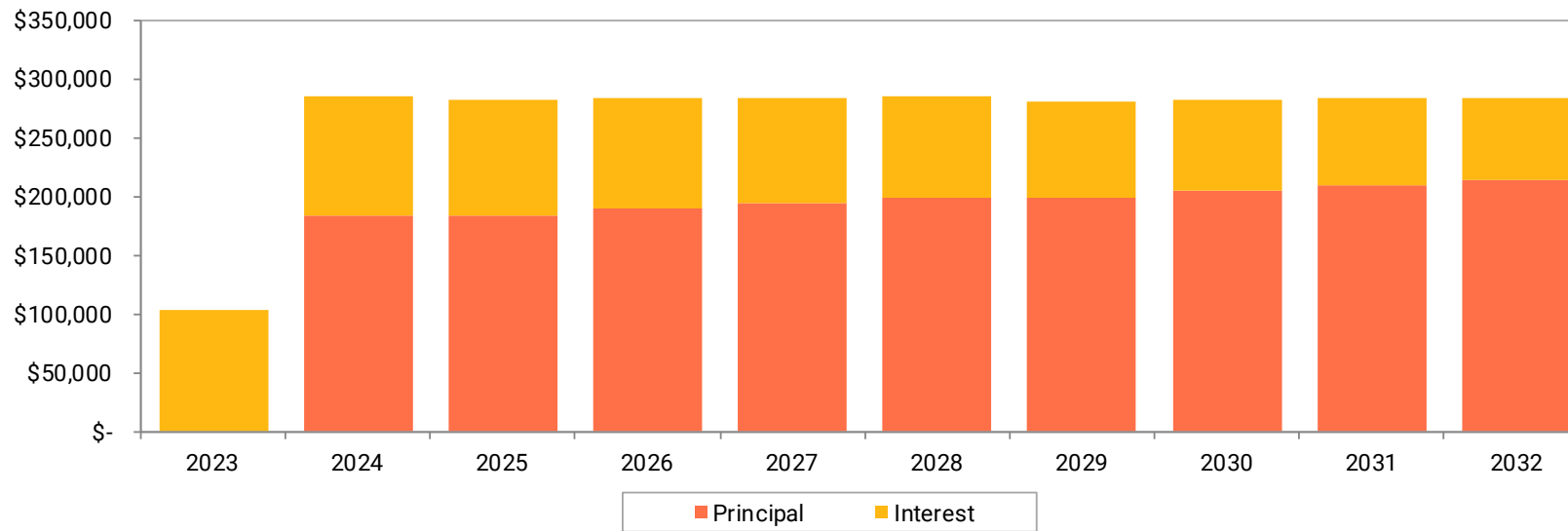
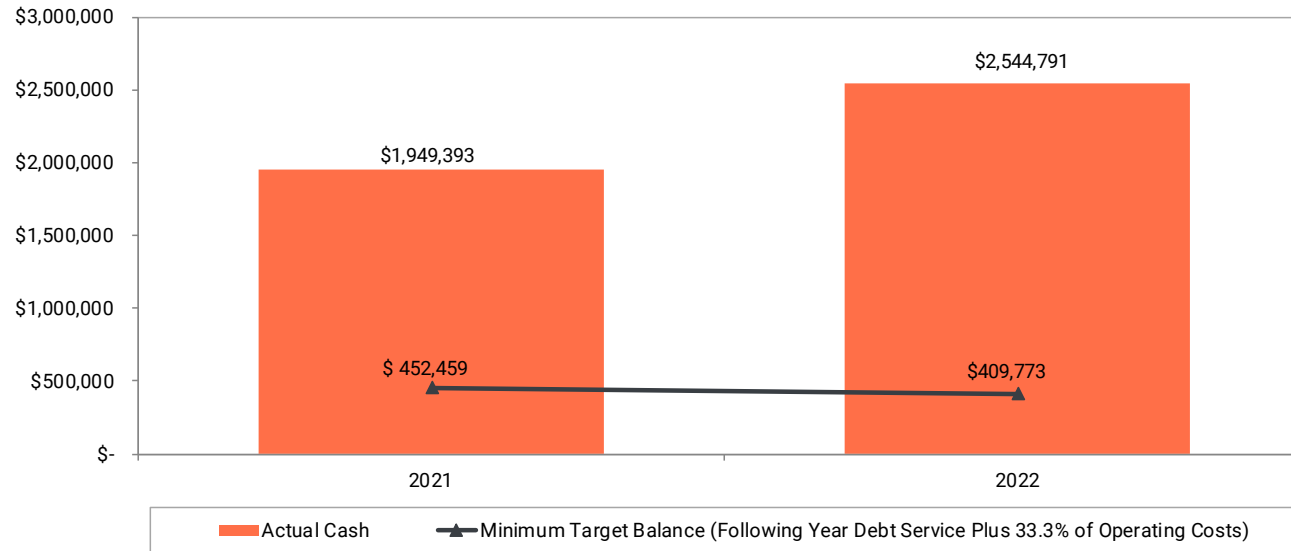
## Cash Flows from Operations and Cash Balances

# Solid Waste Fund



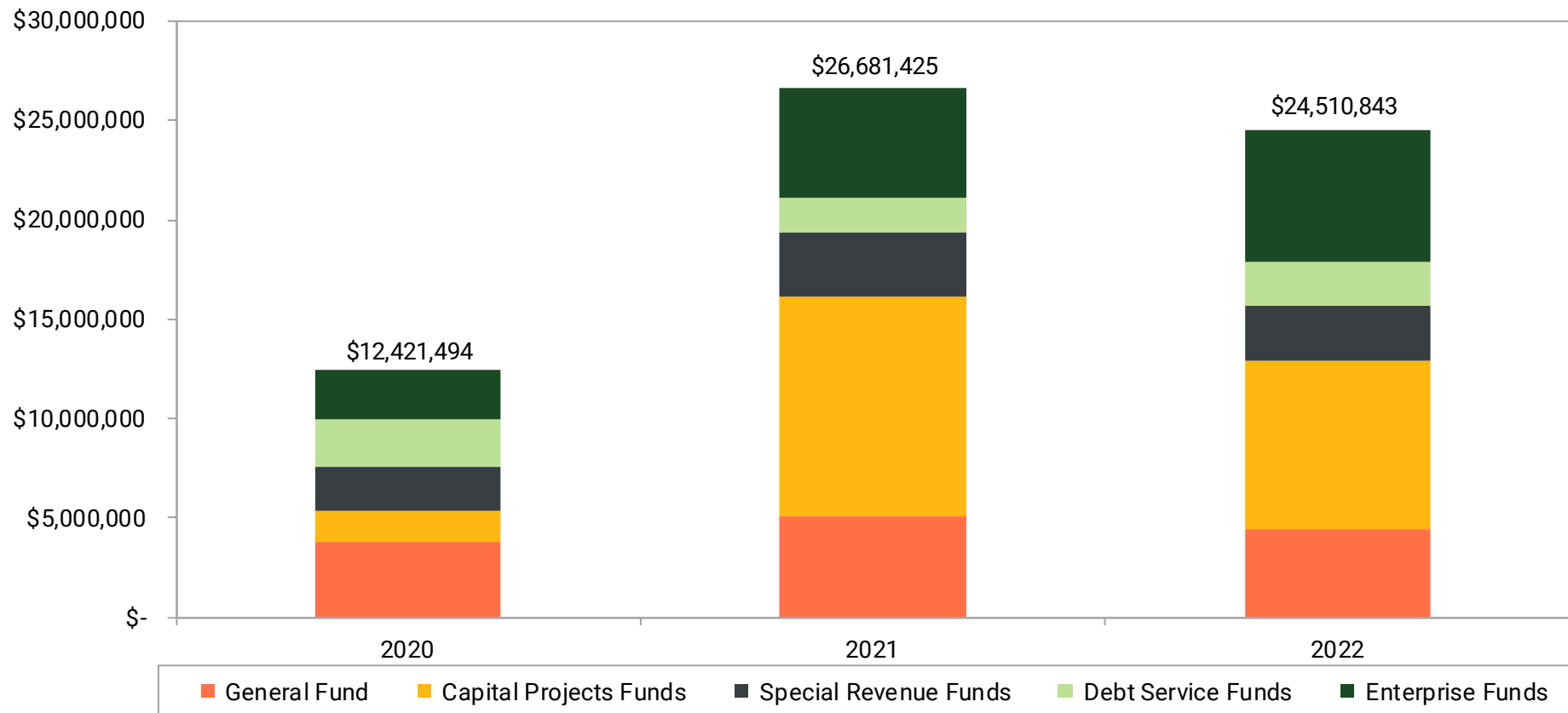
## Cash Flows from Operations and Cash Balances

# Hotel Fund



## Cash Balances and Debt Service

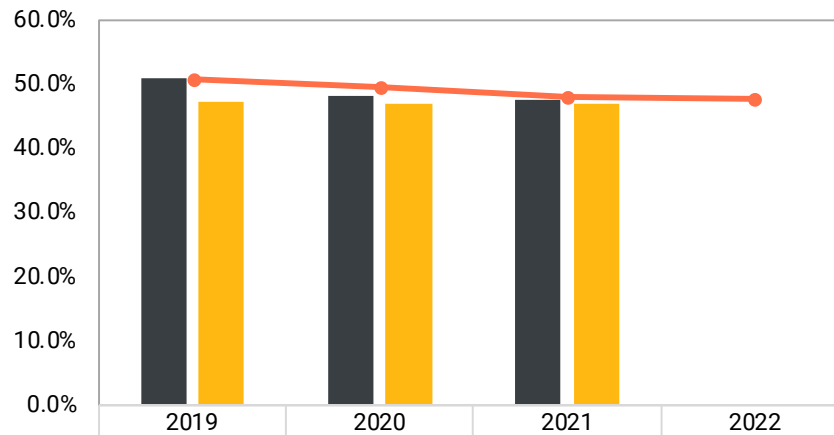
# Cash and Investments Balances by Fund Type



# Taxes

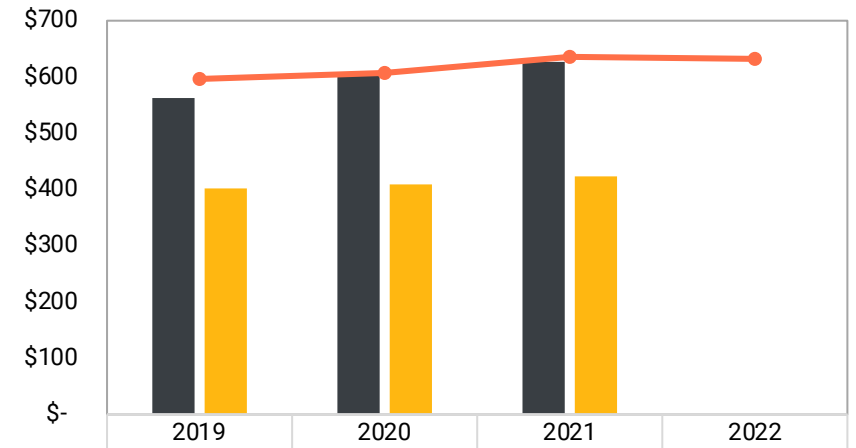
## Key Performance Indicators

**Tax Rates**



	2019	2020	2021	2022
Class 3 Cities	51.2%	48.4%	47.6%	N/A
Cities in Nicollet County	47.5%	47.0%	47.1%	N/A
City of North Mankato	51.0%	49.7%	48.0%	47.8%

**Taxes Per Capita**

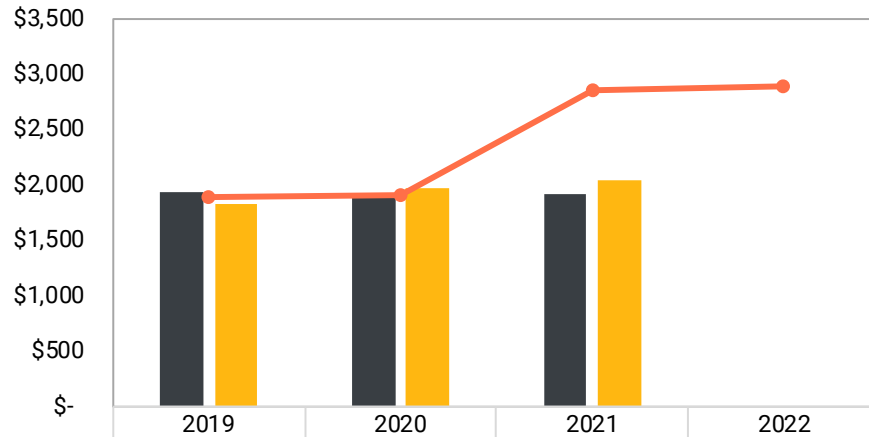


	2019	2020	2021	2022
Class 3 Cities	\$564	\$608	\$629	N/A
Cities in Nicollet County	\$402	\$408	\$426	N/A
City of North Mankato	\$597	\$607	\$637	\$632

# Debt

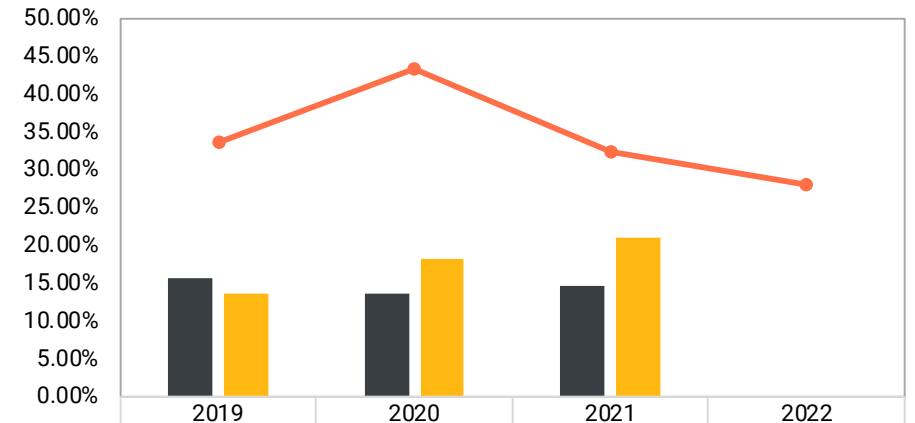
## Key Performance Indicators

Long term Debt Per Capita



	2019	2020	2021	2022
Class 3 Cities	\$1,939	\$1,905	\$1,918	N/A
Cities in Nicollet County	\$1,829	\$1,971	\$2,052	N/A
City of North Mankato	\$1,892	\$1,917	\$2,861	\$2,906

Debt Service Expenditures as a Percent of Current Expenditures



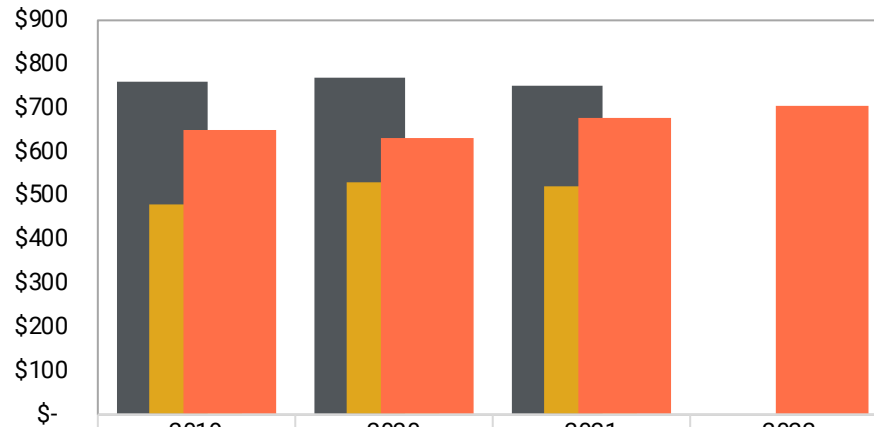
	2019	2020	2021	2022
Class 3 Cities	15.65%	13.65%	14.57%	N/A
Cities in Nicollet County	13.75%	18.37%	21.02%	N/A
City of North Mankato	33.71%	43.55%	32.47%	28.07%



# Expenditures

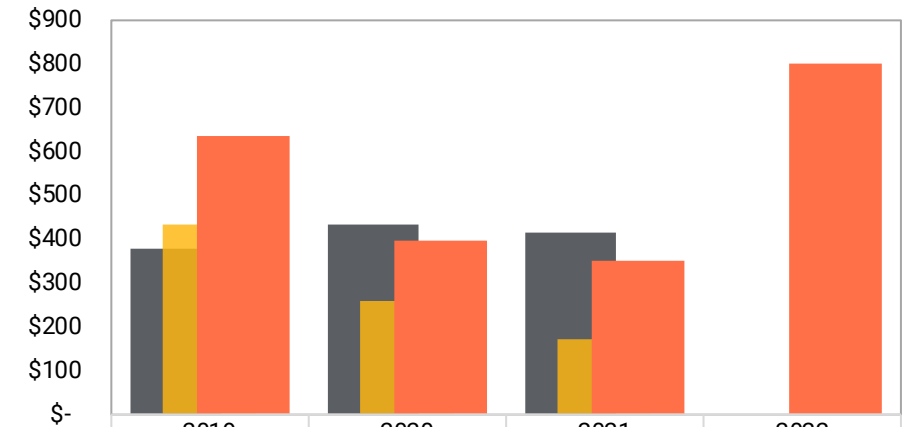
## Key Performance Indicators

**Current Expenditures Per Capita**



	2019	2020	2021	2022
■ Class 3 Cities	\$759	\$770	\$753	N/A
■ Cities in Nicollet County	\$482	\$530	\$523	N/A
■ City of North Mankato	\$652	\$633	\$678	\$706

**Capital Expenditures Per Capita**



	2019	2020	2021	2022
■ Class 3 Cities	\$379	\$434	\$418	N/A
■ Cities in Nicollet County	\$435	\$260	\$173	N/A
■ City of North Mankato	\$635	\$399	\$353	\$801

# Your Abdo Team



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