



*Lighting the path forward*

# City of Northfield

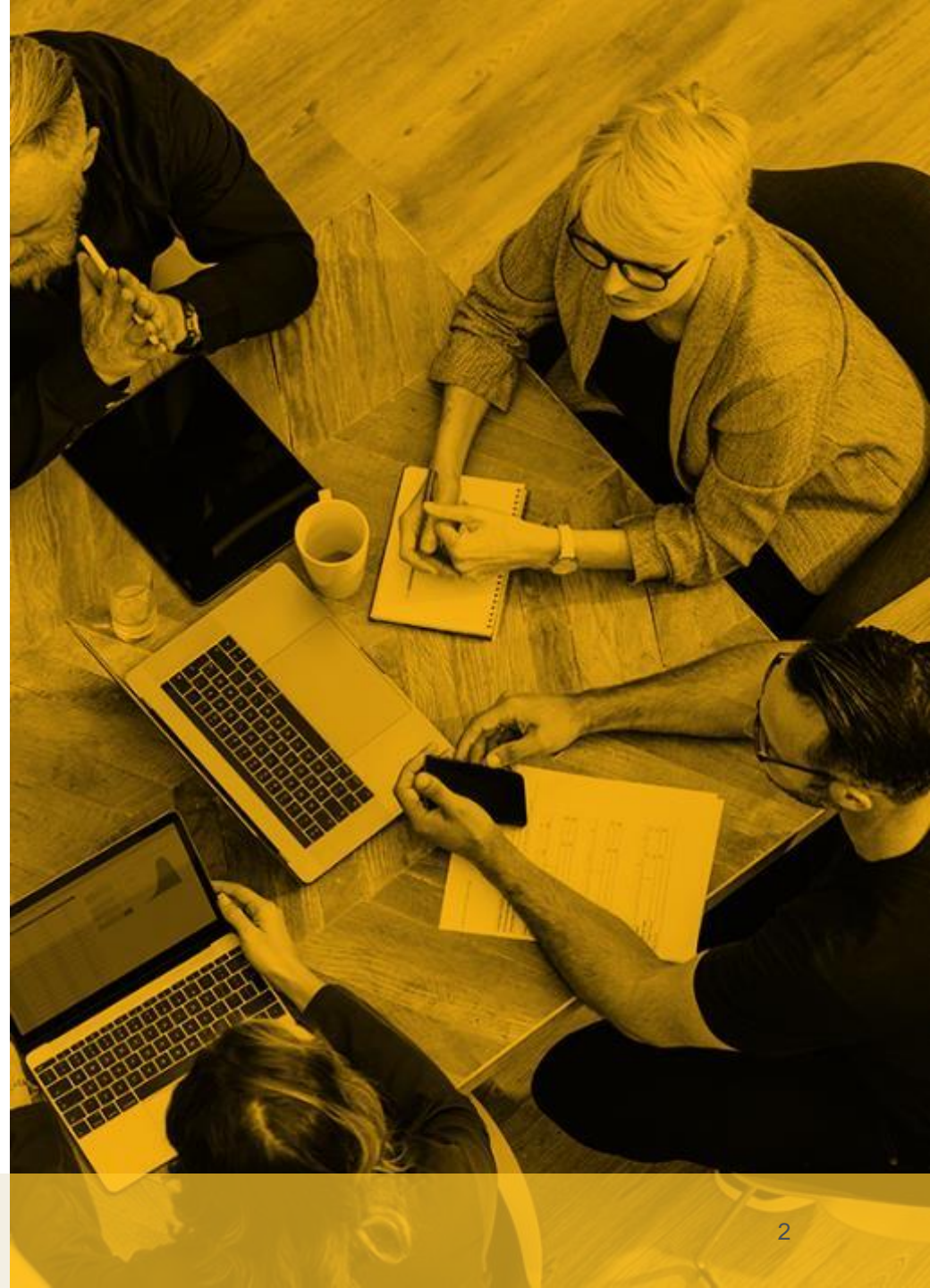
2023 Financial Statement Audit



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# Introduction

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



# Audit Results

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## Auditor's Opinion



Unmodified Opinion Under GAAP

## Minnesota Legal Compliance



No Instances of Noncompliance

# Audit Results

## 2023 Audit Findings

- Preparation of Financial Statements
  - Internal Control Finding



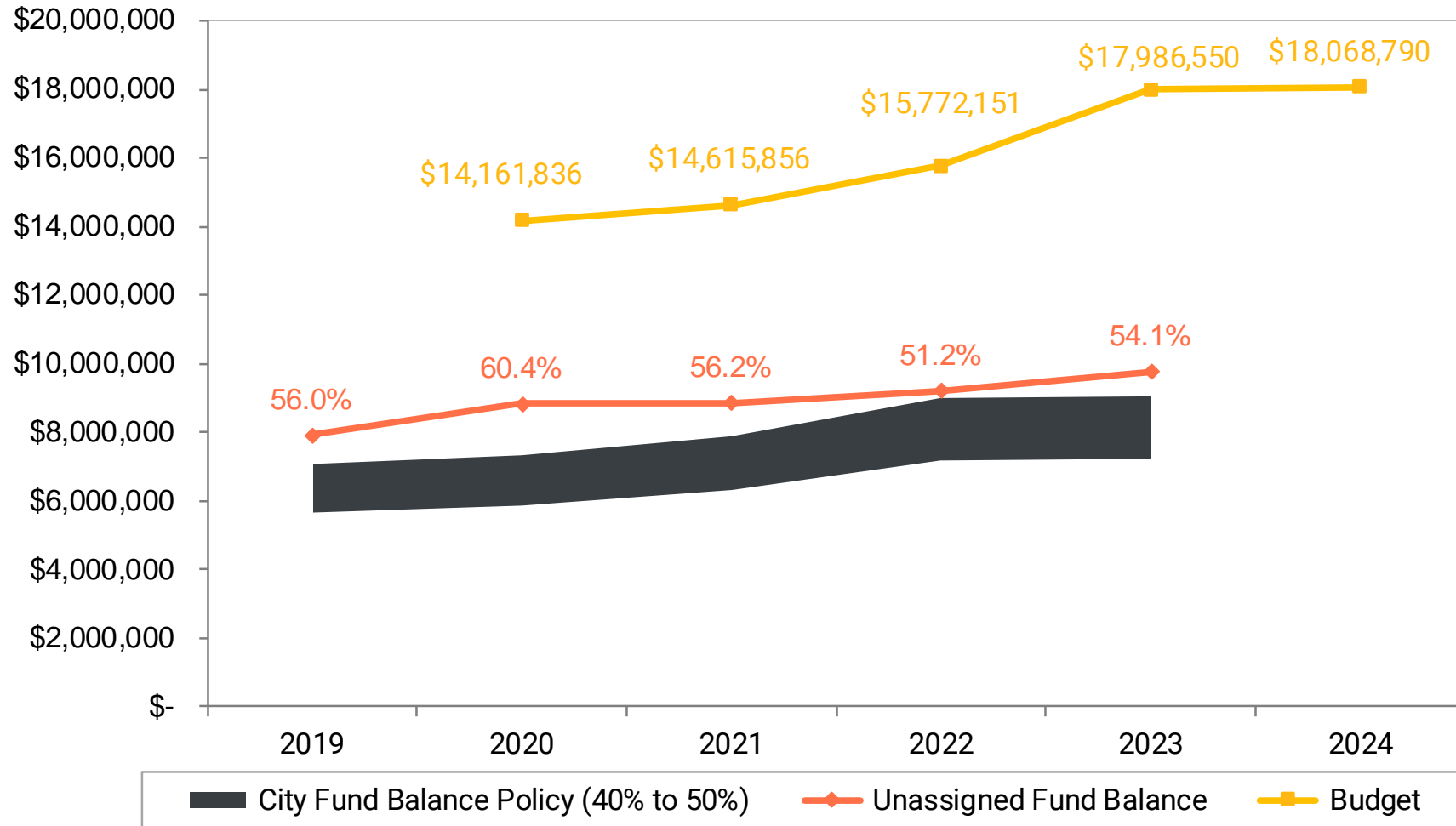
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# Results from Prior Year 2022 Audit Findings

- Preparation of Financial Statements
  - Internal Control Finding
  - No change in 2023



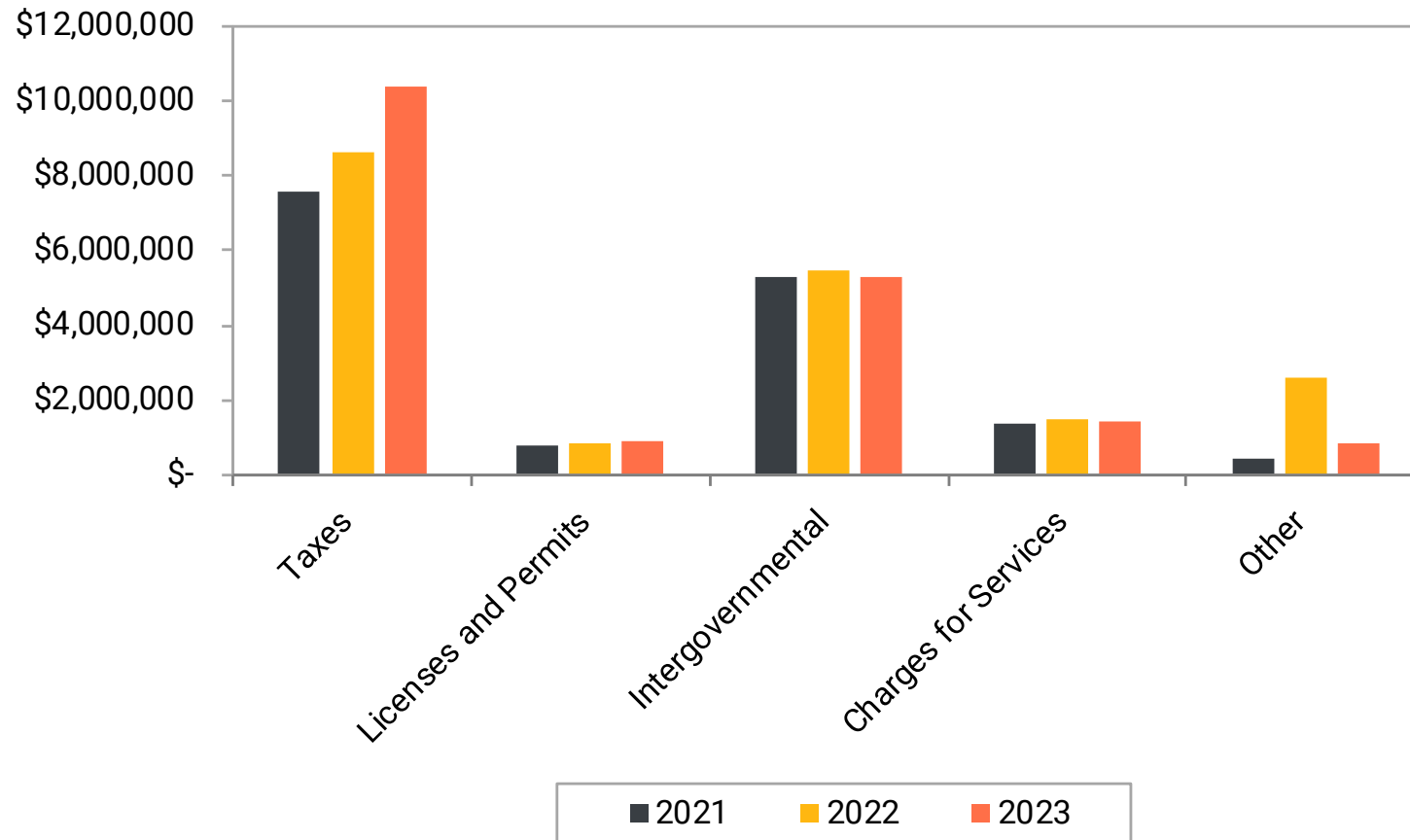
# General Fund Balances



# General Fund Budget to Actual

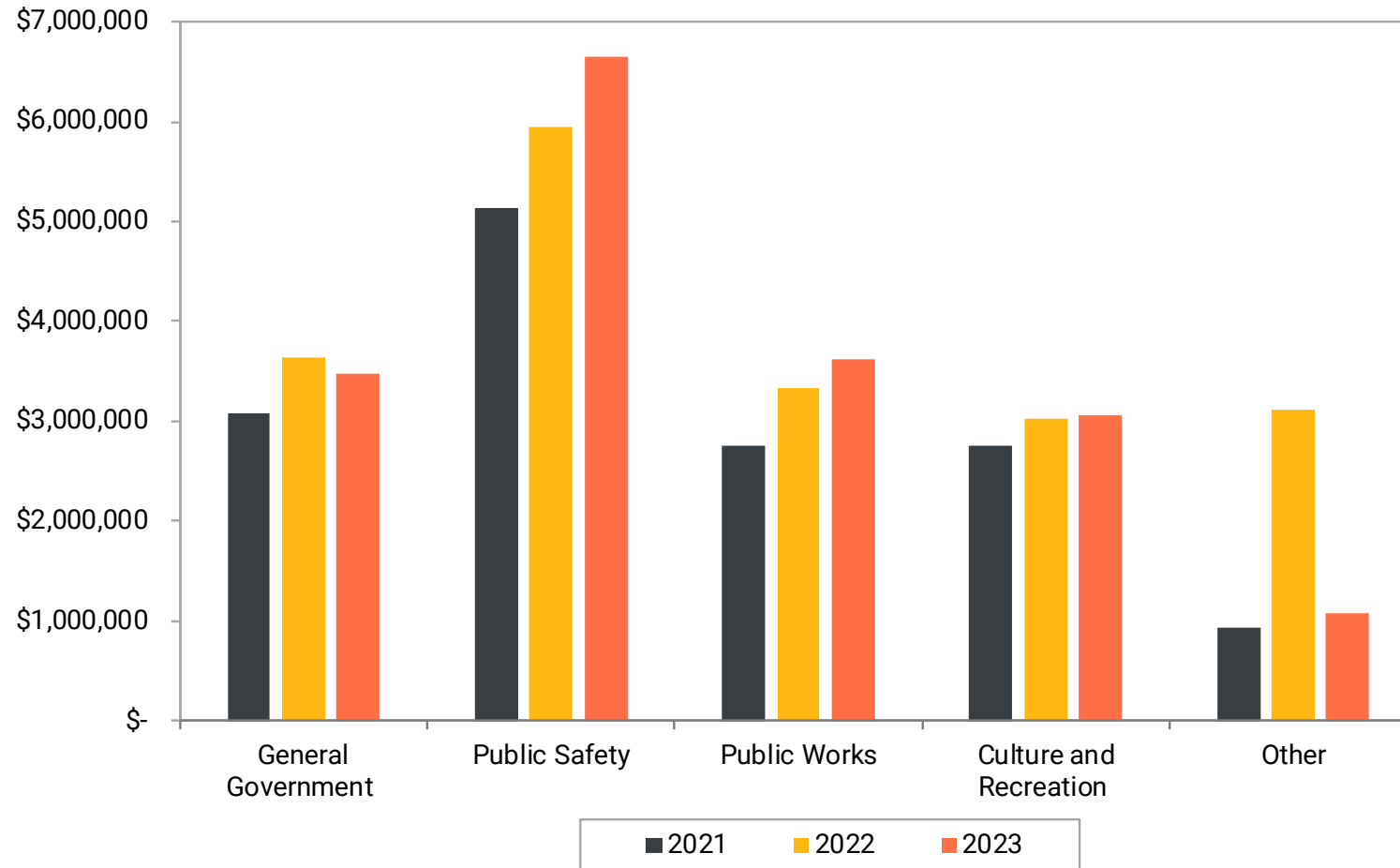
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues	\$17,831,573	\$18,645,991	\$ 814,418
Expenditures	<u>18,031,963</u>	<u>17,360,229</u>	<u>671,734</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(200,390)</u>	<u>1,285,762</u>	<u>1,486,152</u>
Other Financing Sources (Uses)			
Transfers in	430,500	210,000	(220,500)
Transfers out	<u>(241,380)</u>	<u>(514,782)</u>	<u>(273,402)</u>
Total Other Financing Sources (Uses)	<u>189,120</u>	<u>(304,782)</u>	<u>(493,902)</u>
Net Change in Fund Balances	(11,270)	980,980	992,250
Fund Balances, January 1	<u>9,817,757</u>	<u>9,817,757</u>	<u>-</u>
Fund Balances, December 31	<u>\$ 9,806,487</u>	<u>\$10,798,737</u>	<u>\$ 992,250</u>

# General Fund Revenues by Type





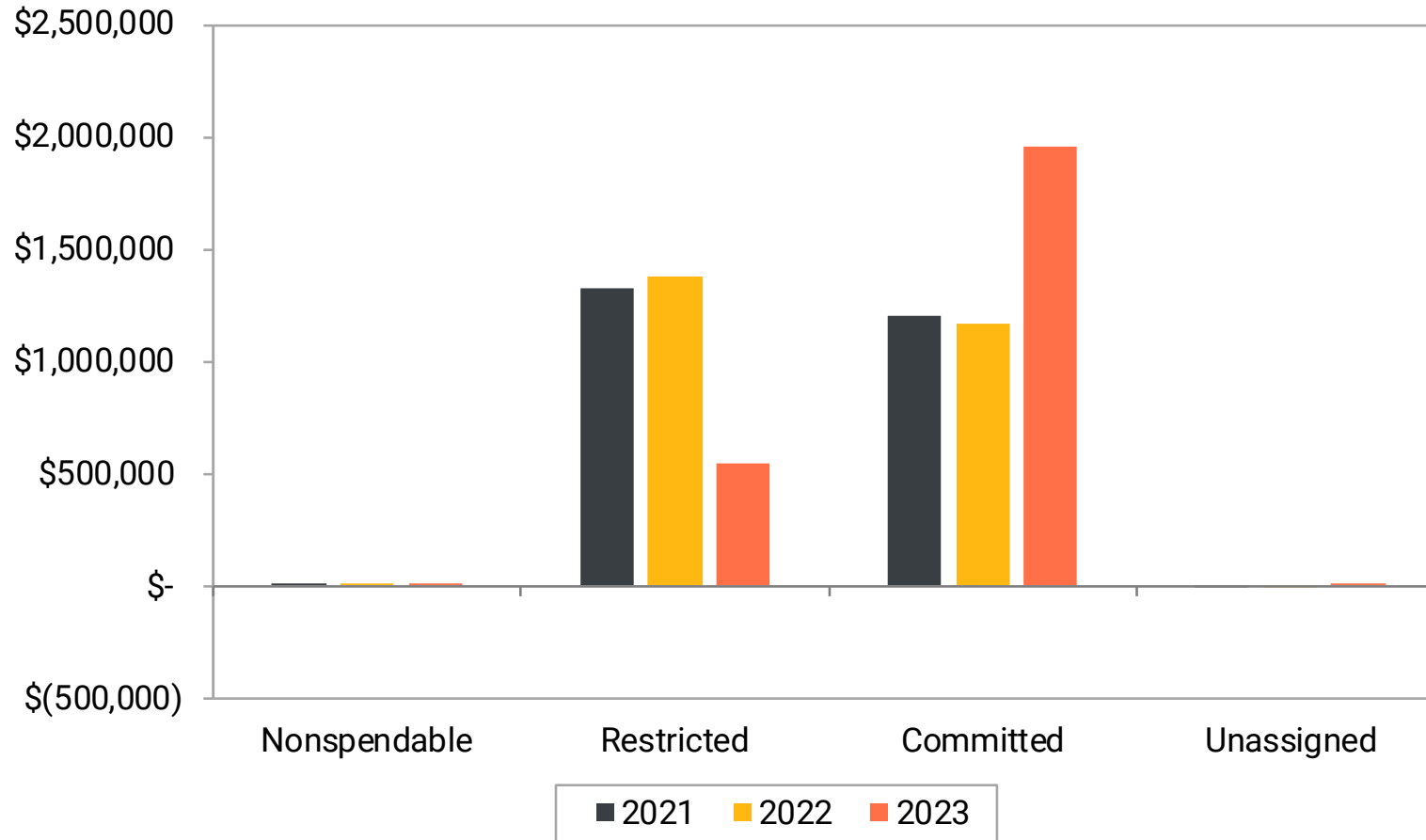
# General Fund Expenditures by Type



Fund	Fund Balances December 31		Increase (Decrease)
	2023	2022	
Community Resource Center	\$ 32,794	\$ 234,310	\$ (201,516)
Motor Vehicle	303,755	236,062	67,693
Communication	596,447	699,277	(102,830)
Library Gift	47,717	46,855	862
G.W. Bunday Fund	25,883	24,148	1,735
Scriver Memorial	149,862	140,379	9,483
L.J. Gustafson	29,598	27,640	1,958
Myrtle Houston Trust	43,914	40,976	2,938
C.C. Cloherty Endowed Book	12,758	12,099	659
Arts and Culture	145,570	84,532	61,038
Community Development Block Grant	417	417	-
Jefferson Square TIF	17,563	13,520	4,043
Master Development TIF	28,565	26,037	2,528
Carbon Reduction	169,571	131,964	37,607
Utility Franchise Fee	860,561	795,638	64,923
Spring Creek TIF	26,418	21,903	4,515
Aurora TIF	15,346	7,306	8,040
Washington TIF	7,675	(223)	7,898
Maple Brook TIF	5,855	2,006	3,849
Spring Creek II TIF	(831)	-	(831)
Kraewood TIF	(831)	-	(831)
Total	<u>\$2,518,607</u>	<u>\$2,544,846</u>	<u>\$ (26,239)</u>

# Special Revenue Fund Balances

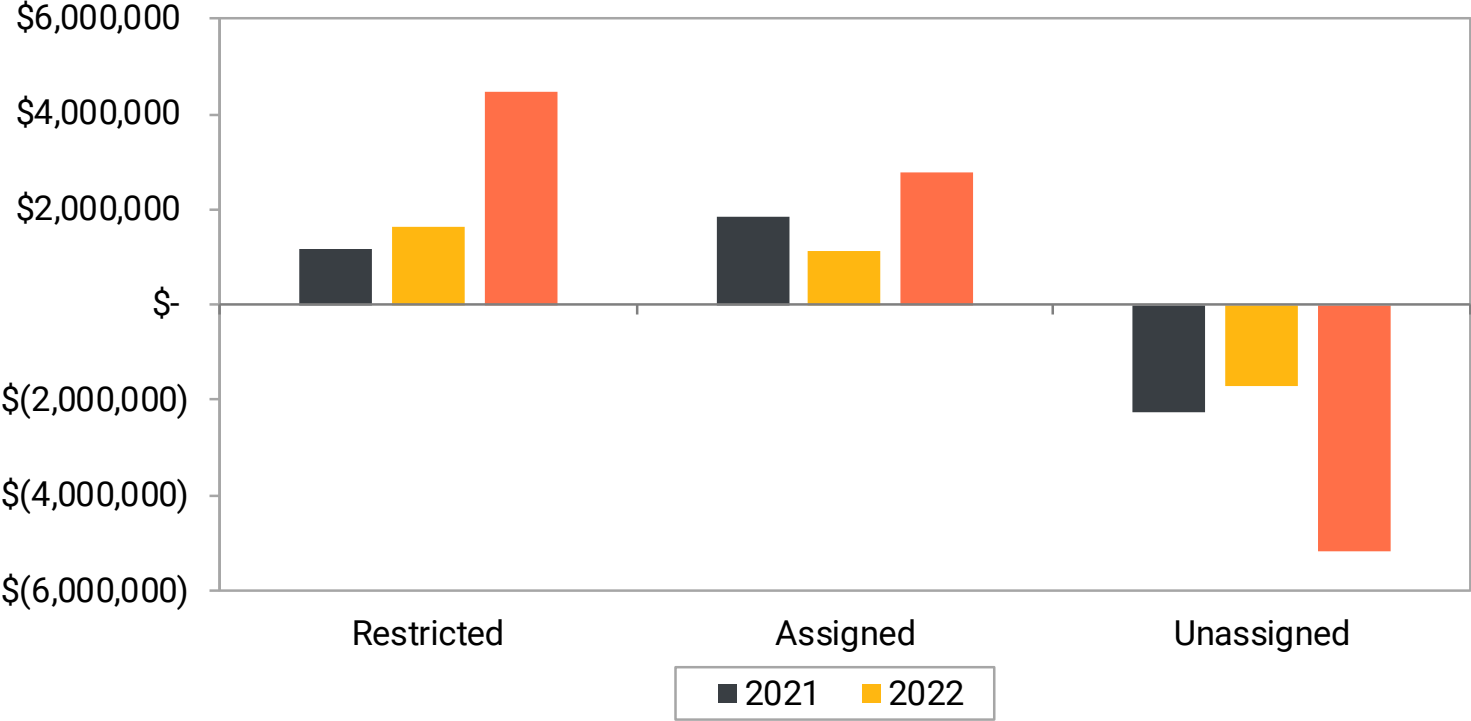
# Special Revenue Fund Balances



Fund	Fund Balances December 31		Increase (Decrease)
	2023	2022	
<b>Major</b>			
2019 Capital Project Fund	\$ (1,499,642)	\$ (1,540,368)	\$ 40,726
2023 Capital Project Fund	2,930,339	(155,950)	3,086,289
5th Street Redevelopment	(2,161,078)	(2,119,172)	(41,906)
<b>Nonmajor</b>			
2018 Capital Project Fund	67,760	58,871	8,889
2020 Capital Project Fund	695,802	621,942	73,860
2021 Capital Project Fund	707,337	805,896	(98,559)
2022 Capital Project Fund	(215,726)	16,592	(232,318)
2024 Capital Project Fund	(800,718)	(5,087)	(795,631)
2025 Capital Project Fund	(436,953)	-	(436,953)
Park Fund	796,247	419,204	377,043
Fire Replacement Fund	85,140	77,861	7,279
City Facilities Fund	46,790	14,089	32,701
Equipment and Vehicle Replacement Fund	681,837	468,767	213,070
Hauberg Park	11,531	9,576	1,955
Mill Town Trail	(55,466)	-	(55,466)
Public Safety Center Project Fund	427,059	398,479	28,580
Capital Reserve Fund	786,395	511,888	274,507
<b>Total</b>	<b>\$ 2,066,654</b>	<b>\$ (417,412)</b>	<b>\$ 2,484,066</b>

# Capital Project Fund Balances

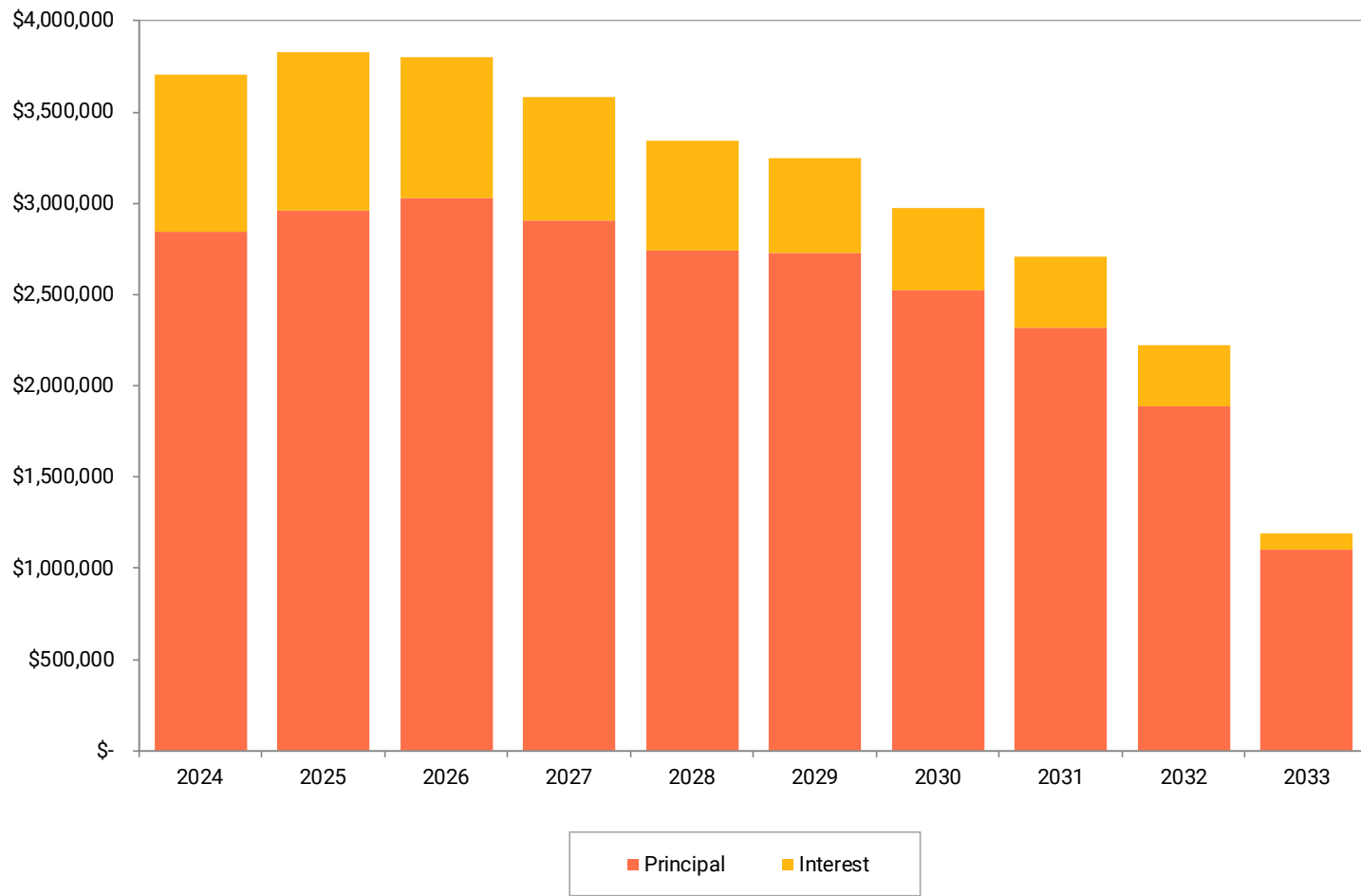
# Capital Project Fund Balances



# Debt Service

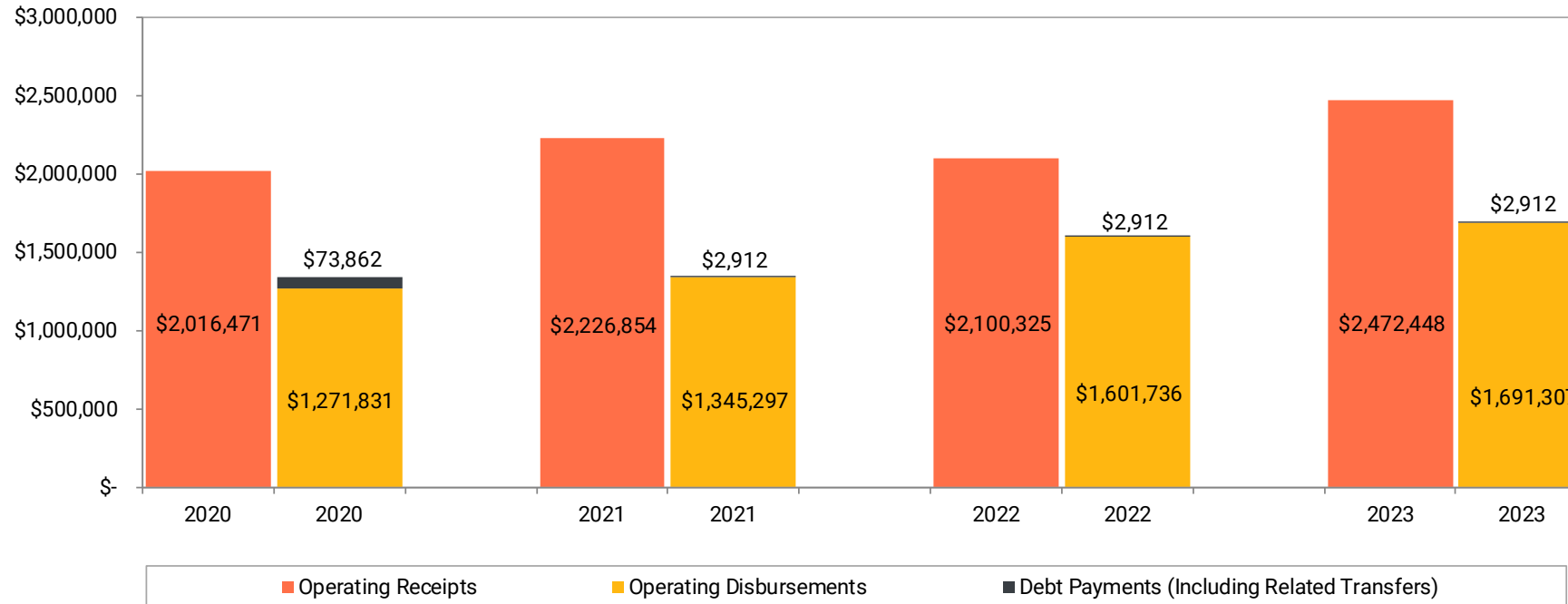
Description	Total Cash and Investments	Total Assets	Bonds Outstanding	Year of Maturity
312 2011A Bonds	\$ 16,421	\$ 19,431	\$ -	Matured
313 2012A Bonds	18,303	18,354	-	Matured
314 2013A Bonds	108,931	109,632	85,000	2024
315 2014A Bonds	207,686	248,009	250,000	2025
316 2015A Bonds	296,031	350,508	500,000	2026
317 2016C Bonds	349,688	375,088	335,000	2027
318 2017A Bonds	217,481	298,774	475,000	2028
319 2018B Bonds	256,263	326,706	1,085,000	2029
320 2019A Bonds	301,350	564,989	5,155,000	2030
321 2020A Bonds	921,143	1,144,685	3,605,000	2031
322 2021A Bonds	365,387	1,536,035	4,005,000	2033
323 2022A Bonds	140,935	140,935	4,020,000	2035
324 2023B Bonds	-	-	7,350,000	2039
352 2014A (2006A) Public Project Revenue Refunding Bonds	241,480	241,838	230,000	2024
354 2012 COPS Debt	343,817	344,231	-	Matured
356 2016 Equipment Certificates	10,332	10,358	-	Matured
359 2022 Equipment Certificates	52,222	52,222	-	Matured
357 2018A NAFRS Debt Service	449,363	450,496	3,545,000	2039
358 2021 Equipment Certificates	71,512	71,603	-	2029
379 2017B Refunding TIF Bonds	230,698	231,160	120,000	2025
381 Hiley Neff TIF Bonds	-	26	26,500	2027
382 Riverfront TIF Bonds	249,555	252,486	627,354	2033
<b>Total</b>	<b>\$ 4,848,598</b>	<b>\$ 6,787,566</b>	<b>\$31,413,854</b>	
		<b>Total Remaining Interest Payments</b>	<b>\$ 6,474,510</b>	

# Debt Service



# Water Fund

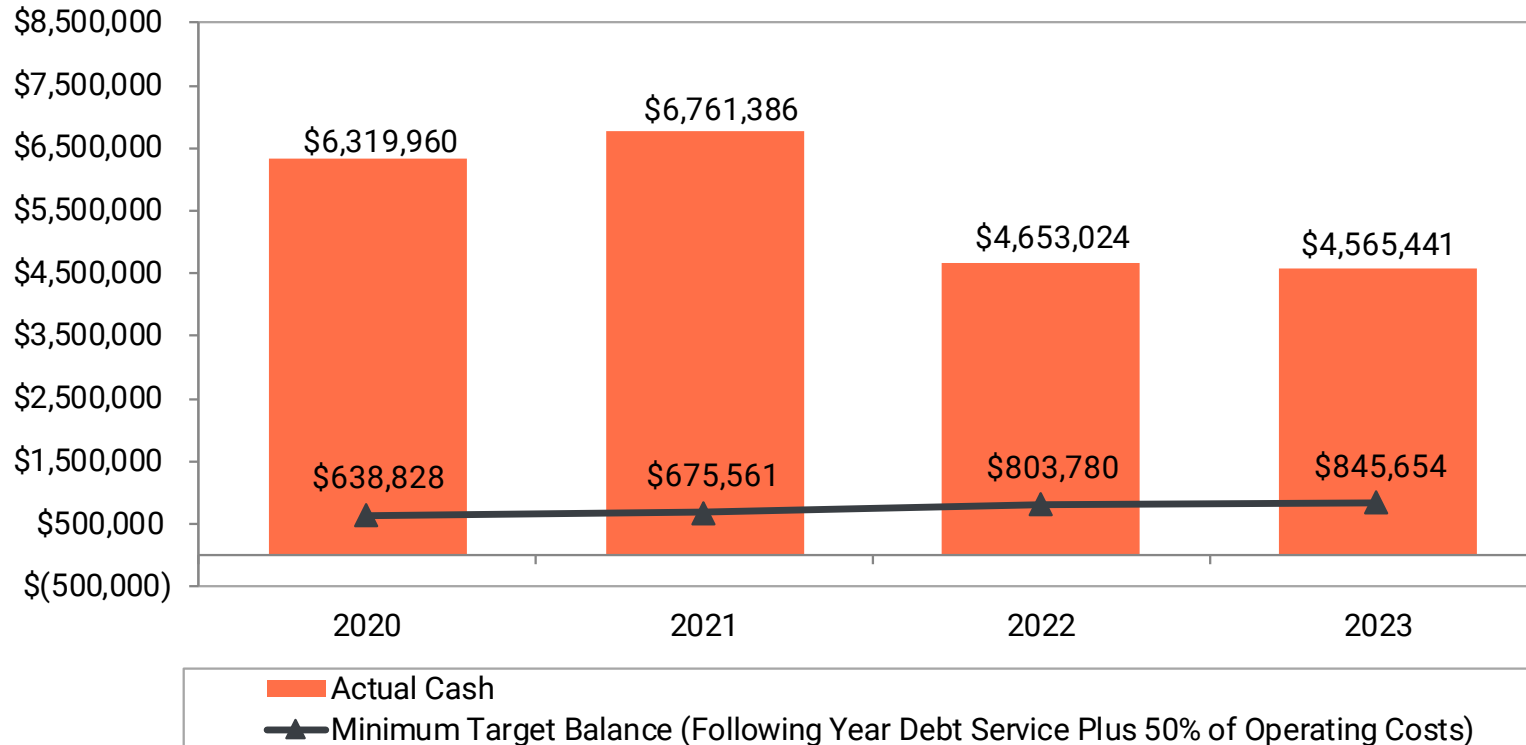
## *Cash Flows from Operations*





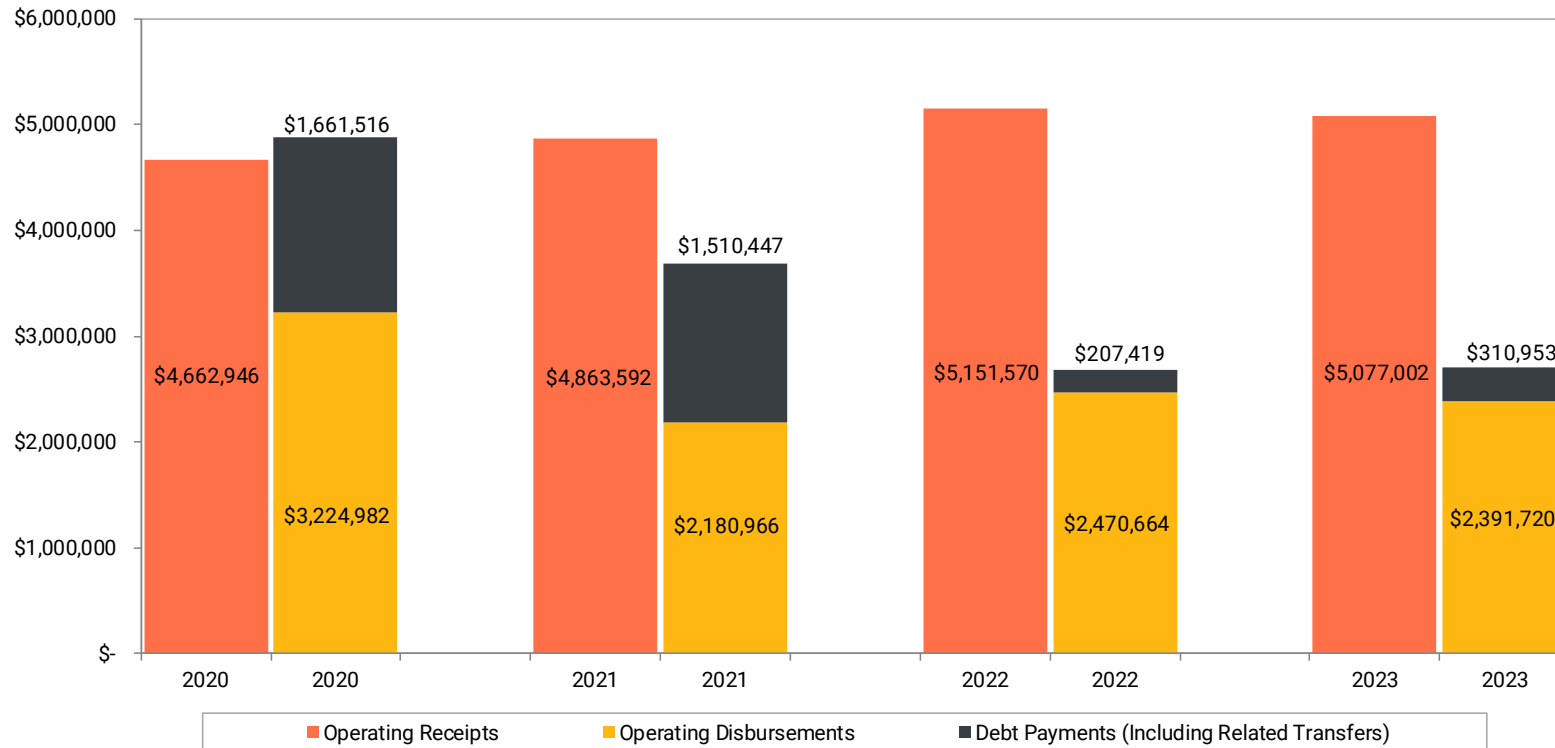
# Water Fund

## Cash Balances



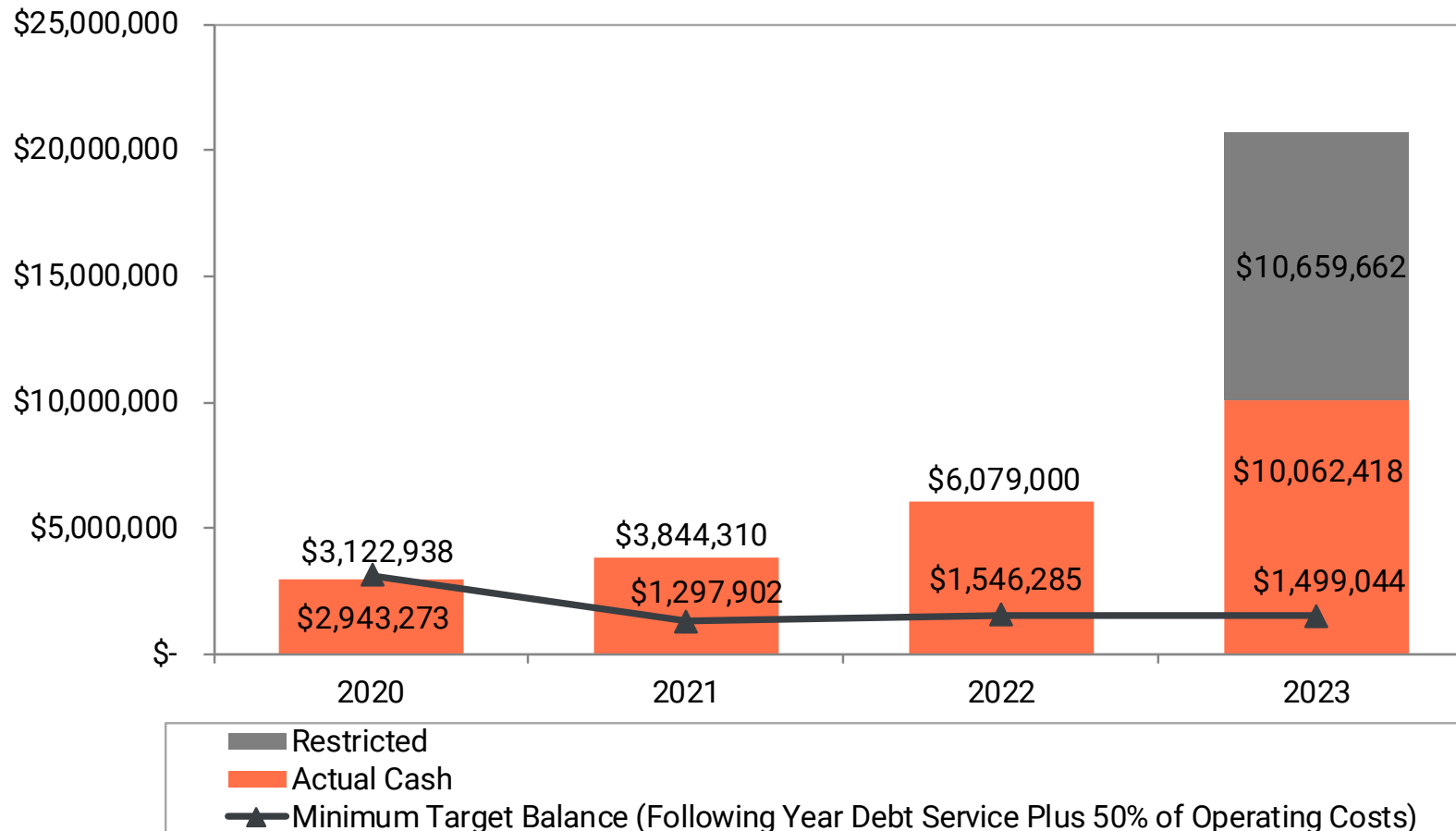
# Wastewater Fund

## Cash Flows from Operations



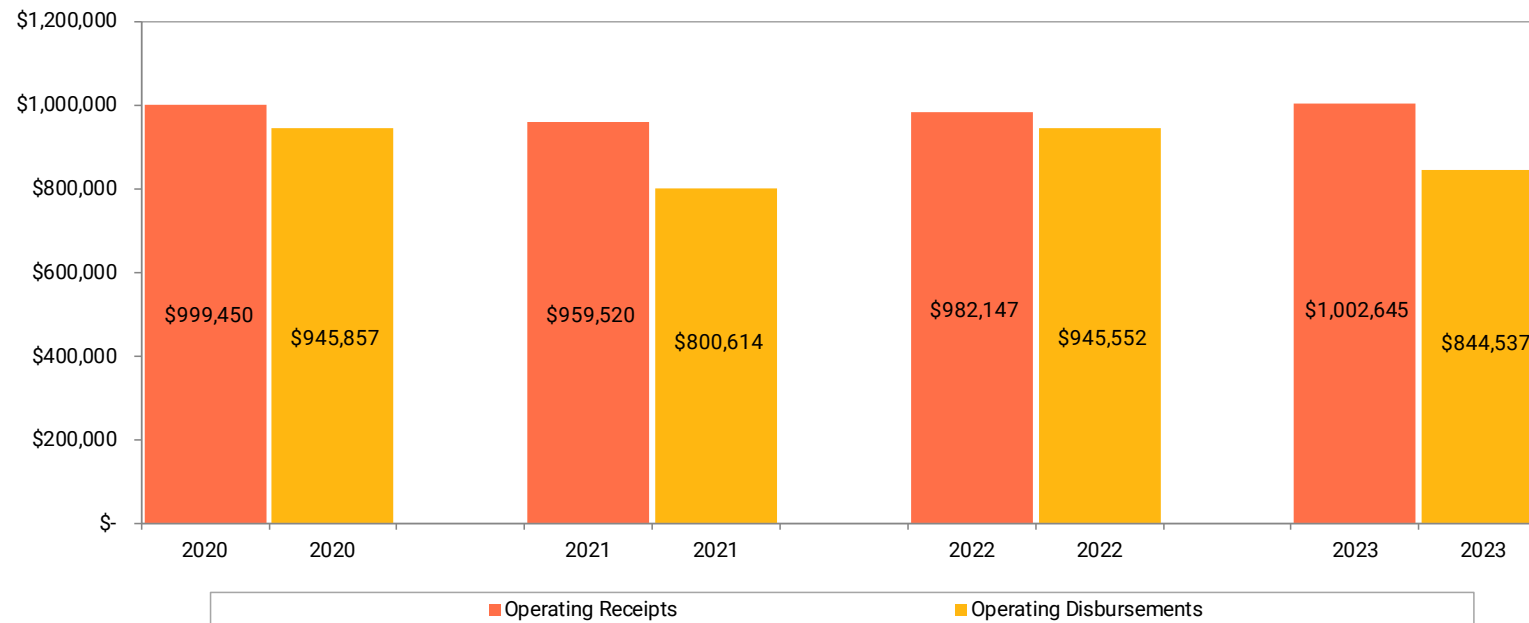
# Wastewater Fund

## Cash Balances



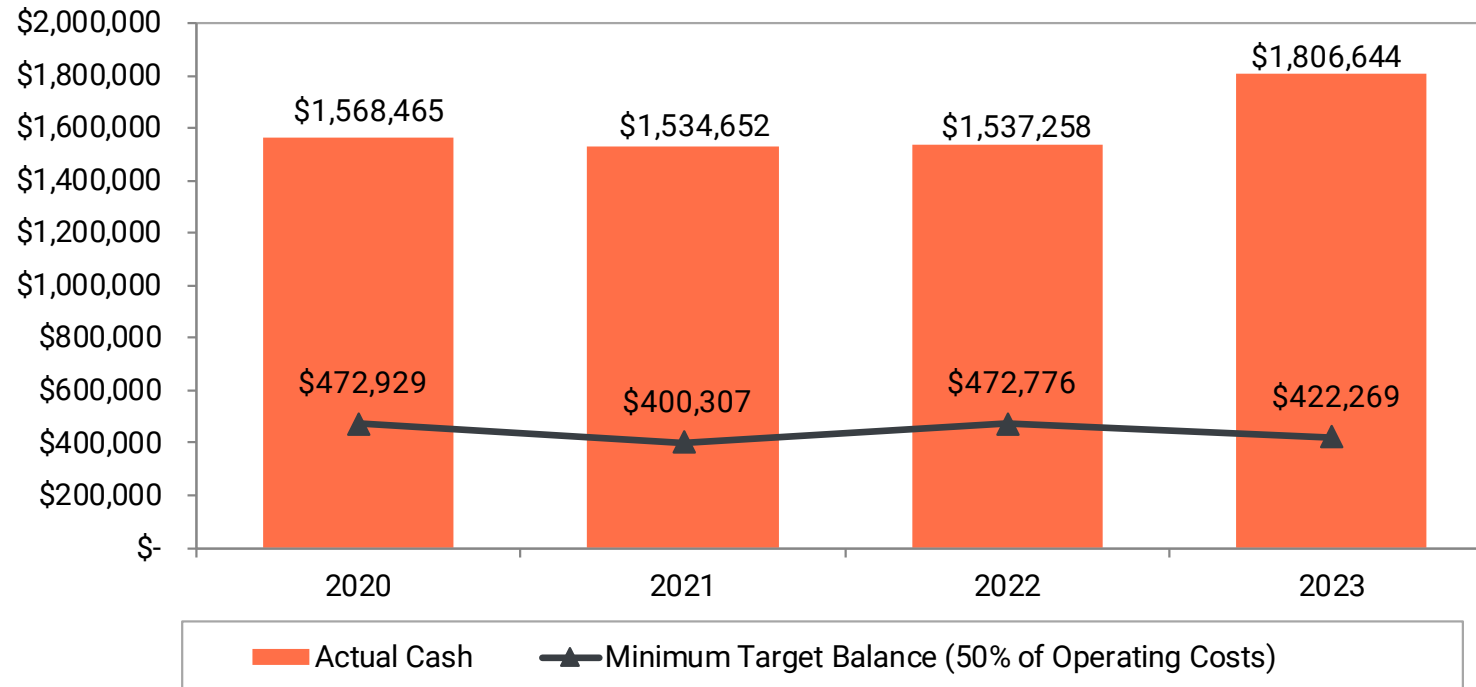
# Sanitary Collection Fund

## *Cash Flows from Operations*



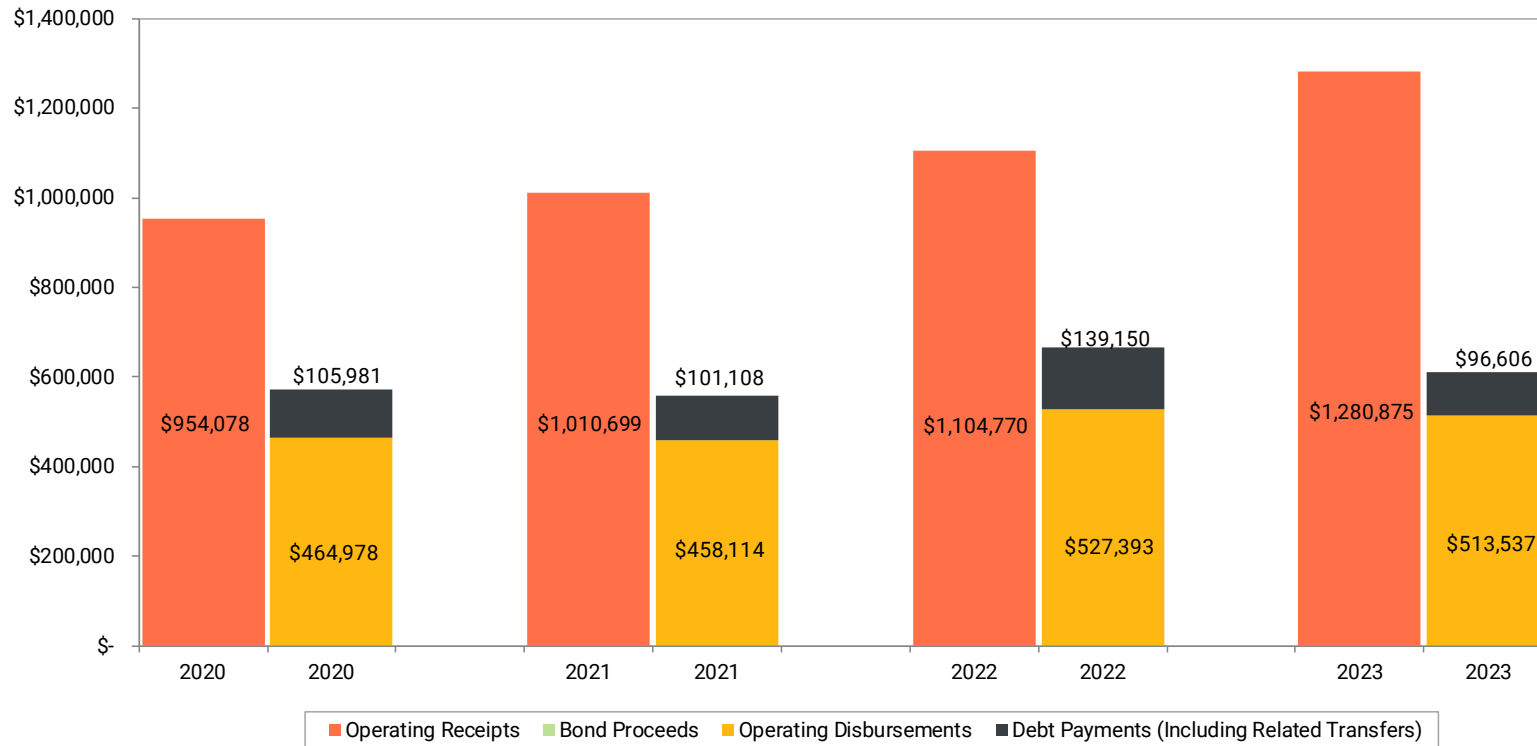
# Sanitary Collection Fund

## Cash Balances



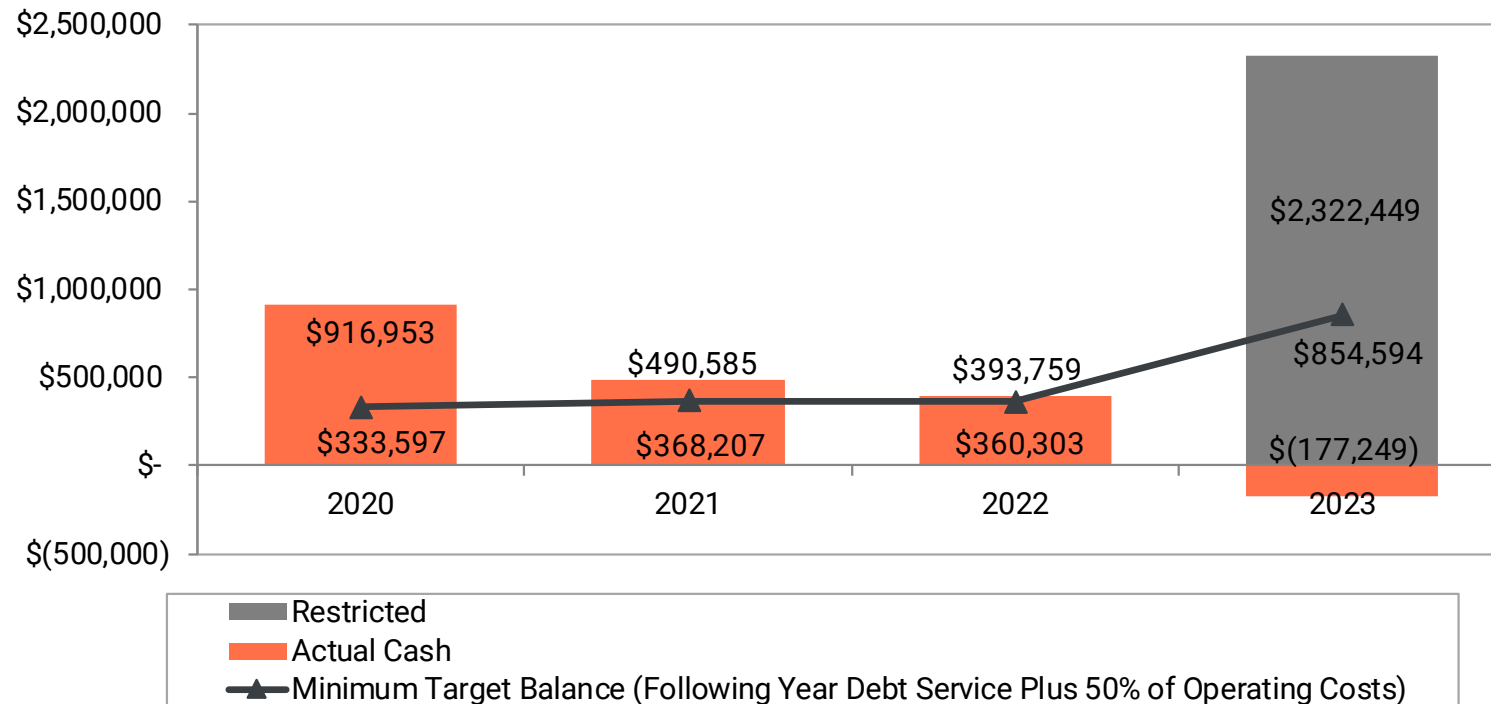
# Storm Water Fund

## *Cash Flows from Operations*



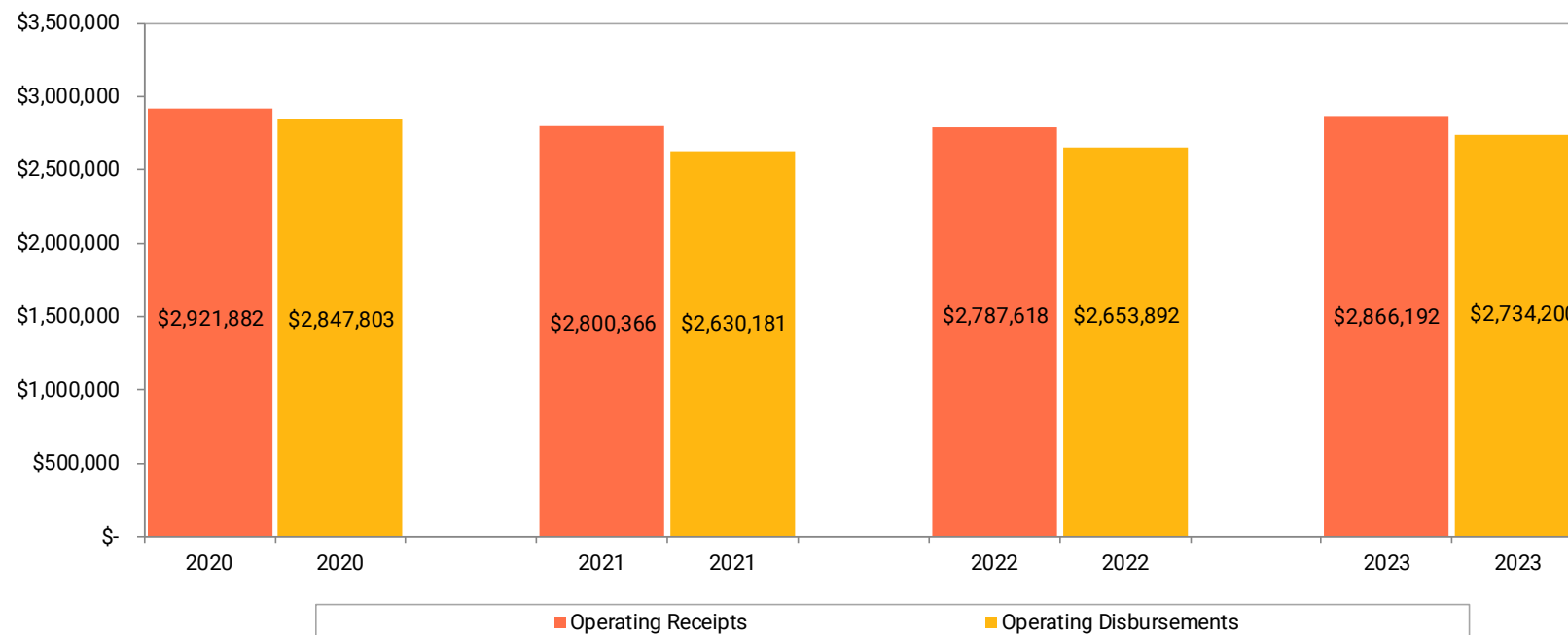
# Storm Water Fund

## Cash Balances



# Liquor Store Fund

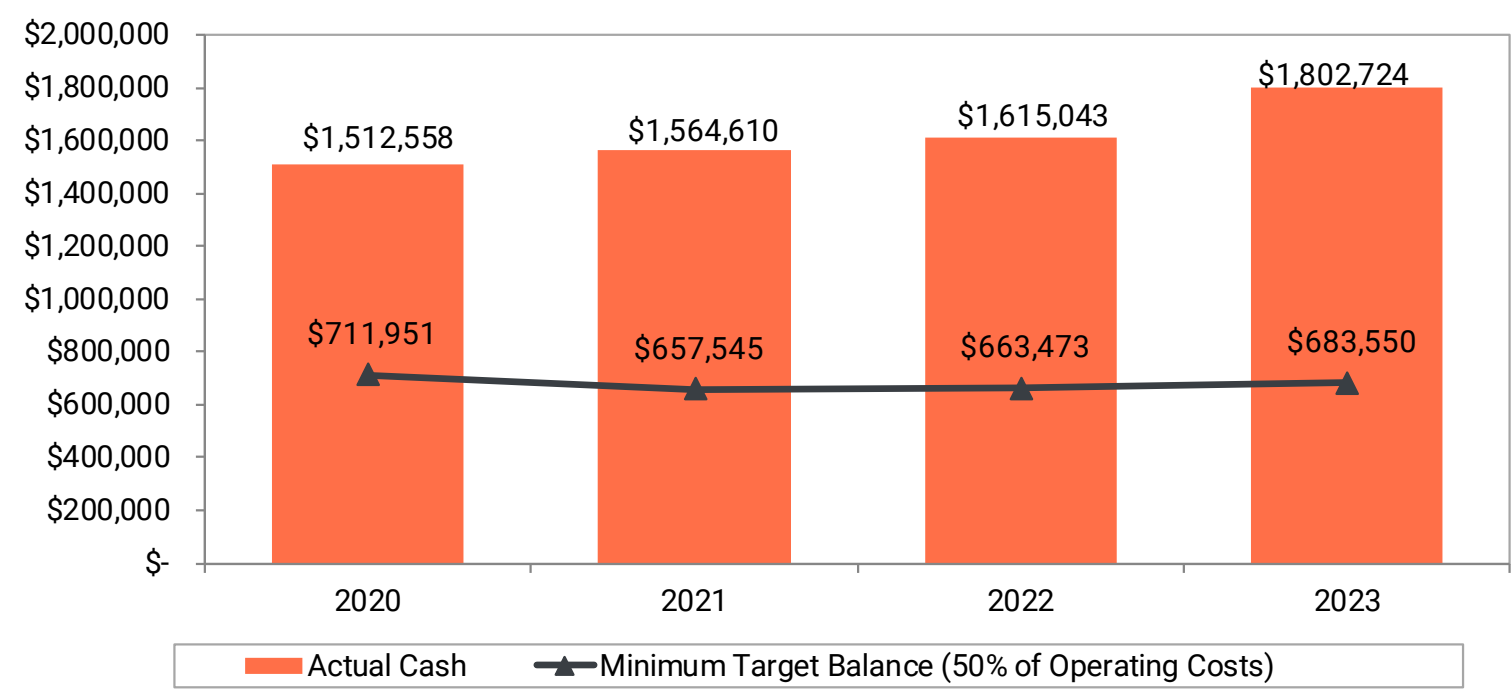
## *Cash Flows from Operations*





# Liquor Store Fund

## Cash Balances



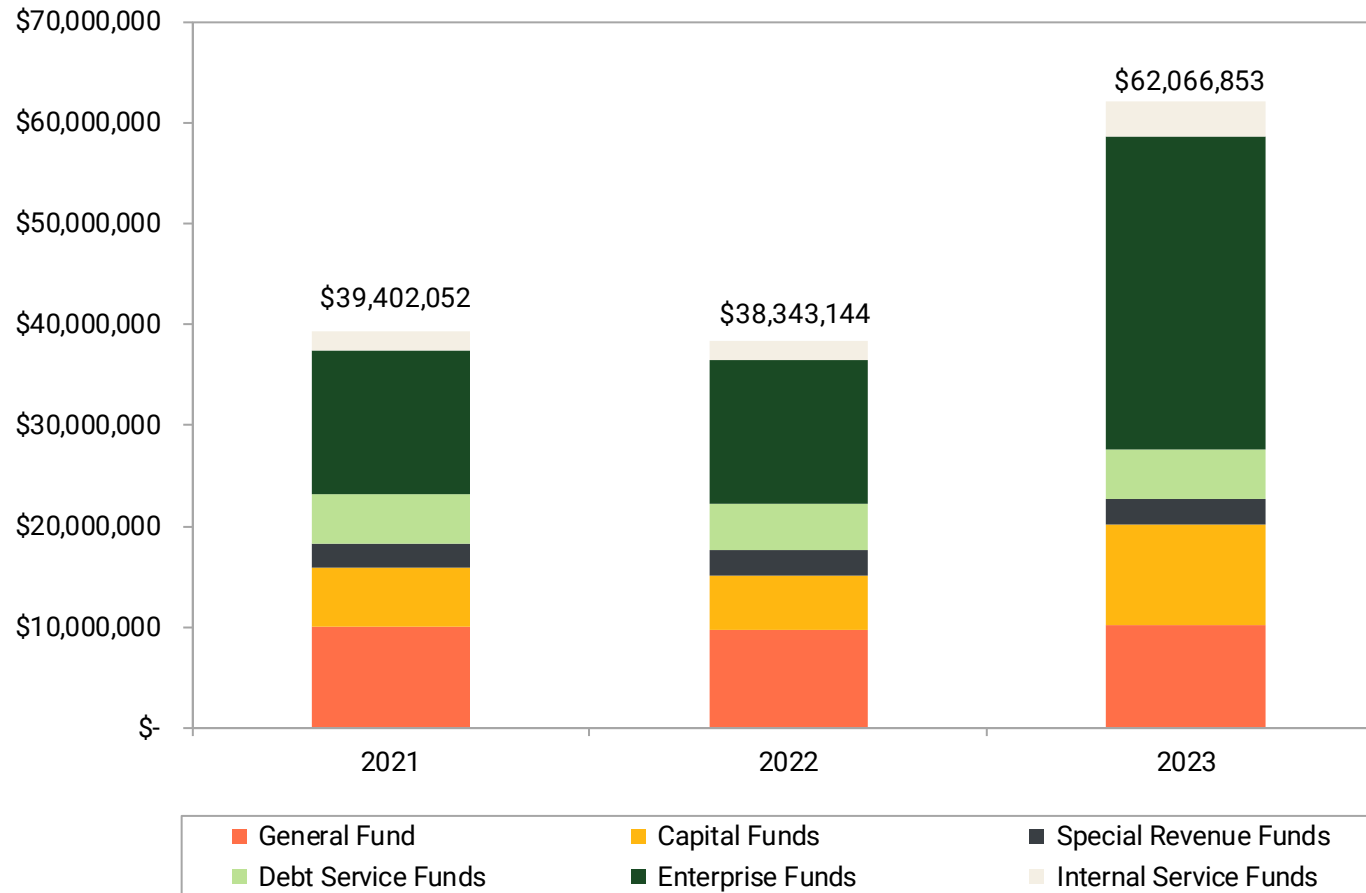
	Off-Sale Only		
	2020	2021	2022
	Percent of Sales	Percent of Sales	Percent of Sales
Sales	100.0 %	100.0 %	100.0 %
Cost of Sales	73.5	73.5	73.2
Gross profit	26.5	26.5	26.8
Operating Expenses	17.3	17.9	19.5
Operating income	9.2	8.6	7.3
Nonoperating Revenues (Expenses)	0.4	0.1	(0.6)
Income before transfers	9.6 %	8.7 %	6.7 %

Source: Analysis of Municipal Liquor Store Operations, for the year ended December 31, 2022.  
Published by the Minnesota Office of the State Auditor.

	2021		2022		2023	
	Total	Percent	Total	Percent	Total	Percent
Sales	\$2,869,413	100.0 %	\$2,794,233	100.0 %	\$2,860,923	100.0 %
Cost of Sales	(2,098,683)	(73.1)	(2,032,144)	(72.7)	(2,058,855)	(72.0)
Gross profit	770,730	26.9	762,089	27.3	802,068	28.0
Operating Expenses	(596,062)	(20.8)	(672,620)	(24.1)	(734,686)	(25.7)
Operating income (loss)	174,668	6.1	89,469	3.2	67,382	2.3
Nonoperating Income	(19,768)	(0.7)	(33,110)	(1.2)	108,683	3.8
Income before transfers	157,364	5.4	60,081	2.0	178,780	6.1
Transfers Out	(50,000)	(1.7)	(50,000)	(1.8)	(50,000)	(1.7)
Change in net position	\$ 107,364	3.7	\$ 10,081	0.2	\$ 128,780	4.4
Cash and Temporary Investments	\$1,564,610		\$1,615,043		\$1,802,724	

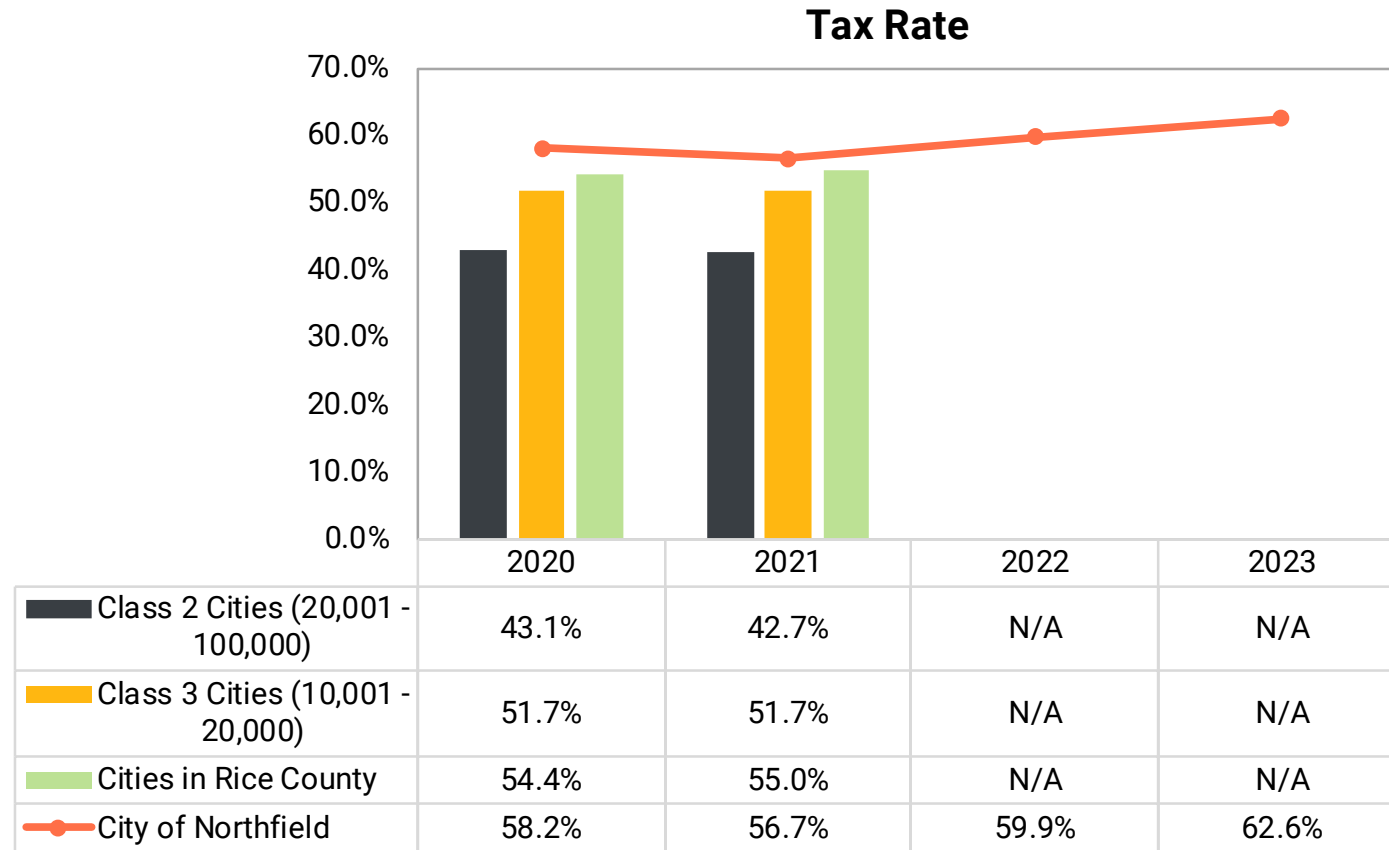
# Liquor Store - Statewide Averages vs. Northfield Liquor Store

# Cash and Investments Balances by Fund Type



# Taxes

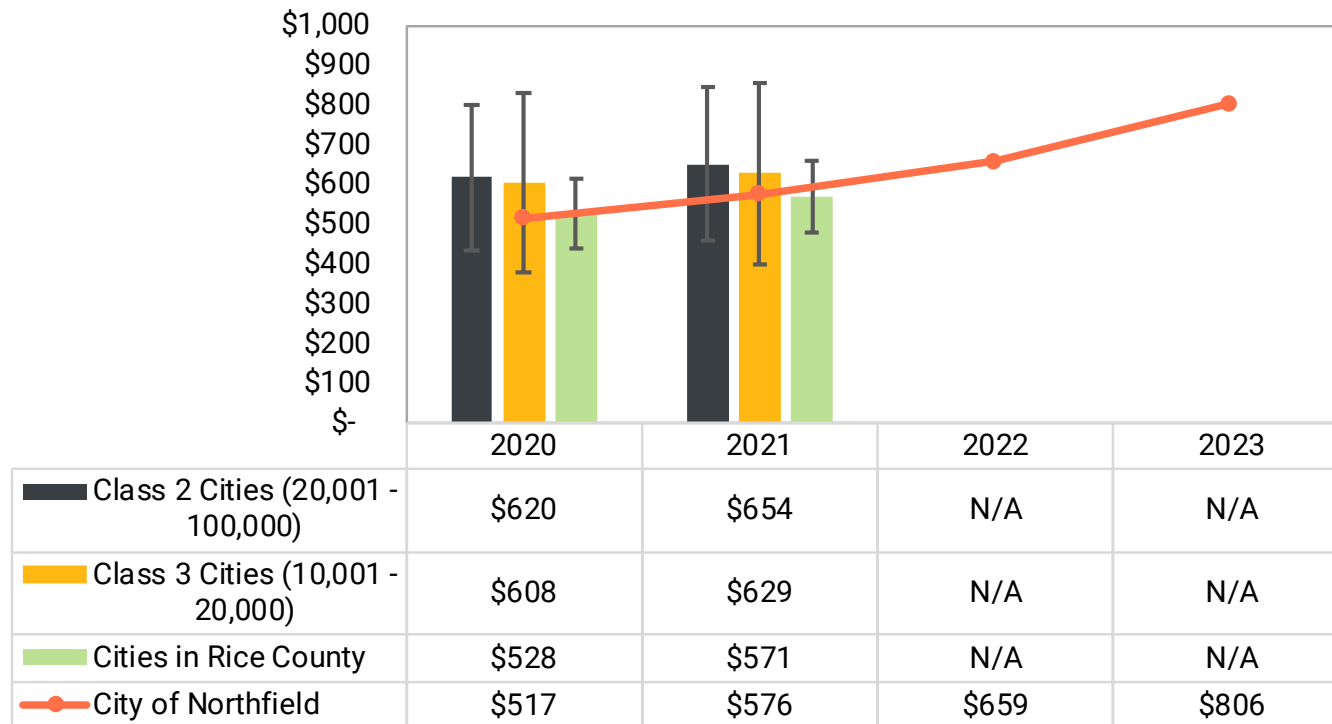
## Key Performance Indicators



# Taxes

## Key Performance Indicators

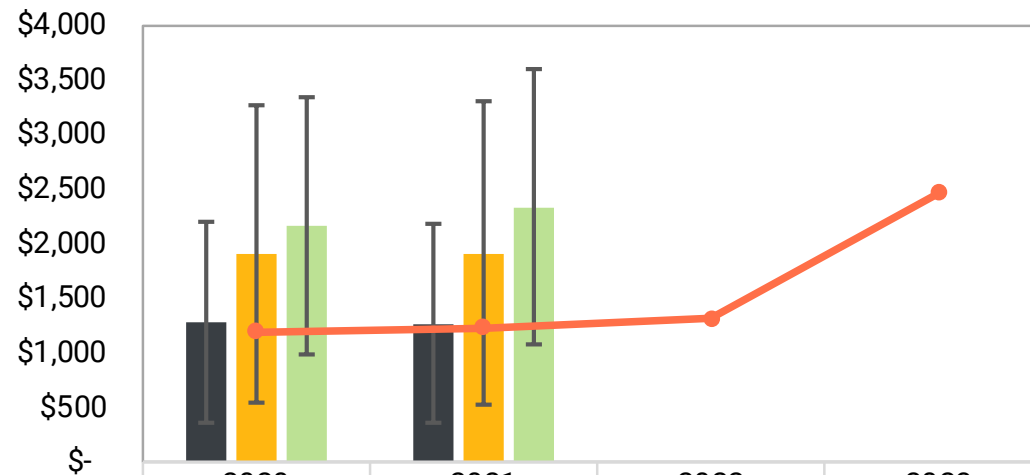
Taxes - Per Capita



# Debt

## Key Performance Indicators

Long Term Debt - Per Capita

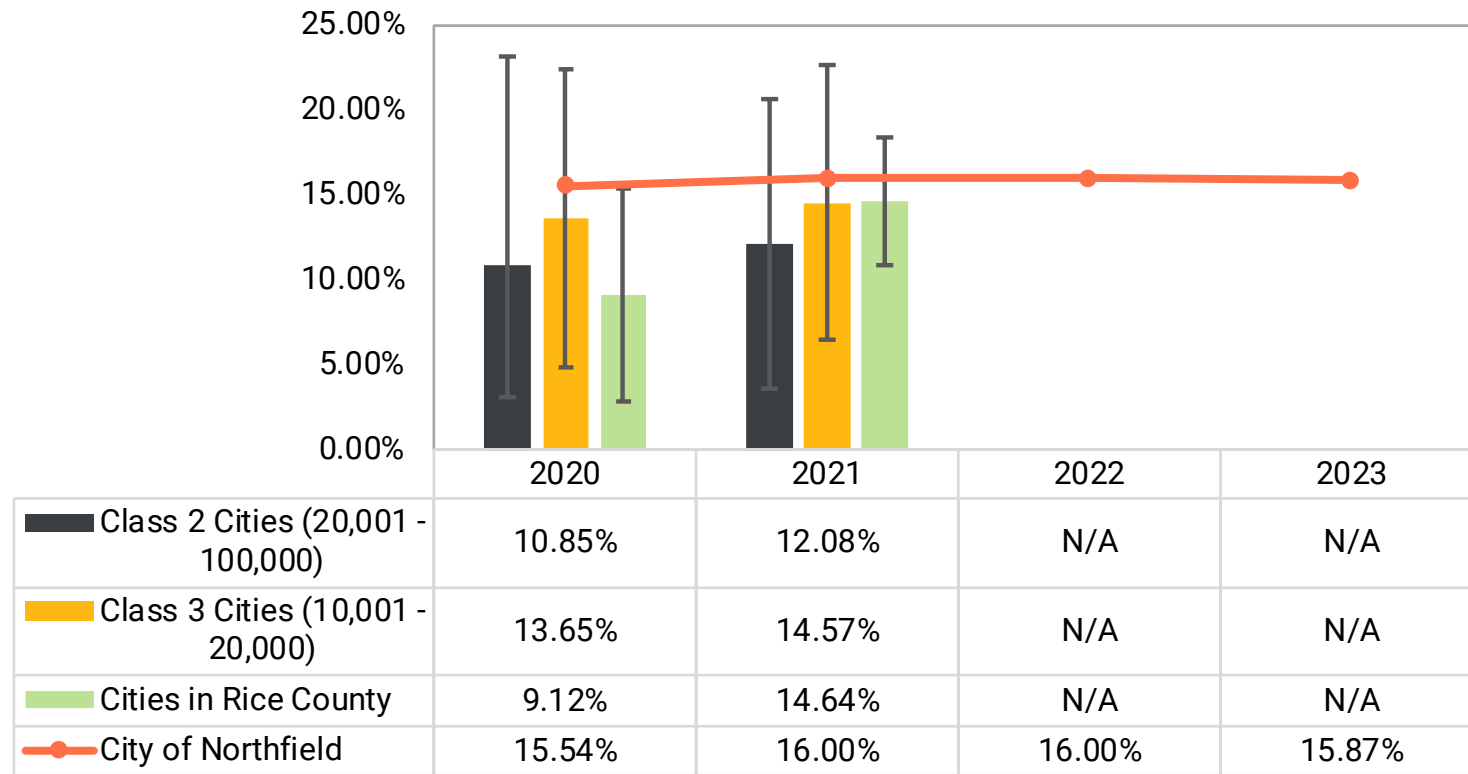


	2020	2021	2022	2023
■ Class 2 Cities (20,001 - 100,000)	\$1,292	\$1,271	N/A	N/A
■ Class 3 Cities (10,001 - 20,000)	\$1,905	\$1,918	N/A	N/A
■ Cities in Rice County	\$2,173	\$2,343	N/A	N/A
● City of Northfield	\$1,197	\$1,230	\$1,318	\$2,472

# Debt

## Key Performance Indicators

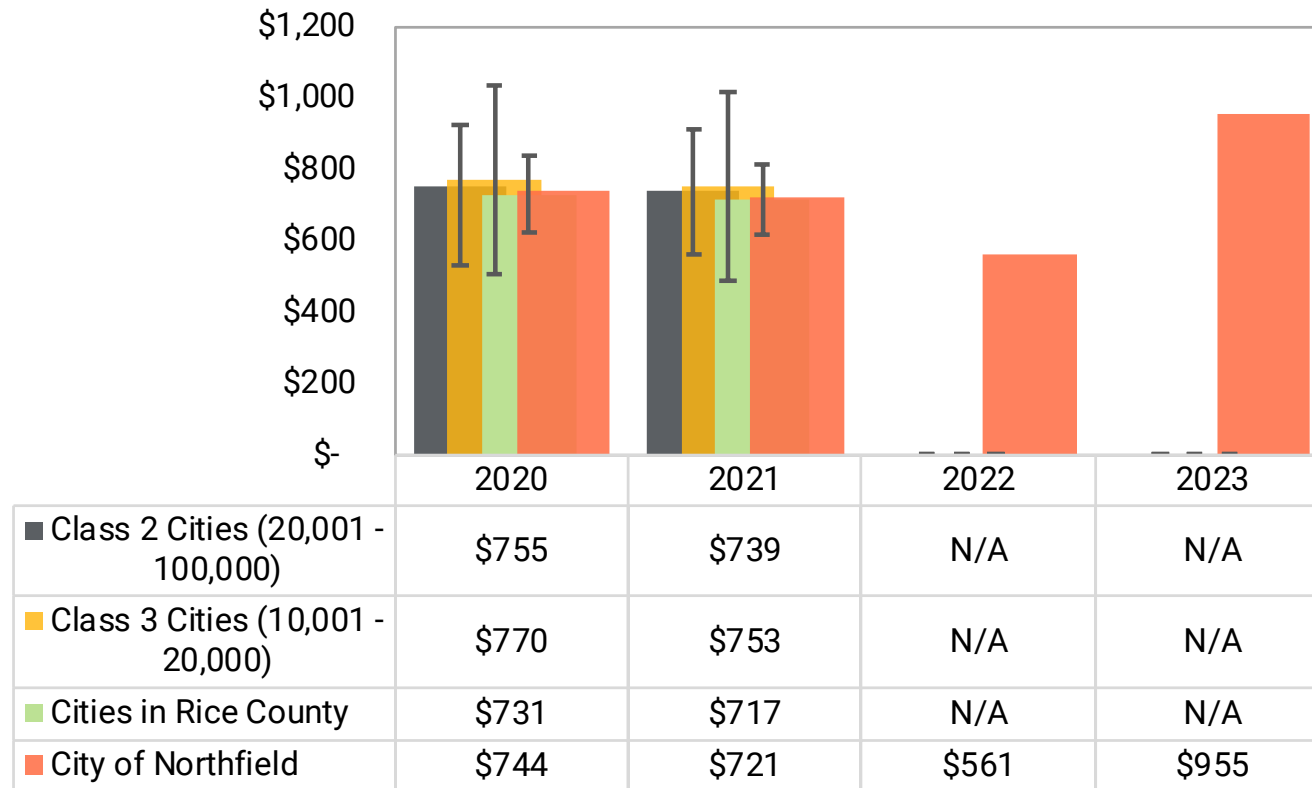
**Debt Service Expenditures as a Percent of Current Expenditures**



# Expenditures

## Key Performance Indicators

**Current Expenditures - Per Capita**

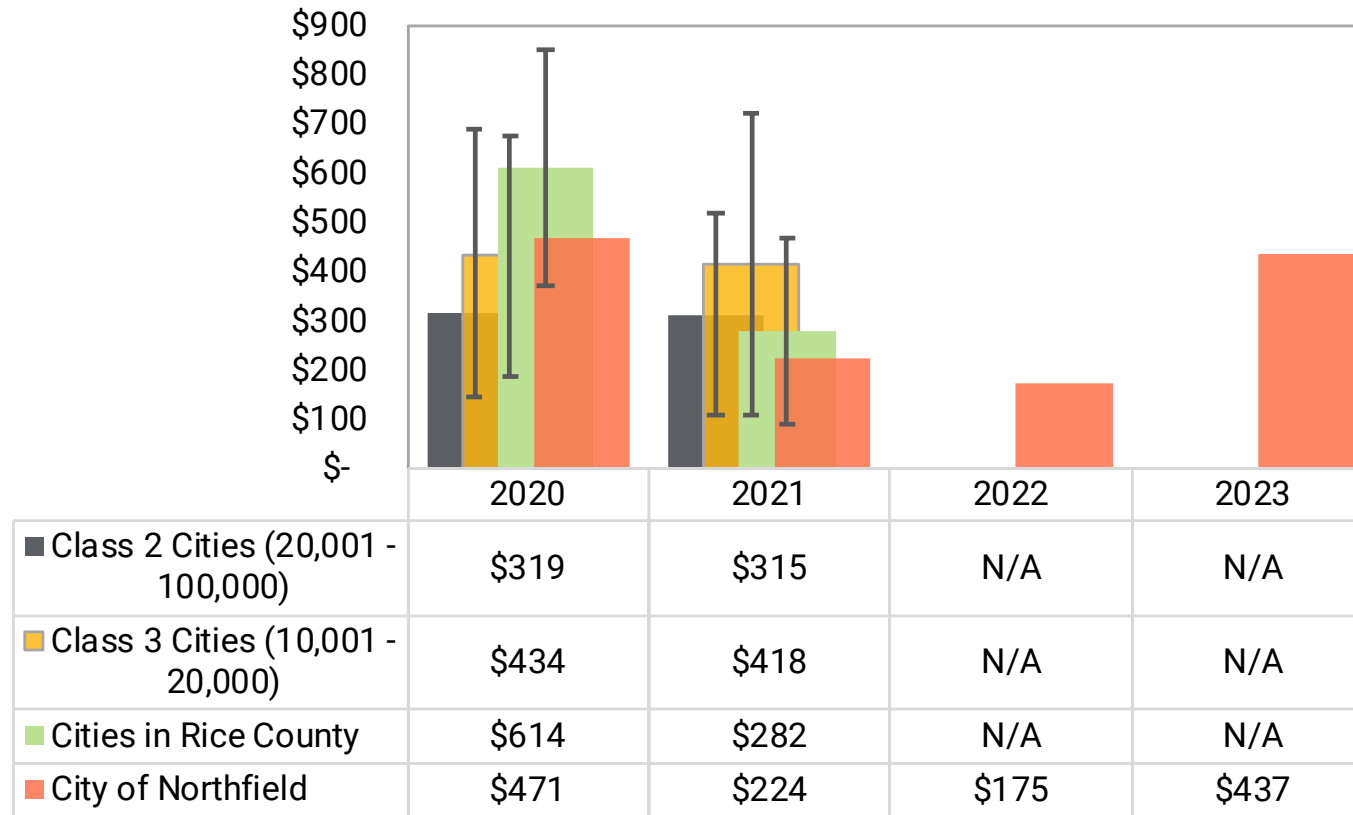




# Expenditures

## Key Performance Indicators

**Capital Expenditures - Per Capita**



# Your Abdo Team



Tom Olinger, CPA  
Partner



Layne Kockelman, CPA  
Senior Manager



Kelsey Larson, CPA  
Senior Associate



Ellie Singleton  
Associate



Hope Winters  
Associate



Mara Richardson  
Intern