



# 3<sup>rd</sup> Quarter Report

City of Northfield  
Northfield, Minnesota

As of September 30, 2025



*Edina Office*

5201 Eden Avenue, Ste 250  
Edina, MN 55436  
P 952.835.9090

*Mankato Office*

100 Warren Street, Ste 600  
Mankato, MN 56001  
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14500 N Northsight Blvd, Ste 233  
Scottsdale, AZ 85260  
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October 27, 2025

**ACCOUNTANT'S COMPILATION REPORT**

Honorable Mayor and City Council  
City of Northfield  
Northfield, Minnesota

Management is responsible for the accompanying financial statement of the City of Northfield, which comprises the budget to actual statement of revenues and expenditures for the General Fund as of September 30, 2025, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The following procedures have not been performed as part of this compilation:

- An evaluation of cash and investments to ensure completeness
- An evaluation of the 2024 final trial balance in comparison to the ACFR
- An evaluation of the 2025 reversing entries
- Analytical procedures for the balance sheet
- Analytical procedures for revenue and expenditures

Management has elected to omit substantially all the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about the City's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Sincerely,



**Abdo Financial Solutions, LLC**



October 27, 2025

Honorable Mayor and City Council  
City of Northfield  
Northfield, Minnesota

Dear Honorable Mayor and City Council:

City staff has reconciled all bank accounts through September 30, 2025, and performed analytical procedures on all funds. The following is a summary of our observations. All information presented is unaudited.

**Cash and Investments**

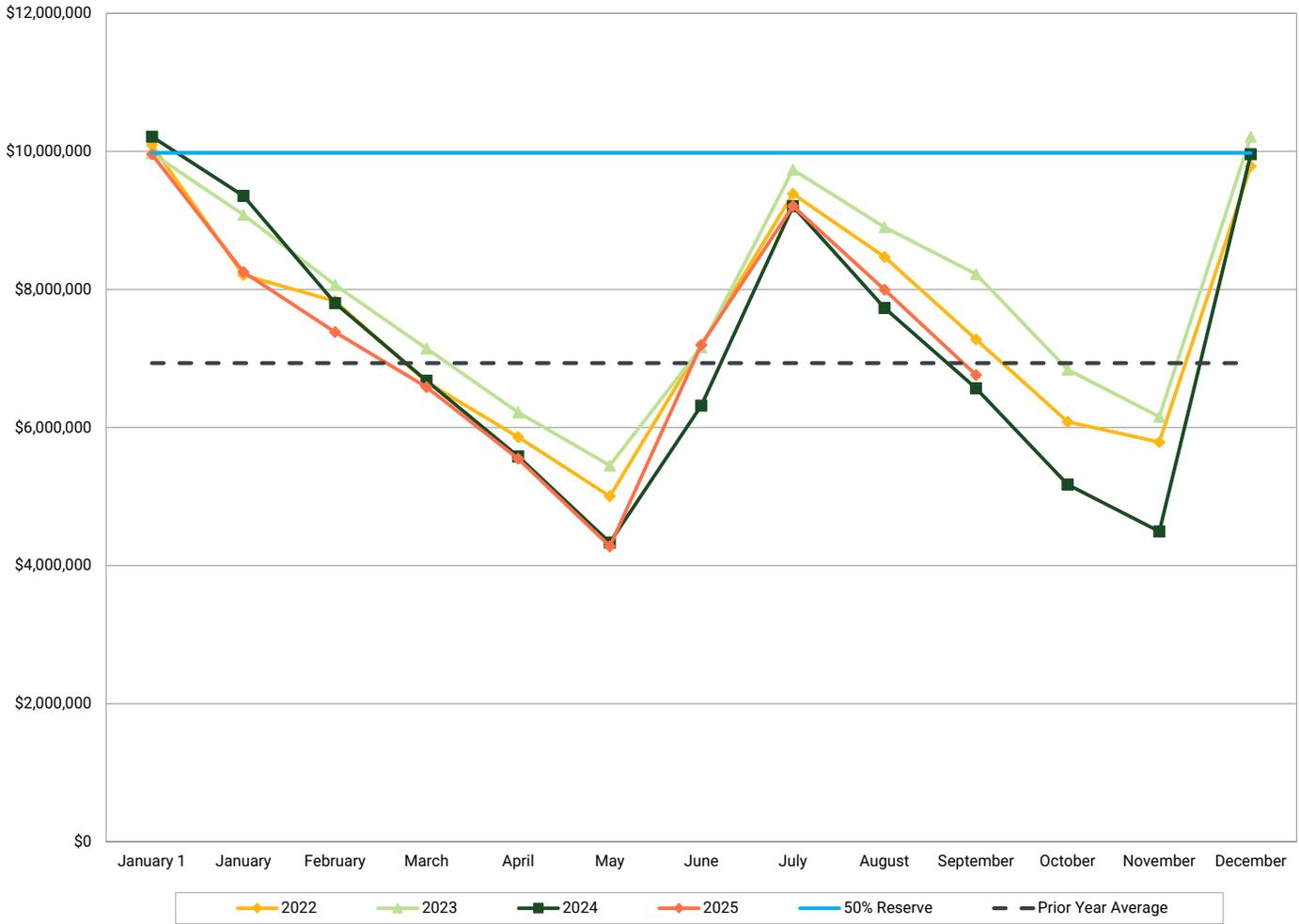
The City’s cash and investment balances are as follows:

	<u>09/30/2025</u>	<u>12/31/2024</u>	<u>Increase/ (Decrease)</u>
Checking	\$ 2,286,088	\$ 2,525,630	\$ (239,542)
Investments (at Market Value)	<u>44,337,033</u>	<u>50,261,482</u>	<u>(5,924,449)</u>
<b>Total Cash and Investments</b>	<b><u>\$ 46,623,121</u></b>	<b><u>\$ 52,787,112</u></b>	<b><u>\$ (6,163,991)</u></b>

<u>Investment Type</u>	<u>09/30/2025</u>	<u>12/31/2024</u>	<u>Increase/ (Decrease)</u>
Checking	\$ 2,286,088	\$ 2,525,630	\$ (239,542)
Pooled Investments at Amortized Cost (4M Fund)	20,493,278	26,819,366	(6,326,087)
Commercial Paper	1,801,957	2,086,278	(284,321)
U.S. Treasury Notes	18,061,509	16,097,635	1,963,874
Municipal Securities	441,861	271,401	170,460
Federal Agency Securities	<u>3,538,428</u>	<u>4,986,802</u>	<u>(1,448,374)</u>
<b>Total investments</b>	<b><u>\$ 46,623,121</u></b>	<b><u>\$ 52,787,112</u></b>	<b><u>\$ (6,163,991)</u></b>

General Fund Cash Balances 2022 - 2025



General Fund

Receipts	YTD Budget	YTD Actual	Percent of YTD Budget		Disbursements	YTD Budget	YTD Actual	Percent of YTD Budget	
Taxes	\$ 8,911,961	\$ 6,247,123	70.1 %	↓	Mayor & Council	\$ 353,485	\$ 315,396	89.2 %	↑
Licenses and Permits	483,900	577,023	119.2	↑	Administration	561,759	496,835	88.4	↑
Intergovernmental	3,607,691	2,682,485	74.4	↓	Elections	15,589	9,599	61.6	↓
Charges for services	1,197,491	1,195,998	99.9	→	Finance	639,953	518,971	81.1	↓
Fines and forfeits	43,875	84,316	192.2	↑	Human Services	534,441	542,071	101.4	→
Investment earnings	187,500	131,210	70.0	↓	Community Development	366,508	201,847	55.1	↓
Other revenues	8,608	13,855	161.0	↑	Planning	223,833	224,275	100.2	→
Transfers in	258,000	-	-	↓	General Government Building	126,916	116,988	92.2	→
					Police	4,617,903	3,961,632	85.8	↓
	\$ 14,699,025	\$ 10,932,011	74.4 %	↓	Fire	736,298	1,101,859	149.6	↑
					Building Inspection	419,973	330,849	78.8	↓
					Engineering	673,720	628,909	93.3	→
					Streets	1,660,359	1,572,589	94.7	→
					Street Lighting	213,750	290,252	135.8	↑
					Facilities	276,435	274,795	99.4	→
					Ice Arena	328,403	288,370	87.8	↓
					General Parks	381,257	264,326	69.3	↓
					Athletic Facilities	154,913	156,909	101.3	→
					Outdoor Pool	203,862	225,604	110.7	↑
					Recreation Administration	212,719	174,401	82.0	↓
					Library	1,686,080	1,670,446	99.1	→
					City Clerk	219,038	194,658	88.9	↓
					Unallocated	359,213	240,165	66.9	↓
						\$ 14,966,405	\$ 13,801,748	92.2 %	→

**Key**  
 ↑ Varies more than 10% than budget positively  
 ↓ Varies more than 10% than budget negatively  
 → Within 10% of budget

Current short-term rates being offered by financial institutions have decreased as evidenced by the table of U.S. Treasury rates below. The U.S. Treasury rates provide a benchmark perspective for rate of return.

<b>Treasury Yields</b>									
<b>Date</b>	<b>1 mo</b>	<b>3 mo</b>	<b>6 mo</b>	<b>1 yr</b>	<b>2 yr</b>	<b>3 yr</b>	<b>5 yr</b>	<b>7 yr</b>	<b>10 yr</b>
12/31/2020	0.08	0.08	0.09	0.09	0.10	0.13	0.17	0.36	0.65
03/31/2021	0.01	0.01	0.03	0.05	0.07	0.16	0.35	0.92	1.40
06/30/2021	0.05	0.05	0.06	0.07	0.25	0.46	0.87	1.21	1.45
09/30/2021	0.07	0.04	0.05	0.09	0.28	0.53	0.98	1.32	1.52
12/31/2021	0.06	0.06	0.19	0.39	0.73	0.97	1.26	1.44	1.52
03/31/2022	0.17	0.52	1.06	1.63	2.28	2.45	2.42	2.40	2.32
06/30/2022	1.28	1.72	2.51	2.80	2.92	2.99	3.01	3.04	2.98
09/30/2022	2.79	3.33	3.92	4.05	4.22	4.25	4.06	3.97	3.83
12/30/2022	4.12	4.42	4.76	4.73	4.41	4.22	3.99	3.96	3.88
03/31/2023	4.74	4.85	4.94	4.64	4.06	3.81	3.60	3.55	3.48
06/30/2023	5.24	5.43	5.47	5.40	4.87	4.49	4.13	3.97	3.81
09/30/2023	5.55	5.55	5.53	5.46	5.03	4.80	4.60	4.61	4.59
12/31/2023	5.60	5.40	5.26	4.79	4.23	4.01	3.84	3.88	3.88
03/31/2024	5.49	5.46	5.39	5.03	4.59	4.40	4.21	4.20	4.20
06/30/2024	5.47	5.48	5.33	5.09	4.71	4.52	4.33	4.33	4.36
09/30/2024	4.93	4.73	4.38	3.98	3.66	3.58	3.58	3.67	3.81
12/31/2024	4.40	4.37	4.24	4.16	4.25	4.27	4.38	4.48	4.58
03/31/2025	4.38	4.32	4.23	4.03	3.89	3.89	3.96	4.09	4.23
06/30/2025	4.28	4.41	4.29	3.96	3.72	3.68	3.79	3.98	4.24
09/30/2025	4.20	4.02	3.83	3.68	3.60	3.61	3.74	3.93	4.16

**Budget Summary**

A more detailed analysis of the general fund compared with the budget is included as Attachment A.

**Cash Balance Summary**

A comparison of cash balances by fund is included as Attachment B.

\* \* \* \* \*

This information is unaudited and is intended solely for the information and use of management and City Council and is not intended and should not be used by anyone other than these specified parties.

If you have any questions or wish to discuss any of the items contained in this letter or the attachments, please feel free to contact us at your convenience. We thank you for the continued opportunity to be of service and for the courtesy and cooperation extended to us by your staff.

Sincerely,



**Abdo Financial Solutions, LLC**

City of Northfield, Minnesota  
Statement of Revenues and Expenditures -  
Budget and Actual -  
General Fund (Unaudited)  
For the Nine Months Ended September 30, 2025

Attachment A

	Annual Budget	Budget thru 09/30/2025	Actual Thru 09/30/2025	Variance - Favorable (Unfavorable)	Percent Received or Expended Based on Budget thru 09/30/2025
<b>Revenues</b>					
Taxes	\$ 11,882,614	\$ 8,911,961	\$ 6,247,123	\$ (2,664,838) *	70.1 %
Intergovernmental	4,810,254	3,607,691	2,682,485	(925,206) (1)	74.4
Licenses and Permits	645,200	483,900	577,023	93,123	119.2
Charges for services	1,596,655	1,197,491	1,195,998	(1,493)	99.9
Fines and forfeits	58,500	43,875	84,316	40,441 (2)	192.2
Investment earnings	250,000	187,500	131,210	(56,290) (3)	70.0
Other revenues	11,477	8,608	13,855	5,247	161.0
<b>Total Revenues</b>	<b>19,254,700</b>	<b>14,441,025</b>	<b>10,932,011</b>	<b>(3,509,015)</b>	<b>75.7</b>
<b>Expenditures</b>					
Mayor & Council	471,313	353,485	315,396	38,089	89.2
Administration	749,012	561,759	496,835	64,924	88.4
City Clerk	292,051	219,038	194,658	24,380	88.9
Elections	20,785	15,589	9,599	5,990	61.6
Finance	853,270	639,953	518,971	120,982	81.1
Human Services	712,588	534,441	542,071	(7,630)	101.4
Community Development	488,677	366,508	201,847	164,661 (4)	55.1
Planning	298,444	223,833	224,275	(442)	100.2
General Government Building	169,221	126,916	116,988	9,928	92.2
Police	6,157,204	4,617,903	3,961,632	656,271	85.8
Fire	981,730	736,298	1,101,859	(365,562) (5)	149.6
Building Inspection	559,964	419,973	330,849	89,124 (6)	78.8
Engineering	898,293	673,720	628,909	44,811	93.3
Streets	2,213,812	1,660,359	1,572,589	87,770	94.7
Street Lighting	285,000	213,750	290,252	(76,502) (7)	135.8
Facilities	368,580	276,435	274,795	1,640	99.4
Ice Arena	437,871	328,403	288,370	40,033	87.8
General Parks	508,343	381,257	264,326	116,931 (8)	69.3
Athletic Facilities	206,551	154,913	156,909	(1,996)	101.3
Outdoor Pool	271,816	203,862	225,604	(21,742)	110.7
Recreation Administration	283,625	212,719	174,401	38,318	82.0
Library	2,248,106	1,686,080	1,670,446	15,634	99.1
Unallocated	478,950	359,213	240,165	119,048 (9)	66.9
<b>Total Expenditures</b>	<b>19,955,206</b>	<b>14,966,405</b>	<b>13,801,747</b>	<b>1,164,659</b>	<b>92.2</b>
<b>Excess Revenues (Expenditures)</b>	<b>(700,506)</b>	<b>(525,380)</b>	<b>(2,869,736)</b>	<b>(2,344,356)</b>	<b>546.2</b>
<b>Other Financing Sources and Uses</b>					
Transfers in	344,000	258,000	-	(258,000) (10)	-
<b>Total Other Financing Sources (Uses)</b>	<b>344,000</b>	<b>258,000</b>	<b>-</b>	<b>(258,000)</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues and Other Financing</b>	<b>\$ (356,506)</b>	<b>\$ (267,380)</b>	<b>\$ (2,869,736)</b>	<b>\$ (2,602,356)</b>	<b>1,073.3 %</b>

\* Typically property taxes are received in July and December (with 70% advance in June).

City of Northfield, Minnesota  
Statement of Revenues and Expenditures -  
Budget and Actual -  
General Fund (Unaudited) (Continued)  
For the Nine Months Ended September 30, 2025

Attachment A

Item      Explanation of items percentage received/expended less than 80% or greater than 120% and \$ variance greater than \$25,000.

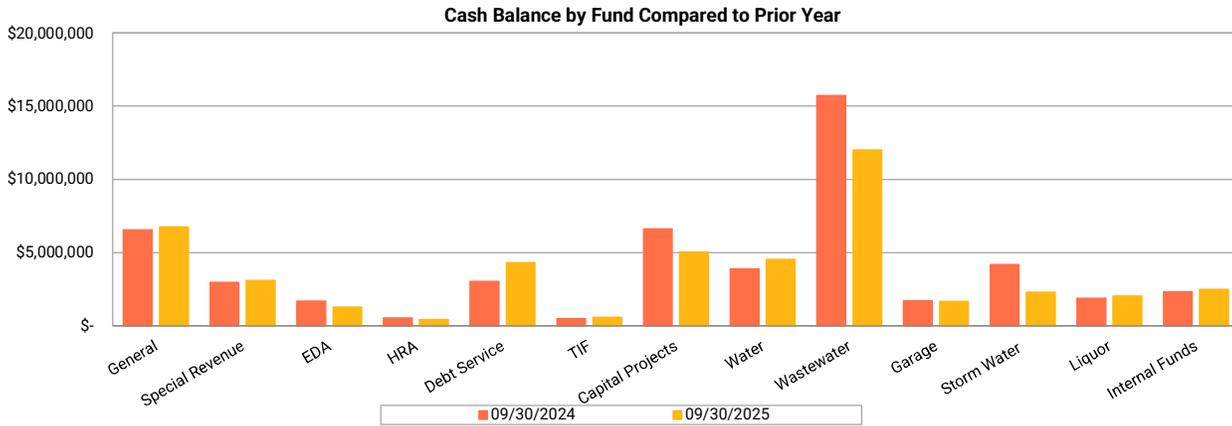
- (1)      The majority of intergovernmental funds will be received in the fourth quarter of 2025.
- (2)      Favorable variance due to an increase in court fines and administrative fines.
- (3)      The markets have seen an increase in volatility in recent months and investments have not performed as anticipated.
- (4)      Expenditures are expected to increase in the fourth quarter with the zoning code redesign project.
- (5)      Variance is due to the timing of reimbursement from NAFRS.
- (6)      Favorable variance will dissipate in Q4 as residential development continues.
- (7)      Variance due to payments to Guth Electric & Excel Energy for new streetlights, panels, and upgrades.
- (8)      A majority of trail maintenance and park maintenance expenses occur in the second half of the year, so this is expected to increase in Q4.
- (9)      Expenses for the convention and visitors bureau are anticipated to increase in the second half of the year.
- (10)     Operating transfers are typically made in Q4.

City of Northfield, Minnesota  
 Unaudited Cash Balances by Fund  
 September 30, 2024, December 31, 2024 and September 30, 2025

Attachment B

Fund	Balance 09/30/2024	Balance 12/31/2024	Balance 09/30/2025	YTD Change From 12/31/2024		
101	General fund	\$ 6,568,816	\$ 9,959,315	\$ 6,759,104	\$ (3,200,211)	(1)
260	ARPA fund	-	-	-	-	
211	Community resource center	\$ 7,411	\$ 39,633	\$ (26,784)	\$ (66,417)	
215	Motor vehicle fund	433,501	472,260	523,384	51,124	
229	Communication fund	\$ 382,882	\$ 342,285	\$ 175,859	\$ (166,426)	(2)
240	Library gift fund	35,905	43,374	53,208	9,834	
241	G.W. Bunday fund	\$ 26,520	\$ 28,622	\$ 29,286	\$ 664	
242	Scriver memorial fund	152,661	153,349	156,340	2,991	
243	L.J. Gustafson fund	\$ 30,513	\$ 30,210	\$ 29,912	\$ (298)	
244	M. Houston trust fund	44,919	44,589	45,623	1,034	
245	C.C. Cloherty endowed book	\$ 13,112	\$ 14,834	\$ 14,987	\$ 153	
246	Arts and culture	141,707	262,438	192,799	(69,639)	
250	CDBG fund	\$ 8,500	\$ -	\$ 8,331	\$ 8,331	
252	TZD Grants	9,183	27,645	42,227	14,582	
255	Utility Franchise Fee fund	\$ 1,481,945	\$ 702,353	\$ 1,569,900	\$ 867,547	(3)
257	Carbon Reduction fund	204,535	243,111	237,497	(5,614)	
270	Municipal TIF district #4	\$ 476	\$ 44,678	\$ 45,649	\$ 971	
271	Jefferson square townhome TIF	18,206	28,451	20,213	(8,238)	
290	EDA - general operating	\$ 135,892	\$ 174,588	\$ 106,883	\$ (67,705)	
292	EDA - investment fund	1,350,565	1,328,261	1,149,994	(178,267)	(4)
293	EDA - MIF investment fund	\$ 212,621	\$ 215,919	\$ 16,889	\$ (199,030)	(4)
295	Housing and redevelopment fund	545,978	501,053	378,633	(122,420)	(5)
296	Local housing trust fund	\$ -	\$ 156,116	\$ 63,753	\$ (92,363)	
311	2010A GO improvement bond fund	(550)	-	-	-	
312	2011A GO improvement bond fund	\$ -	\$ -	\$ -	\$ -	
313	2012A GO improvement bond fund	-	-	-	-	
314	2013 bonds fund	\$ 24,238	\$ -	\$ 7	\$ 7	
315	2014 bonds fund	124,628	161,273	35,642	(125,631)	(6)
316	2015 bonds fund	\$ 194,765	\$ 253,924	\$ 144,039	\$ (109,885)	(6)
317	2016 bonds fund	281,889	296,529	216,198	(80,331)	
318	2017 bonds fund	\$ 160,029	\$ 200,282	\$ 139,292	\$ (60,990)	
319	2018 bonds fund	238,212	331,756	241,213	(90,543)	
320	2019 bonds fund	\$ 193,912	\$ 323,363	\$ 200,289	\$ (123,074)	(6)
321	2020 bonds fund	677,513	1,627,496	1,379,226	(248,270)	(6)
322	2021 bonds fund	\$ 250,929	\$ 815,465	\$ 783,256	\$ (32,209)	
323	2022 bonds fund	212,719	399,354	238,404	(160,950)	(6)
324	2023 bonds fund	\$ 74,822	\$ 371,484	\$ 257,593	\$ (113,891)	(7)
325	2024 bonds fund	-	-	21,608	21,608	
352	2006A Lease revenue bond - aquatic	\$ 9,843	\$ 8,930	\$ 8,914	\$ (16)	
354	2012 COP debt service fund	177,145	367,905	200,926	(166,979)	(7)
356	2016C Equipment certificate	\$ 118	\$ -	\$ -	\$ -	
357	2018A NAFRS debt service	312,357	443,348	263,782	(179,566)	(6)
358	2021A Equipment Certificate	\$ 49,745	\$ 79,569	\$ 57,576	\$ (21,993)	
359	2022A Equipment Certificate	34,535	66,212	38,211	(28,001)	
360	2023B Equipment Certificate	\$ 20,789	\$ 65,095	\$ 52,569	\$ (12,526)	
361	2024A Equipment Certificate	-	-	32,862	32,862	
379	Presidential commons TIF	\$ 273,481	\$ 256,137	\$ 307,725	\$ 51,588	
381	Hiley Neff TIF fund	13,556	-	(265)	(265)	
382	Riverfront TIF district	\$ 139,663	\$ 303,831	\$ 168,348	\$ (135,483)	(8)
385	Spring creek TIF district	28,014	46,280	32,375	(13,905)	
386	Aurora TIF	\$ 18,633	\$ 53,027	\$ 38,299	\$ (14,728)	
387	5th & Washington TIF	11,963	95,393	20,895	(74,498)	
388	Maple Brook TIF	\$ 7,320	\$ 46,077	\$ 11,393	\$ (34,684)	
389	Spring Creek II TIF	(1,233)	732	(830)	(1,562)	
390	Kraewood TIF	\$ 15,002	\$ 30,321	\$ 4,150	\$ (26,171)	
391	Kraewood TIF	-	-	(200)	(200)	
392	Heritage Lofts Housing	\$ -	\$ -	\$ 421	\$ 421	
419	2018 Capital projects fund	-	-	-	-	
420	2019 Capital projects fund	\$ 526,904	\$ 533,308	\$ 545,233	\$ 11,925	
421	2020 Capital projects fund	1,175,813	-	1,955	1,955	
422	2021 Capital projects fund	\$ 726,735	\$ -	\$ 1,214	\$ 1,214	
423	2022 Capital projects fund	(877,186)	-	(36,015)	(36,015)	
424	2023 Capital projects fund	\$ 675,552	\$ 410,385	\$ (45,666)	\$ (456,051)	(9)
425	2024 Capital projects fund	2,109,245	941,973	274,892	(667,081)	(10)
426	2025 Capital projects fund	\$ (93,119)	\$ -	\$ (434,976)	\$ (434,976)	(11)
427	2026 Capital projects fund	-	-	(274,661)	(274,661)	(12)
451	Park fund	\$ 976,180	\$ 1,287,640	\$ 1,520,954	\$ 233,314	(13)
453	Fire replacement fund	87,149	-	(342)	(342)	
454	City facilities fund	\$ 312,313	\$ 1,212,158	\$ 992,263	\$ (219,895)	(14)
455	Vehicle & equipment replacement fund	230,370	1,626,604	1,536,384	(90,220)	
456	Hauberg park fund	\$ 13,040	\$ 13,242	\$ 14,596	\$ 1,354	
458	Mill Town Trail Woodley to Waterford	(121,351)	1	85,087	85,086	
459	Ice Arena Construction	\$ (372,735)	\$ 132,150	\$ (48,631)	\$ (180,781)	(15)
460	Public safety center construction	437,142	3,500	3,873	373	
465	Water & 5th St Redevelopment	\$ (27,614)	\$ -	\$ (822)	\$ (822)	
475	Capital reserve fund	858,970	803,872	908,868	104,996	(16)
601	Water fund	\$ 3,900,714	\$ 2,532,884	\$ 4,551,194	\$ 2,018,310	(17)
602	Wastewater fund	15,732,576	13,696,187	12,022,228	(1,673,959)	(18)
603	Garbage fund	\$ 1,719,814	\$ 1,764,237	\$ 1,671,272	\$ (92,965)	
604	Storm water drainage fund	4,197,883	1,964,729	2,314,491	349,762	(19)
609	Liquor store fund	\$ 1,895,551	\$ 1,984,624	\$ 2,029,421	\$ 44,797	
701	Information technology fund	831,340	782,489	859,527	77,038	
705	Insurance fund	\$ 1,128,529	\$ 1,275,922	\$ 1,270,154	\$ (5,768)	
851	Whittier trust fund	362,157	364,341	373,025	8,684	
900	Investment fund	\$ (1)	\$ (1)	\$ (1)	\$ -	
Total		\$ 51,755,856	\$ 52,787,112	\$ 46,623,121	\$ (6,163,990)	

- Item**      Explanation of changes greater than \$100,000.
- (1) See Attachment A for detail of fund activity.
  - (2) Decrease is due to personnel costs & payments to Civic Plus, Neuger Communications Group, and Granicus.
  - (3) Increase due to receipt of utility franchise fees.
  - (4) Decrease due to revolving loan payments to Loon Liquors.
  - (5) Decrease due to the purchase of property at 706 and 716 2nd St W.
  - (6) Decrease due to bond payments made in Q1.
  - (7) Decrease due to bond payments made in Q1 and Q2.
  - (8) Decrease due to TIF reimbursement payments.
  - (9) Decrease due to payments to IMS Contracting and Parkos Construction for reclamation & overlay project.
  - (10) Decrease due to payments to McNamara Contracting and Icon LLC for road repairs and reconstruction.
  - (11) Decrease due to payments to Short Elliot Hendrickson, Crane Creek Asphalt and McNamara Contracting, primarily for the Wall Street Rd improvements.
  - (12) Decrease due to payments to Bolton & Menk for the Spring Creed Road reconstruction, mill & overlay, and MTST improvements.
  - (13) Increase due to receipt of property tax settlement funds.
  - (14) Decrease due to the payments to Ebert Inc for the transit hub.
  - (15) Decrease due to payments to JLG Architects and RJM Construction for the new ice arena.
  - (16) Increase due to receipt of property tax settlement funds.
  - (17) Increase due to interfund loan to Fund 465 being repaid in Q2, and the receipt of PFAS settlement funds.
  - (18) Decrease due to payments to Magney Construction for WWTP improvements.
  - (19) Favorable variance is due to the timing of debt payments and will dissipate at year-end.



**Fund**

- ➔ General
- ➔ Special Revenue
- ➔ EDA
- ➔ HRA
- ➔ Debt Service
- ➔ TIF
- ➔ Capital Projects

**Key**

- ➔ Water
- ➔ Wastewater
- ➔ Garage
- ➔ Storm Water
- ➔ Liquor
- ➔ Internal Funds
- ➔ Varies more than 10% of prior period positively
- ➔ Varies more than 10% of prior period negatively
- ➔ Balance within 10% of prior period