

COMPREHENSIVE ANNUAL  
FINANCIAL REPORT  
OF THE CITY OF  
MORA, MINNESOTA  
FOR THE  
FISCAL YEAR ENDED  
December 31, 2013

PREPARED BY FINANCE DEPARTMENT  
MEMBER GOVERNMENT FINANCE OFFICERS ASSOCIATION  
OF THE UNITED STATES AND CANADA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2013

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City of Mora, Minnesota  
INTRODUCTORY SECTION  
December 31, 2013

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# CITY OF MORA MORA MUNICIPAL UTILITIES

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Mora, MN 55051-1588

[ci.mora.mn.us](http://ci.mora.mn.us)



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320.679.1511

Fax 320.679.3862

320.679.1451

June 30, 2014

Honorable Mayor  
Members of the City Council  
Members of the Public Utilities Commission

I am submitting to you the comprehensive annual financial report of the City of Mora, Kanabec County, Minnesota and Mora Municipal Utilities for the fiscal year ended December 31, 2013. The staff of the city's finance department prepared this report pursuant to Minnesota Statute 471.697, Subdivision 1. The City of Mora is responsible for the accuracy, the completeness, and the fairness of this report. I believe the report is accurate in all material aspects. It is presented in a manner designed to fairly set forth the financial position and the results of operations of the city and Mora Municipal Utilities. The report includes all disclosures necessary to enable the reader to gain the maximum understanding of the city's financial condition.

The comprehensive annual financial report consists of three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the government's organizational chart, and a list of principal officials. The financial section includes the independent auditor's report, management's discussion and analysis, financial statements, and financial schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

For a discussion of the financial information, please refer to the management's discussion and analysis.

## General Information

The City of Mora is a municipal corporation, incorporated May 19, 1882. It operates as an optional Plan A statutory city (fourth class) under authority of Minnesota Statutes, Chapter 412. This option utilizes a strong council/weak mayor form of government. The city conducts bi-annual elections of a mayor and four council members to staggered four-year terms. The council and the public utilities commission hire a city administrator to handle the day-to-day affairs of the city. The administrator also serves as clerk-treasurer who is responsible for the city and utility accounting and financial reporting system.

Mora, the county seat of Kanabec County, is located approximately 65 miles north of Minneapolis and St. Paul at the intersection of Minnesota Highways No. 65 and 23. The city has a population of 3,571 according to the 2010 U.S. Census Department's report. The city covers an area of 4.31 square miles.

## Local Economy

In 2013 the local economy continued to show signs of both improvement and continued struggle.

Many construction jobs lost in recent years have slowly returned. Employment in the service and retail sectors is up. Unemployment at 9.75% in December 2013 is the lowest for that period in the last seven years.

There were no new homes started in 2013. First-year property tax delinquency continues to be lower than the ten-year average by about 1.5%. Tax capacity values declined by 10.6%, compared to a 12.1% decline in 2012.

Commercial Building Activity: Remodeling was begun on a vacant building formerly used as a grocery store for two retail stores



## Accounting System and Budgetary Control

This report, with its accompanying financial statements and statistical tables, was prepared in conformance with statement one, governmental accounting and financial reporting principles developed by the Governmental Accounting Standards Board.

Specific funds account for all financial transactions of the city. The city's accounting records are maintained on the accrual or the modified accrual basis, as appropriate. The notes to the financial statements (Note 1) present a summary of the significant accounting policies.

In developing and evaluating the city's accounting system, internal controls are evaluated. The city's internal accounting controls adequately safeguard the assets and provide proper recording of all financial transactions. Because of inherent limitations, no set of control procedures can absolutely assure that all issues, including fraud, have been eliminated or detected. Inherent limitations exist through the possibilities of faulty judgments, errors, circumvention, collusion, and management override.

Formal budgeting is used as a management control device for the General Fund, the debt service funds, and certain special revenue funds. Beginning in 1990, all cities, counties, and school districts in Minnesota were required to comply with a Truth In Taxation process in accordance with the 1989 Special Session Tax Bill. In 2009 and subsequent years, the TNT requirements allowed public input on the budget and levy to be taken during a regular city council meeting. The council formally accepted public input at its meeting on December 3, 2013.

## Reporting Entity and Its Services

This report contains the financial information relating to all funds and account groups of the City of Mora and its component units. The City of Mora provides a full range of municipal services including law enforcement, fire protection, building inspection, streets, storm water drainage, electricity, water, wastewater treatment, recreation, cemetery, liquor sales, municipal airport, public improvements, and general administrative services.

## General Government Functions (Form B)

The General Fund is used to account for all financial transactions not included in another fund. The General Fund includes expenditures for public safety, streets, culture, recreation, airport, and administration.

Table III of the statistical section of this report shows property tax levies and collections for the past ten years. Property tax levies were allocated as follows:

	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
General Fund	<b>\$319,051</b>	\$308,033	\$337,780	\$339,376	\$359,565
Debt Service Funds	<b>\$277,752</b>	\$289,098	\$244,007	\$242,411	\$222,222
Total Levy	<b>\$596,803</b>	\$597,131	\$581,787	\$581,787	\$581,787

## Special Revenue Funds (Forms C, D, E, F, G, H, I, and J)

### Cemetery Fund

Twenty percent of the price of a lot lease is transferred to a fund balance account designated for permanent care. Street department personnel and seasonal summer employees maintain the cemetery. Interments are performed by the street department employees.

### Economic Development Authority Fund

The Economic Development Authority, included as a component unit of the City of Mora, was established on March 3, 1992 and reconstituted in 2004. The EDA is governed by a board of seven commissioners who represent the city council, the public utilities commission, and the community. The fund accounts for revenues and expenditures related to EDA activities.

### Economic Development Revolving Loan Fund

The Economic Development Revolving Loan Fund was established in 1995 to account for a \$500,000 grant from the

MN Economic Recovery Grant program. The city loaned the \$500,000 to EPC for equipment and machinery purchases. The first \$100,000 of loan principal was repaid to the city in 2005. The repaid funds have been used to establish a revolving loan fund. The purpose of the revolving loan fund is to further economic development and to create jobs for low and moderate income persons.

#### Tax Increment Fund No. 2-2

TIF 2-2 was created to account for a TIF revenue note of \$772,000 issued February 2, 1998. These funds were reimbursed to Intrepid Development Corporation for eligible costs of site improvements on the former creamery site at Park Street and Forest Avenue. The note is payable solely from tax increments received from the fifty-five unit Park Forest Estates apartment building.

#### Tax Increment Fund No. 1-8

TIF 1-8 was established in 2001 to account for the tax increments from TIF District 1-8, Whispering Pines Apartments at 500 Maple Avenue. Ninety per cent of the increment is paid to the developer, Torborg Builders, on a \$154,107 pay-as-you-go note.

#### Tax Increment Fund No. 2-10

TIF 2-10 was established in 2003 for a clinic expansion project adjacent to Kanabec Hospital. The city began receiving tax increments in 2004. Ninety per cent of the increments were paid to the developer on a pay-as-you-go note. In 2011 the clinic became part of FirstLight Health System, a non-profit organization. Since no further increments would be available, TIF 2-10 was closed in 2012.

#### Tax Increment Fund No. 1-11

TIF 1-11 was established in 2006 for the demolition of an ice cream plant, site preparations for a Kanabec State Bank building, and frontage road construction. Through tax increments which began in 2009, the city and the bank are being reimbursed for allowable expenditures.

### Debt Service Funds

See Notes to the Financial Statements and Table 9, Ratios of Outstanding Debt by Type.

### Capital Projects Funds

The capital project funds have been established to account for the acquisition or construction of capital facilities other than facilities of enterprise funds.

#### Future Fire Equipment Fund

The Future Fire Equipment Fund is used to record the annual contributions from the city and the surrounding townships. The funds are invested until expenditures for capital items are authorized by the city council.

#### Future Improvement Fund

To reduce the need to incur debt, the city established the Future Improvement Fund in 1984. The council has set aside money for projects listed in capital improvement plans.

### Enterprise Funds (Forms N, O, P, and Q)

Enterprise funds are established for the North Country Bottle Shop and for the Electric, Water, and Wastewater Funds of Mora Municipal Utilities. These funds compile the pertinent financial information and show the profitability of each of these specific business-type activities.

### Debt Administration

In 2011, Moody's Investors Service assigned the city an A1 bond rating. Moody's cited stable financial operations with healthy reserves and willingness to reduce expenditures as rationale for the A1 rating. Under state law the general obligation debt is subject to a legal limitation as shown in the statistical section.

### Long-Term Financial Planning

The city council frequently updates the city's street reconstruction, capital improvement, and fire vehicle replacement plans. The city staff prepares a debt service fund payment schedule which shows the impact of financing on future debt service tax levies.

### Independent Audit

Minnesota statutes require an annual audit by the state auditor or an independent certified public accountant. The city selected the CPA firm of Althoff & Nordquist, LLC to complete the audit for 2013. The auditor's opinion is included in this report.

### Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Mora, Minnesota for its 2012 comprehensive annual financial report (CAFR). The certificate of achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a certificate of achievement, a governmental unit must publish an easily readable and efficiently organized CAFR whose content conforms to program standards. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

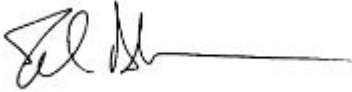
The City of Mora has received a certificate of achievement for twenty-seven consecutive years. We believe our current CAFR conforms to certificate of achievement program requirements, and we are submitting it to GFOA for certification.

### Acknowledgments

The finance department staff contributed significantly to this report. I wish to thank Carol Allman, Kelly Erickson, and Wendy Akkerman for their assistance and for their dedication to the City of Mora. I also thank the mayor, the city council members, and the public utilities commissioners for handling the financial operations of the city in a responsible and progressive manner.

Respectfully submitted,

CITY OF MORA

A handwritten signature in black ink, appearing to read 'Joel Dhein', followed by a long horizontal line extending to the right.

Joel Dhein  
City Administrator



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Mora  
Minnesota**

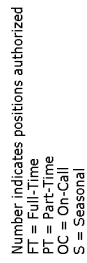
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2012**

Executive Director/CEO

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City of Mora, Kanabec County, Minnesota  
Organization  
December 31, 2013

Elected Officials

Greg Ardner.....Mayor  
Brandon Akkerman.....Council Member  
Robert Bollenbeck. ....Council Member  
Robert Jensen.....Council Member  
Alan Skramstad. ....Council Member

Appointed Officials

Joel Dhein.....City Administrator-  
Clerk/Treasurer  
Barb McFadden - Kanabec County .....City Attorney – Prosecution  
Joel Jamnik - Campbell Knutson P.A. ....City Attorney – Civil

Public Utilities Commission

George Baldwin.....Chair  
Dennis Schulz.....Commissioner  
Steve Ahlness .....Commissioner



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City of Mora, Minnesota  
FINANCIAL SECTION  
December 31, 2013

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# Althoff and Nordquist, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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MEMBERS  
AMERICAN INSTITUTE OF C.P.A.'S  
MINNESOTA SOCIETY OF C.P.A.'S

## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and  
Members of the City Council  
City of Mora, Minnesota

We have audited the accompanying financial statements of the governmental activities, the business - type activities, the aggregate discretely presented component units, each major fund, budgetary comparison information, and the aggregate remaining fund information of the City of Mora, Minnesota, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of The Housing and Redevelopment Authority of Mora (HRA), which represent 12.68 percent, 3.36 percent, and 13.21 percent, respectively, of the assets, net position, and revenues of the city as a whole. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for The Housing and Redevelopment Authority of Mora (HRA), is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.



## Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Mora, Minnesota, as of December 31, 2013, 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.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 19 through 30 and 46 through 47 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government 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 and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about methods of preparing the information and comparing the information for consistency with management's response to our inquires, 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 Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Mora, Minnesota's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and schedules and supplementary financial information, and statistical section are presented for purposes of additional analysis and are not a part of the basic financial statements.

The combining and individual nonmajor fund financial statements, and schedules and supplementary financial information are the responsibility of management and were derived from and related directly to the underlying accounting and other records used prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the 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 statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or provide any assurance on them.



Althoff & Nordquist, LLC  
Pine City, Minnesota  
June 27, 2014

City of Mora, Minnesota  
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED  
December 31, 2013

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City of Mora, Minnesota  
Management's Discussion and Analysis - Unaudited

We are providing readers with this narrative overview and analysis of the financial activities of the City of Mora for the fiscal year ended December 31, 2013. We encourage readers to use the information presented here in conjunction with the additional information contained in the city's letter of transmittal and in the financial statements.

### **Financial Highlights**

- \* At the close of the fiscal year, the assets of the City of Mora exceeded its liabilities by \$26,330,406 (net position). Of this amount, \$7,196,883 (unrestricted net assets) may be used to meet the city's ongoing obligations to citizens and creditors.
- \* The city's total net position increased by \$427,034 in 2013.
- \* At the close of the fiscal year, governmental fund balances totaled \$156,735.
- \* As of December 31, 2013, the unreserved fund balance of the General Fund was \$1,175,987. This amount was 58.1% of the General Fund's total expenditures in 2013.

### **Overview of the Financial Statements**

Management's Discussion and Analysis introduces the city's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The city also includes in this report additional information to supplement the basic financial statements.

### **Government-wide Financial Statements**

The city's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the city's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the Statement of Net Position. This is the city-wide statement of financial position presenting information that includes all of the city's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the city as a whole is improving or deteriorating. Evaluation of the overall economic health of the city would extend to other non-financial factors such as diversification of the taxpayer base or the condition of city infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities, which reports how the city's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the city's distinct activities or functions on revenues provided by the city's taxpayers.

Both government-wide financial statements distinctively report governmental activities of the city that are principally supported by taxes and intergovernmental revenues, such as grants, and business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, public services, culture and recreation. Business-type activities include electric utilities, water utilities, waste water utilities, and municipal liquor store.



City of Mora, Minnesota  
Management's Discussion and Analysis - Unaudited

**Fund Financial Statements**

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The city uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the city's most significant funds rather than the city as a whole. Major funds are separately reported while all others are combined into a single, aggregate presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

The city has two kinds of funds:

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the city's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources during the year and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to the government-wide statements to assist in understanding the differences between these two perspectives.

Budgetary comparison statements are included in the basic financial statements for the general fund and major debt service fund. Budgetary comparison schedules for other special revenue, capital project and debt service funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the city's adopted and final revised budget.

Proprietary funds are reported in the fund financial statements and generally report services for which the city charges customers a fee. There are two kinds of proprietary funds. These are enterprise funds and internal service funds. The city currently has only enterprise funds. Enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services, such as Water Utilities, are provided to customers external to the city organization.

*Notes to the financial statements*

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin immediately following the basic financial statements.

City of Mora, Minnesota  
Management's Discussion and Analysis - Unaudited

**Financial Analysis of the City as a Whole**

As year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the city as a whole.

The city's net position as of fiscal year-end were \$26,330,406. This was a \$427,034 increase over last year's net position of \$25,903,372. The following table provides a summary of the city's net position at December 31:

**Summary of Net Position**

	Governmental Activities		Business-Type Activities		Totals	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$ 527,842	\$ 2,788,528	\$ 8,917,486	\$ 8,045,335	\$ 9,445,328	\$ 10,833,863
Capital assets (net)	11,921,878	12,506,481	11,896,242	12,421,381	23,818,120	24,927,862
Total Assets	<u>12,449,720</u>	<u>15,295,009</u>	<u>20,813,728</u>	<u>20,466,716</u>	<u>33,263,448</u>	<u>35,761,725</u>
Other liabilities	621,616	2,973,125	2,164,426	2,235,308	2,786,042	5,208,433
Long-term liabilities	2,186,495	2,585,995	1,960,505	2,063,925	4,147,000	4,649,920
Total Liabilities	<u>2,808,111</u>	<u>5,559,120</u>	<u>4,124,931</u>	<u>4,299,233</u>	<u>6,933,042</u>	<u>9,858,353</u>
Net Position:						
Invested in capital assets,						
net of related debt	9,531,383	9,920,486	8,335,737	8,657,456	17,867,120	18,577,942
Restricted	605,912	1,123,326	660,481	664,161	1,266,393	1,787,487
Unrestricted	(495,686)	(1,307,923)	7,692,579	6,845,866	7,196,893	5,537,943
Total Net Position	<u>\$ 9,641,609</u>	<u>\$ 9,735,889</u>	<u>\$ 16,688,797</u>	<u>\$ 16,167,483</u>	<u>\$ 26,330,406</u>	<u>\$ 25,903,372</u>

The city reported positive balances in net position for both governmental and business-type activities. Net position decreased \$94,280 for governmental activities and increased by \$521,314 for business-type activities. The city's overall financial position improved during 2013 primarily due to the city keeping expenditures under control and successfully following the budget as much as possible.

City of Mora, Minnesota  
Management's Discussion and Analysis - Unaudited

**Financial Analysis of the City as a Whole (Continued)**

**Summary of Changes in Net Position**

	Governmental Activities		Business-type Activities	
	2013	2012	2013	2012
Revenues:				
Program revenues				
Charge for services	\$ 693,437	\$ 389,539	\$ 9,716,297	\$ 8,908,211
Operating grants and contributions	1,051,443	1,115,154	--	--
Capital grants and contributions	--	--	--	--
General revenues				
Property taxes	605,942	615,824	--	--
Tax increment	121,599	131,818	--	--
Investment earnings	82,746	73,077	109,317	840,280
Other revenue	266,877	117,114	--	--
Total Revenue	<u>2,822,044</u>	<u>2,442,526</u>	<u>9,825,614</u>	<u>9,748,491</u>
Program Expenses:				
General government	572,569	477,547	--	--
Public safety	1,053,971	531,449	--	--
Public works	853,953	864,140	--	--
Cemetery	50,104	46,395	--	--
Culture and recreation	261,623	262,476	--	--
Housing & ED	131,300	(482,493)	--	--
Capital projects	173,267	462,702	--	--
Miscellaneous	--	--	--	--
Interest on long-term debt	89,537	853,015	--	--
Liquor	--	--	2,542,384	2,598,991
Electric	--	--	5,177,296	5,147,945
Water	--	--	582,613	619,188
Wastewater	--	--	732,007	738,245
Total Expenses	<u>3,186,324</u>	<u>3,015,231</u>	<u>9,034,300</u>	<u>9,104,369</u>
Increase in net position before transfers	(364,280)	(572,705)	791,314	644,122
Miscellaneous	--	--	--	--
Transfers	270,000	270,000	(270,000)	(270,000)
<b>Change in net position</b>	(94,280)	(302,705)	521,314	374,122
Beginning net position	9,735,889	10,038,594	16,167,483	15,793,361
<b>Ending net position</b>	<u><u>\$ 9,641,609</u></u>	<u><u>\$ 9,735,889</u></u>	<u><u>\$ 16,688,797</u></u>	<u><u>\$ 16,167,483</u></u>

Totals	
2013	2012
\$ 10,409,734	\$ 9,297,750
1,051,443	1,115,154
--	--
--	--
--	--
605,942	615,824
121,599	131,818
192,063	913,357
266,877	117,114
12,647,658	12,191,017
25,295,316	24,382,034
1,053,971	531,449
853,953	864,140
50,104	46,395
261,623	262,476
131,300	(482,493)
173,267	462,702
--	--
89,537	853,015
2,542,384	2,598,991
5,177,296	5,147,945
582,613	619,188
732,007	738,245
12,220,624	12,119,600
23,868,679	23,761,653
1,426,637	620,381
--	--
427,034	71,417
--	--
26,330,406	25,903,372
\$ 26,330,406	\$ 25,903,372

City of Mora, Minnesota  
Management's Discussion and Analysis - Unaudited

**Financial Analysis of the City as a Whole (Continued)**

**Significant Changes in Total Net Position:**

The total net position for the governmental activities and the business-type activities did not change significantly in 2013.

**Budgetary Highlights and Changes in Fund Balance/Net Position for the General Fund:**

Significant budgetary variances between the final amended budgets and actual results are explained below:

General Fund

Revenues

- Intergovernmental revenue exceeded budgeted amounts by \$55,758 due in part by a \$15,171 increase in fire aid; a \$9,689 grant from the East Central Regional Arts Council for the Music In The Park program; and a grant in the amount of \$31,245 from the Minnesota Department of Transportation to assist with the replacement of an underground fuel tank at the airport.
- The original budget for charges for services was reduced by \$67,288 to move fire department revenue from the General Fund to the new Fire Fund. Actual activity exceeded budgeted amounts by \$10,827 due, in part, to an increase in electrical franchise fees of \$7,437; payments to the General Fund from the Electric Fund for the upkeep of the city garage in the amount of \$15,725; and a reduction of \$2,970 in fees and concessions from the aquatic center.
- Investments earnings were down by \$6,181 from budget due to market conditions.
- Miscellaneous revenues exceeded budgeted amounts by \$49,499 due primarily to a one-time conduit financing fee of \$50,156.

Expenditures

- General expenditures were under budgeted amounts by \$102,560 due to payment from Fire Fund for assets to set-up new account \$30,078; fire aid not paid from this department, but from the fire department (see below) in the amount of \$40,000; insurance refunds, reductions and dividends of \$12,831. The budget was amended by \$24,913 to allow a transfer to the Future Fire Fund for the city's share of future capital outlay for the fire department.
- Personnel expenditures were \$16,564 lower than budgeted due to reductions in health insurance of \$4,347 and professional services of \$10,306 among others.
- Most fire department financial activities were transferred to a new Fire Fund except for the payment of the city's share of the operations of the department and the fire relief pension received from the state which continues to come from the Fire Department in the General Fund. The city's contribution toward future capital outlay comes from the General Department in the General Fund.

City of Mora, Minnesota  
Management's Discussion and Analysis - Unaudited

**Financial Analysis of the City as a Whole (Continued)**

**Budgetary Highlights and Changes in Fund Balance/Net Position for the General Fund: (Continued)**

General Fund (continued)

Expenditures (continued)

- Street savings of \$79,254 were due, in part, to savings in wages & benefits of \$28,242; street maintenance materials of \$11,232; and miscellaneous expenses of \$12,215. The original budget was amended to provide an additional \$11,000 for a new outdoor warning siren, and to reduce street maintenance materials by \$37,000 and transfer those funds to the Future Improvement Fund for seal coating in the following year.
- Aquatic center expenditures were \$19,318 below budget due primarily to reductions in wages & benefits of \$7,655 and repair & maintenance of \$9,061.
- Airport expenditures exceeded budgeted amounts due to the replacement of an underground fuel tank. This shortfall was reduced by a \$31,245 grant from the Minnesota Department of Transportation.

As a result of these budget variances and numerous less significant variances, the General Fund actual revenues varied from the amended budget by \$115,778 and expenditures varied by \$104,508. The fund balance increased by \$61,924.

City of Mora, Minnesota  
Management's Discussion and Analysis - Unaudited

**Capital Assets and Debt Administration**

*Capital Assets.* As of December 31, 2013, the city had invested \$23,818,118 in capital assets, including buildings, facilities, vehicles, and equipment. This amount represents a net increase prior to depreciation of \$247,080 from last year. Total depreciation expense for the year was \$1,134,150. The following table provides a summary of the city's capital assets for the year ended:

	<b>Capital Assets</b>			
	<b>Net of Accumulated Depreciation</b>			
	Governmental Activities		Business-type Activities	
	2013	2012	2013	2012
Non-Depreciable Assets:				
Land	\$ 1,529,679	\$ 1,529,679	\$ 380,443	\$ 356,036
Construction in progress	--	--	--	--
Depreciable Assets:				
Buildings	2,203,699	2,266,934	2,468,304	2,591,147
Infrastructure	4,149,880	4,334,130	--	--
Improvements	3,224,309	3,383,007	6,552,848	6,888,634
Machinery, equipment, vehicles	814,311	992,731	2,494,645	2,585,563
Total	<u>\$ 11,921,878</u>	<u>\$ 12,506,481</u>	<u>\$ 11,896,240</u>	<u>\$ 12,421,380</u>

For further information, please refer to Note 3: D Capital Assets, pages 70-71.

*Debt administration.* At year end, the city had \$4,351,000 in general obligation bonds and other long-term debt outstanding, of which \$309,000 is due within one year. The following table presents a summary of the city's outstanding long-term debt for the year ended.

	<b>Outstanding Bonds</b>			
	Governmental Activities		Business-type Activities	
	2013	2012	2013	2012
General obligation bonds	\$ 2,390,495	\$ 2,585,995	\$ --	\$ --
Revenue bonds	--	--	1,960,505	2,063,925
Total	<u>\$ 2,390,495</u>	<u>\$ 2,585,995</u>	<u>\$ 1,960,505</u>	<u>\$ 2,063,925</u>

For further information please refer to Note 3: F Long-term Debt, pages 74-76.

Totals	
2013	2012
\$ 1,910,122	\$ 1,885,715
--	--
4,672,003	4,858,081
4,149,880	4,334,130
9,777,157	10,271,641
3,308,956	3,578,294
<u>\$ 23,818,118</u>	<u>\$ 24,927,861</u>

Total	
2013	2012
2,390,495	2,585,995
1,960,505	2,063,925
<u>\$ 4,351,000</u>	<u>\$ 4,649,920</u>



City of Mora, Minnesota  
Management's Discussion and Analysis - Unaudited

**Capital Assets and Debt Administration (Continued)**

The City of Mora maintains an A1 bond rating from Moody's Investors Services.

**Factors Bearing on the City's Future**

City Council

- Three new council members were sworn in at the first meeting of the year. Brandon Akkerman, Robert Jensen, and Alan Skramstad. Jensen had previously served on the city council for eleven years.
- A public hearing on the proposed improvements to the wastewater treatment facility was held in February. The city council and public utility commission approved a facility plan calling for \$8.2 million in improvements. The plan was submitted to the MN PCA for review and approval.
- The city council and public utility commission reviewed a proposed 10 year capital improvement program calling for over \$25 million in expenditures. No formal action was taken.
- Two employees took advantage of the city's early retirement program. Street Maintenance Worker Darris Loose retired in March and City Clerk/Treasurer Mason Hjelle retired as of September 30th. Neither employee was replaced in budget reduction measure.
- The city sold two lots in the Eastway Addition for commercial purposes one to Gorham-Oien Mechanical and one to Federated Co-ops.
- The 12,000 gallon 100 low lead aviation fuel tank was replaced due to cathodic protection failure with a 6,000 gallon tank.
- Fire Chief Michael Anderson resigned his position. Assistant Fire Chief Joe Heggernes was subsequently appointed to fill the balance of Chief Anderson's term. The assistant chief's position remained unfilled for the balance of the year.
- The city issued \$5,100,000 in private activity revenue bonds for Living Solutions Foundation. The funds were used to refinance a previous issue in order to take advantage of favorable interest rates.
- Council Member Denise Akkerman resigned effective June 1<sup>st</sup>. Robert Bollenbeck, who had previously served two years on the city council, was subsequently appointed to complete the balance of her term ending December 31, 2014.
- The city replaced one aged outdoor warning siren and upgraded a newer siren to accommodate a new radio frequency.
- An additional 68 grave sites were platted in Oakwood Cemetery.
- One of two water heaters at the Mora Aquatic Center failed. Repairs were made that carried it through the season. Both heaters need replacement in the next few years at a cost of approximately \$30,000 each.
- The Highway 65 street lighting project was completed. The Minnesota Department of Transportation provided the majority of the funding to replace 38 poles and fixtures and transferred responsibility for the entire system to the city.

City of Mora, Minnesota  
Management's Discussion and Analysis - Unaudited

**Factors Bearing on the City's Future (continued)**

City Council (continued)

- The city council authorized the use of eminent domain for the acquisition of approximately nine acres from Greg and Debra Yankowiak for the proposed crosswind runway at the airport.
- A receptionist-clerk position was created to assist with the reassignment of duties at city hall due to the retirement of the city clerk/treasurer. That position was filled in November by Kathleen McLain-Gall.
- The city and utilities each settled their labor agreements with AFSCME. Over the three year term of the agreements employees will receive a 4.5% wage increase.
- The position of city clerk/treasurer was combined with the position of city administrator.
- The city council adopted a budget and tax levy for 2014. The 2014 budget is 5.0% more than the 2013 budget. The tax levy decreased 1.7% while the tax rate increased 2.5% due to falling property values.

Public Utilities Commission

- Commissioner Ahlness was reappointed for another three-year term.
- The commission began discussions with East Central Energy regarding service territories.
- Replacement of water and electric meters to automatic meter reading meters continued throughout 2013.
- A public hearing on the proposed improvements to the wastewater treatment facility was held in February. The city council and public utility commission approved a facility plan calling for \$8.2 million in improvements. The plan was submitted to the MN PCA for review and approval.
- The city council and public utility commission reviewed a proposed 10 year capital improvement program calling for over \$25 million in expenditures. No formal action was taken.
- The commission offered to include Ogilvie in its wastewater treatment facility upgrades to meet their needs. The offer was subsequently rejected.
- The commission hired a consultant to prepare an application for a Small Cities Development Program grant to assist with financing of the wastewater treatment facility upgrades. The potential \$600,000 grant application would be made in 2014 with funds available, if approved, in 2015.
- The Wellhead Protection Plan work continued throughout 2013.
- A few electric customers were found to be under billed due to meter set-up mistakes. Subsequently they were billed for the errors under a new policy on the adjustment of utility bills.
- The commission approved a one-year lease on a portion of the power plant to the Mora Economic Development Authority for a tele-work center.

City of Mora, Minnesota  
Management's Discussion and Analysis - Unaudited

**Factors Bearing on the City's Future (continued)**

Public Utilities Commission (continued)

- The city and utilities each settled their labor agreements with AFSCME. Over the three year term of the agreements employees will receive a 4.5% wage increase.
- The commission adopted a budget and rate schedule for 2014. The 2014 budget is 1.1% more than the 2013 budget. Electric rates did not increase; water and sewer rates increased 5% each.
- The president of the commission and commissioners received raises of 50% and 60% respectively effective January 1, 2014. This was the first raise since 1998.

Economic Development Authority

- Karen Amundson was appointed to a six-year term. Council Member Robert Jensen was appointed to a one-year term on the board.
- The authority's by-laws were amended to appoint the incumbent county commissioner representing Mora as a non-voting ex-officio member of the board.
- The authority sponsored the Mora Area Farmers' Market for its third season.
- Lenny Bong and Roger Rinerson resigned their position on the board. Subsequently Lonnie Ness and Jack L'Heureux were appointed to complete the balance of the terms of the vacated positions.
- The authority continued to support the Kanabec Broad Band Initiative in their efforts to bring high-speed internet access to the entire county.
- The authority agreed to sponsor the development of a tele-work center supported by a grant from the Blandin Foundation.
- Kanabec County created a, economic development advisory committee. Discussions were held on how the authority could cooperate with this body.
- The authority participated, along with the Mora Housing & Redevelopment Authority, in a comprehensive housing needs analysis.
- The authority adopted a budget for 2014. The 2014 budget is 3.0% more than the 2013 budget.

**Contacting the City's Financial Management**

This financial report is designed to provide a general overview of the City of Mora finances. Individuals or firms with questions about this report should direct inquiries to the Office of the City Administrator-Clerk/Treasurer, 101 Lake Street South, Mora, MN 55051.

**CITY OF MORA, MINNESOTA**  
**BASIC FINANCIAL STATEMENTS**  
December 31, 2013

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City of Mora, Minnesota  
Statement of Net Position  
December 31, 2013

	Governmental Activities	Business - Type Activities	2013 Total	Component Units	
				EDA	HRA
<b>ASSETS</b>					
Cash and investments	\$ 330,203	\$ 5,096,300	\$ 5,426,503	\$ 20,773	\$ 340,994
Due from other governments	13,198	--	13,198	--	--
Accounts receivable	70,260	906,154	976,414	333	79,973
Inventory	--	561,442	561,442	--	--
Loan/note receivable	34,387	1,600,000	1,634,387	--	--
Prepaid items	42,050	39,415	81,465	66	19,475
Special assessments	--	53,694	53,694	--	--
Restricted Assets:					
Temporary restricted:					
Cash and investments	37,744	660,481	698,225	--	361,080
Other assets	--	--	--	--	93,165
Capital assets, (net of accumulated depreciation)					
Land/CIP	1,529,679	380,445	1,910,124	--	--
Building, machinery, equipment	10,392,199	11,515,797	21,907,996	--	4,292,353
Total assets	<u>\$ 12,449,720</u>	<u>\$ 20,813,728</u>	<u>\$ 33,263,448</u>	<u>\$ 21,172</u>	<u>\$ 5,187,040</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 299,349	\$ 368,123	\$ 667,472	\$ --	\$ 77,200
Other payables	32,221	104,500	136,721	2,874	89,657
Accrued interest	85,546	--	85,546	--	--
Loan payable - Electric Fund	--	1,600,000	1,600,000	--	--
Customer meter deposits	500	49,840	50,340	--	--
Unearned revenue	--	41,963	41,963	--	--
Noncurrent liabilities:					
Due within one year	204,000	105,000	309,000	--	47,329
Due in more than one year	2,186,495	1,855,505	4,042,000	--	4,056,686
Total liabilities	<u>\$ 2,808,111</u>	<u>\$ 4,124,931</u>	<u>\$ 6,933,042</u>	<u>\$ 2,874</u>	<u>\$ 4,270,872</u>
<b>NET POSITION</b>					
Invested in capital assets, net of selected debt	\$ 9,531,383	\$ 8,335,737	\$ 17,867,120	\$ --	\$ 188,338
Restricted for:					
Debt service	380,947	--	380,947	--	--
Special revenue	224,975	--	224,975	--	361,080
Future operations:					
Liquor	--	--	--	--	--
Electric Utility	--	623,803	623,803	--	--
Water Utility	--	36,678	36,678	--	--
Waste Water Utility	--	--	--	--	--
Unrestricted:					
Unrestricted	(495,696)	7,692,579	7,196,883	18,298	366,750
Total net position	<u>\$ 9,641,609</u>	<u>\$ 16,688,797</u>	<u>\$ 26,330,406</u>	<u>\$ 18,298</u>	<u>\$ 916,168</u>

See notes to financial statements.

City of Mora, Minnesota  
Statement of Activities  
For the Year Ended December 31, 2013

Functions/Programs	Expenses	Charges for Services	Program Revenues	
			Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ (572,569)	\$ 434,079	\$ 746,621	\$ --
Public safety	(1,053,981)	45,266	198,829	--
Public works	(853,953)	62,077	96,104	--
Cemetery	(50,104)	39,500	--	--
Culture and recreation	(261,623)	112,515	9,889	--
Housing & economic development	(131,300)	--	--	--
Capital projects	(173,267)	--	--	--
Interest on long-term debt	(89,537)	--	--	--
Total governmental activities	<u>(3,186,334)</u>	<u>693,437</u>	<u>1,051,443</u>	<u>--</u>
Business - type - activities:				
Liquor	(2,542,384)	2,805,744	--	--
Electric	(5,177,296)	5,416,970	--	--
Water	(582,613)	581,412	--	--
Wastewater	(732,007)	912,171	--	--
Total business - type activities	<u>(9,034,300)</u>	<u>9,716,297</u>	<u>--</u>	<u>--</u>
Total Primary Government	<u><u>\$ (12,220,634)</u></u>	<u><u>\$ 10,409,734</u></u>	<u><u>\$ 1,051,443</u></u>	<u><u>\$ --</u></u>
Component Units				
Economic Development Authority	(56,010)	--	42,836	--
Housing and Redevelopment Authority	(2,017,574)	884,188	503,617	13,576
Total Component Units	<u><u>\$ (56,010)</u></u>	<u><u>--</u></u>	<u><u>42,836</u></u>	<u><u>--</u></u>
General revenues and expenses:				
Property taxes				
Tax increment				
Unrestricted investments earnings				
Gain on sale of capital assets				
Miscellaneous				
Transfers				
Total general revenues, expenses and transfers				
Changes in net position				
Net position - beginning				
Net position - ending				

See notes to financial statements.

Net (Expenses) Revenues and Changes in Net Position				
Governmental Activities	Business - Type Activities	Total	Component Units	
			EDA	HRA
\$ 608,131	\$ --	\$ 608,131	\$ --	\$ --
(809,886)	--	(809,886)	--	--
(695,772)	--	(695,772)	--	--
(10,604)	--	(10,604)	--	--
(139,219)	--	(139,219)	--	--
(131,300)	--	(131,300)	--	--
(173,267)	--	(173,267)	--	--
(89,537)	--	(89,537)	--	--
<u>(1,441,454)</u>	<u>--</u>	<u>(1,441,454)</u>	<u>--</u>	<u>--</u>
--	263,360	263,360	--	--
--	239,674	239,674	--	--
--	(1,201)	(1,201)	--	--
<u>--</u>	<u>180,164</u>	<u>180,164</u>	<u>--</u>	<u>--</u>
<u>--</u>	<u>681,997</u>	<u>681,997</u>	<u>--</u>	<u>--</u>
<u>(1,441,454)</u>	<u>681,997</u>	<u>(759,457)</u>	<u>--</u>	<u>--</u>
--	--	--	(13,174)	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(616,193)</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>(13,174)</u>	<u>(616,193)</u>
605,942	--	605,942	--	--
121,599	--	121,599	--	--
82,746	109,317	192,063	(220)	1,095
780	--	780	--	--
266,107	--	266,107	1,645	528,548
<u>270,000</u>	<u>(270,000)</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>1,347,174</u>	<u>(160,683)</u>	<u>1,186,491</u>	<u>1,425</u>	<u>529,643</u>
(94,280)	521,314	427,034	(11,749)	(86,550)
9,735,889	16,167,483	25,903,372	30,047	1,002,718
<u>\$ 9,641,609</u>	<u>\$ 16,688,797</u>	<u>\$ 26,330,406</u>	<u>\$ 18,298</u>	<u>\$ 916,168</u>



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CITY OF MORA, MINNESOTA  
FUND FINANCIAL STATEMENTS  
December 31, 2013

City of Mora, Minnesota  
Governmental Funds  
Balance Sheet  
December 31, 2013

	General Fund	525 Fire Station 2003	529 Airport Eastside 2007	531 HRA Eastwood
<b>ASSETS</b>				
Cash and investments	\$ 330,203	\$ --	\$ --	\$ --
Taxes receivable - delinquent	38,425	5,428	4,839	--
Accounts receivable	51,731	--	--	2,355
Special assessment receivables -				
Delinquent	--	--	--	--
Deferred	3,048	--	152,760	--
Due from other governmental units	--	--	--	--
Due from other funds	788,939	245,883	134,265	302,550
Note receivable	--	--	--	--
Prepaid insurance	31,684	--	--	--
Cash restricted	--	--	--	--
Total assets	<u>\$ 1,244,030</u>	<u>\$ 251,311</u>	<u>\$ 291,864</u>	<u>\$ 304,905</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Due to other funds	\$ --	\$ --	\$ --	\$ --
Accounts payable	--	--	--	299,349
Other payables	32,231	--	--	--
Deposits from developers	500	--	--	--
Unearned revenues	35,312	4,812	276,873	--
Total liabilities	<u>68,043</u>	<u>4,812</u>	<u>276,873</u>	<u>299,349</u>
Fund Balances:				
Nonspendable	31,684	--	--	--
Restricted	--	--	--	--
Committed	--	--	--	--
Assigned	--	246,499	14,991	5,556
Unassigned	1,144,303	--	--	--
Total fund balances	<u>1,175,987</u>	<u>246,499</u>	<u>14,991</u>	<u>5,556</u>
Total liabilities and fund balances	<u>\$ 1,244,030</u>	<u>\$ 251,311</u>	<u>\$ 291,864</u>	<u>\$ 304,905</u>

See notes to financial statements.

NonMajor Governmental Funds	Total Governmental Funds
\$ --	\$ 330,203
13,257	61,949
16,174	70,260
296,550	296,550
--	155,808
13,198	13,198
976,486	2,448,123
34,387	34,387
10,366	42,050
37,744	37,744
<u>\$ 1,398,162</u>	<u>\$ 3,490,272</u>

\$ 2,448,123	2,448,123
--	299,349
--	32,231
--	500
<u>236,337</u>	<u>553,334</u>
<u>2,684,460</u>	<u>3,333,537</u>

10,366	42,050
380,947	380,947
--	--
37,744	304,790
<u>(1,715,355)</u>	<u>(571,052)</u>
<u>(1,286,298)</u>	<u>156,735</u>
<u>\$ 1,398,162</u>	<u>\$ 3,490,272</u>

City of Mora, Minnesota  
Reconciliation of Net Position in the  
Government-wide Financial Statements and Fund Balances  
in the Fund Basis Financial Statements  
December 31, 2013

Amounts reported for governmental activities in the statement of net position are different because:

	2013	2012
Total governmental fund balances	\$ 156,735	\$ (70,909)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Governmental capital assets	21,806,956	21,806,956
Less: accumulated depreciation	(9,885,078)	(9,300,475)
	<u>11,921,878</u>	<u>12,506,481</u>
Other long-term assets are not available to pay for current - personal expenditures and, therefore, are deferred with funds.		
Delinquent property taxes	(61,949)	(63,535)
Deferred special assessments	(452,358)	(513,223)
Deferred revenues	553,344	554,922
Interest on long-term debt is not accrued in governmental funds but rather recognized as an expenditure when due	(85,546)	(91,852)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds payable	(2,390,495)	(2,585,995)
Net position of governmental activities (page 33)	<u>\$ 9,641,609</u>	<u>\$ 9,735,889</u>

See notes to financial statements.

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City of Mora, Minnesota  
Governmental Funds  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended December 31, 2013

	General Fund	525 Fire Station 2003	529 Airport Eastside 2007	531 HRA Eastwood
<b>REVENUES</b>				
Property taxes	\$ 328,543	\$ 58,517	\$ 60,493	\$ --
Tax increments	3,012	--	--	--
Licenses and permits	40,788	--	--	--
Special assessments	--	--	(93,983)	--
Intergovernmental	846,762	44,502	--	--
Charges for services	572,123	--	--	--
Fines	23,208	--	--	--
Investment earnings	13,819	--	(194)	1,131
Sale of assets	780	--	--	--
Miscellaneous	58,899	--	--	--
Total revenues	<u>1,887,934</u>	<u>103,019</u>	<u>(33,684)</u>	<u>1,131</u>
<b>EXPENDITURES</b>				
Current:				
General government	439,181	--	--	--
Public safety	737,615	--	--	--
Public works	445,402	--	--	--
Cemetery	--	--	--	--
Culture and recreation	244,085	--	--	--
Housing and economic development	--	--	--	--
Capital projects	--	--	--	--
Miscellaneous	159,185	--	--	--
Debt Service:				
Principal	--	--	45,500	--
Interest and other charges	--	--	33,772	--
Total expenditures	<u>2,025,468</u>	<u>--</u>	<u>79,272</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	(137,534)	103,019	(112,956)	1,131
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of long-term debt	--	--	--	--
Miscellaneous income (expense)	--	--	--	--
Transfers in	327,521	--	--	--
Transfers out	(128,063)	--	--	--
Total other financing sources (uses)	<u>199,458</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	61,924	103,019	(112,956)	1,131
Fund balances - beginning	1,114,063	143,480	127,947	4,425
Fund balances - ending	<u>\$ 1,175,987</u>	<u>\$ 246,499</u>	<u>\$ 14,991</u>	<u>\$ 5,556</u>

See notes to financial statements.

Other Governmental Funds	Total Governmental Funds
\$ 158,389	\$ 605,942
118,587	121,599
--	40,788
81,044	(12,939)
160,179	1,051,443
121,314	693,437
--	23,208
23,490	38,246
--	780
156,151	215,050
<u>819,154</u>	<u>2,777,554</u>
--	439,181
205,291	942,906
5,175	450,577
44,258	44,258
--	244,085
119,608	119,608
173,267	173,267
--	159,185
150,000	195,500
62,071	95,843
<u>759,670</u>	<u>2,864,410</u>
59,484	(86,856)
44,500	44,500
--	--
161,754	489,275
(91,212)	(219,275)
<u>115,042</u>	<u>314,500</u>
174,526	227,644
(1,460,824)	(70,909)
<u>\$ (1,286,298)</u>	<u>\$ 156,735</u>



City of Mora, Minnesota  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances  
 of Governmental Funds to the Statement of Activities  
 For the Year Ended December 31, 2013

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

	2013	2012
Net changes in fund balances - total governmental funds	\$ 227,644	\$ (892,738)

Governmental funds report capital outlays as expenditures.

However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period (for additional information see Note 3D of the Notes to Financial Statements, page 70).

Capital Outlays	--	516,606
Depreciation Expense	(584,603)	(584,603)
	<u>(584,603)</u>	<u>(67,997)</u>
Other miscellaneous items	60,873	(290,250)
Change in accrued interest payable	6,306	37,780
Long-term debt payments for current year	<u>195,500</u>	<u>910,500</u>
Changes in net position of governmental activities (page 34)	<u>\$ (94,280)</u>	<u>\$ (302,705)</u>

See notes to financial statements.

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City of Mora, Minnesota  
General Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final	Amounts	
<b>REVENUES</b>				
Property taxes	\$ 327,351	\$ 327,351	\$ 331,555	\$ 4,204
Licenses and permits	43,105	43,105	40,788	(2,317)
Intergovernmental	791,004	791,004	846,762	55,758
Charges for services	628,584	561,296	572,123	10,827
Fines	20,000	20,000	23,208	3,208
Investment earnings	20,000	20,000	13,819	(6,181)
Sale of assets	--	--	780	780
Miscellaneous	9,400	9,400	58,899	49,499
Total revenues	<u>1,839,444</u>	<u>1,772,156</u>	<u>1,887,934</u>	<u>115,778</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
General	114,472	139,385	36,825	102,560
Council	31,363	31,363	31,305	58
City administrator	91,782	91,782	89,958	1,824
Elections	--	--	--	--
Finance director	111,984	111,984	112,936	(952)
Attorney	34,455	34,455	29,860	4,595
Personnel	41,707	41,707	25,143	16,564
Planning and zoning	58,385	58,385	57,306	1,079
City hall building	18,731	18,731	23,047	(4,316)
Library building	33,117	33,117	32,801	316
Total general government	<u>535,996</u>	<u>560,909</u>	<u>439,181</u>	<u>121,728</u>
Public safety:				
Building inspection	74,039	74,039	72,690	1,349
Police protection	602,299	602,299	593,777	8,522
Fire protection	149,591	--	71,148	(71,148)
Total public safety	<u>825,929</u>	<u>676,338</u>	<u>737,615</u>	<u>(61,277)</u>
Public works:				
Street department	478,985	489,985	410,731	79,254
Street lighting	26,000	26,000	34,671	(8,671)
Total public works	<u>504,985</u>	<u>515,985</u>	<u>445,402</u>	<u>70,583</u>
Culture and recreation:				
Swimming pool	191,318	191,318	172,000	19,318
Park areas	70,045	70,045	72,085	(2,040)
Total Culture and recreation	<u>261,363</u>	<u>261,363</u>	<u>244,085</u>	<u>17,278</u>

City of Mora, Minnesota  
General Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Miscellaneous:				
Forestry and nursery	--	--	--	--
Shade tree program	--	--	--	--
Airport	115,381	115,381	159,185	(43,804)
Loan Pine Community Center	--	--	--	--
Unallocated operating expenses	--	--	--	--
Total Miscellaneous	<u>115,381</u>	<u>115,381</u>	<u>159,185</u>	<u>(43,804)</u>
Total expenditures	<u>2,243,654</u>	<u>2,129,976</u>	<u>2,025,468</u>	<u>104,508</u>
Excess (deficiency) of revenues over (under) expenditures	(404,210)	(357,820)	(137,534)	220,286
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ 357,870	\$ 357,870	\$ 327,521	\$ (30,349)
Transfers out	--	--	(128,063)	(128,063)
Total other financing sources (uses)	<u>357,870</u>	<u>357,870</u>	<u>199,458</u>	<u>(158,412)</u>
Net change in fund balances	(46,340)	50	61,924	61,874
Fund balances - beginning	<u>1,114,063</u>	<u>1,114,063</u>	<u>1,114,063</u>	<u>--</u>
Fund balances - ending	<u>\$ 1,067,723</u>	<u>\$ 1,114,113</u>	<u>\$ 1,175,987</u>	<u>\$ 61,874</u>

See notes to financial statements.

City of Mora, Minnesota  
Proprietary Funds  
Statement of Net Position  
December 31, 2013

	Business - Type Activities - Enterprise Funds		
	Municipal Liquor Fund	Electric Utility Fund	Water Utility Fund
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 206,274	\$ 4,030,509	\$ 314,228
Interest receivable	--	--	--
Accounts receivable	15,882	670,811	84,613
Due from other funds	--	1,600,000	--
Inventory	382,406	141,115	37,921
Prepaid items	9,584	16,280	3,169
Special assessments	--	29,189	5,636
Total current assets	<u>614,146</u>	<u>6,487,904</u>	<u>445,567</u>
Noncurrent assets:			
Restricted cash and investments	--	623,803	36,678
Total restricted assets	<u>--</u>	<u>623,803</u>	<u>36,678</u>
Capital assets:			
Plant in service	1,803,634	5,133,182	6,883,800
Less: accumulated depreciation	<u>(212,866)</u>	<u>(2,972,279)</u>	<u>(2,189,192)</u>
Total Capital assets (net of accumulated depreciation)	<u>1,590,768</u>	<u>2,160,903</u>	<u>4,694,608</u>
Total noncurrent assets	<u>1,590,768</u>	<u>2,784,706</u>	<u>4,731,286</u>
Total assets	<u>\$ 2,204,914</u>	<u>\$ 9,272,610</u>	<u>\$ 5,176,853</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	--	343,536	16,209
Accrued payables	38,493	33,470	16,607
Due to other funds	1,600,000	--	--
Revenue bonds payable	--	--	97,185
Total current liabilities	<u>1,638,493</u>	<u>377,006</u>	<u>130,001</u>
Noncurrent liabilities:			
Customer meter deposits	--	49,840	--
Revenue bonds payable	--	--	1,590,057
Unearned revenue	--	--	10,566
Total noncurrent liabilities	<u>--</u>	<u>49,840</u>	<u>1,600,623</u>
Total liabilities	<u>\$ 1,638,493</u>	<u>\$ 426,846</u>	<u>\$ 1,730,624</u>
<b>NET POSITION</b>			
Invested in capital assets, net of related debt	\$ (9,232)	\$ 2,160,903	\$ 3,007,366
Restricted:			
Future operations	--	623,803	36,678
Non spendable	391,990	157,395	41,090
Unrestricted:			
Unreserved	<u>183,663</u>	<u>5,903,663</u>	<u>361,095</u>
Total net position	<u>\$ 566,421</u>	<u>\$ 8,845,764</u>	<u>\$ 3,446,229</u>

Wastewater Utility Fund	Total
\$ 545,289	\$ 5,096,300
--	--
134,848	906,154
--	1,600,000
--	561,442
10,382	39,415
18,869	53,694
<u>709,388</u>	<u>8,257,005</u>
--	660,481
<u>--</u>	<u>660,481</u>
6,758,611	20,579,227
(3,308,648)	(8,682,985)
<u>3,449,963</u>	<u>11,896,242</u>
<u>3,449,963</u>	<u>12,556,723</u>
<u>\$ 4,159,351</u>	<u>\$ 20,813,728</u>
\$ 8,378	\$ 368,123
15,930	104,500
--	1,600,000
16,815	114,000
<u>41,123</u>	<u>2,186,623</u>
--	49,840
256,448	1,846,505
31,397	41,963
<u>287,845</u>	<u>1,938,308</u>
<u>\$ 328,968</u>	<u>\$ 4,124,931</u>
\$ 3,176,700	\$ 8,335,737
--	660,481
10,382	600,857
643,301	7,091,722
<u>\$ 3,830,383</u>	<u>\$ 16,688,797</u>

City of Mora, Minnesota  
Proprietary Funds  
Statement of Revenues, Expenses, and Changes in Fund Net Assets  
For the Year Ended December 31, 2013

	Business- Type Activities - Enterprise Funds		
	Municipal Liquor Fund	Electric Utility Fund	Water Utility Fund
Operating revenues:			
Sales and charges for services	\$ 2,801,512	\$ 4,947,615	\$ 564,263
Less cost of goods sold	(2,042,479)	(4,207,563)	--
Miscellaneous	4,232	469,355	17,149
Total operating revenues	<u>763,265</u>	<u>1,209,407</u>	<u>581,412</u>
Operating expenses:			
Employee service	245,707	337,349	179,361
Supplies	27,106	11,582	25,349
Other service charges	167,985	469,703	92,949
Depreciation	59,107	151,099	284,954
Total operating expenses	<u>499,905</u>	<u>969,733</u>	<u>582,613</u>
Operating income	<u>263,360</u>	<u>239,674</u>	<u>(1,201)</u>
Nonoperating revenues (expenses):			
Interest earnings	<u>3,225</u>	<u>90,525</u>	<u>4,525</u>
Total nonoperating revenues (expenses)	<u>3,225</u>	<u>90,525</u>	<u>4,525</u>
Income (loss) before transfers	<u>266,585</u>	<u>330,199</u>	<u>3,324</u>
Transfers in	--	--	--
Transfers out	<u>(270,000)</u>	<u>--</u>	<u>--</u>
Changes in net position	<u>(3,415)</u>	<u>330,199</u>	<u>3,324</u>
Total net position - beginning	<u>569,836</u>	<u>8,515,565</u>	<u>3,442,905</u>
Total net position - ending	<u>\$ 566,421</u>	<u>\$ 8,845,764</u>	<u>\$ 3,446,229</u>

See notes to financial statements.

Wastewater Utility Fund	Total
\$ 777,347	\$ 9,090,737
--	(6,250,042)
134,824	625,560
912,171	3,466,255
247,283	1,009,700
84,292	148,329
123,373	854,010
277,059	772,219
732,007	2,784,258
180,164	681,997
11,042	109,317
11,042	109,317
191,206	791,314
--	--
--	(270,000)
191,206	521,314
3,639,177	16,167,483
\$ 3,830,383	\$ 16,688,797



City of Mora Minnesota  
Proprietary Funds  
Statement of Cash Flows  
For the Year Ended December 31, 2013

	Business - Type Activities - Enterprise Funds		
	Municipal Liquor Fund	Electric Utility Fund	Water Utility Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from customers	\$ 2,781,442	\$ 5,444,527	\$ 544,519
Cash payments for interest expense	(55,250)	(174)	(39,709)
Cash payments to suppliers	(2,282,961)	(4,664,053)	(78,089)
Cash payments to employees	(245,707)	(337,349)	(179,361)
Net cash provided by operating activities	<u>197,524</u>	<u>442,951</u>	<u>247,360</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING:</b>			
Transfers in (out)	(270,000)	--	--
Net cash provided by (used in) negotiated activities	<u>(270,000)</u>	<u>--</u>	<u>--</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Bond principal payments	--	--	(87,446)
Acquisition of capital assets	--	(73,404)	(69,141)
Proceeds from sale of capital assets	--	--	--
Net cash provided (used in) capital and related financing activities	<u>--</u>	<u>(73,404)</u>	<u>(156,587)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest income	<u>3,225</u>	<u>90,525</u>	<u>4,525</u>
Net increase (decrease) in cash and cash equivalents	(69,251)	460,072	95,298
Cash at Beginning of Year, including restricted cash	<u>275,525</u>	<u>4,194,240</u>	<u>255,608</u>
Cash at End of Year, including restricted cash	<u>\$ 206,274</u>	<u>\$ 4,654,312</u>	<u>\$ 350,906</u>

See notes to financial statements.

Wastewater Utility Fund	Total Current Year
\$ 898,252	\$ 9,668,740
(11,630)	(106,763)
(191,397)	(7,216,500)
(247,283)	(1,009,700)
<u>447,942</u>	<u>1,335,777</u>
<u>--</u>	<u>(270,000)</u>
<u>--</u>	<u>(270,000)</u>
(15,974)	(103,420)
(104,535)	(247,080)
<u>--</u>	<u>--</u>
<u>(120,509)</u>	<u>(350,500)</u>
<u>11,042</u>	<u>109,317</u>
338,475	824,594
206,814	4,932,187
<u>\$ 545,289</u>	<u>\$ 5,756,781</u>

City of Mora, Minnesota  
Proprietary Funds  
Statement of Cash Flows  
For the Year Ended December 31, 2013

	Business - Type Activities - Enterprise Funds		
	Municipal Liquor Fund	Electric Utility Fund	Water Utility Fund
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>			
Operating income (loss)	\$ 263,360	\$ 239,674	\$ (1,201)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	59,107	151,099	284,954
(Increase) decrease in interest receivable	--	--	--
(Increase) decrease in accounts receivable	(2,302)	(58,806)	(10,258)
(Increase) decrease in other receivables	--	100,000	--
(Increase) decrease in special assessments	--	(29,189)	4,930
(Increase) decrease in inventory	(19,197)	11,738	(32,455)
(Increase) decrease in prepaid insurance	(2,803)	3,814	890
Increase (decrease) in accounts payable	(25,172)	11,654	(1,511)
Increase (decrease) in accrued payables	24,531	19,067	2,011
Increase (decrease) in other liabilities	(100,000)	(6,100)	--
Total adjustments	(65,836)	203,277	248,561
Net cash provided (used) by operating activities	\$ 197,524	\$ 442,951	\$ 247,360

See notes to financial statements.

<u>Wastewater Utility Fund</u>	<u>Total Current Year</u>
<u>\$ 180,164</u>	<u>\$ 681,997</u>
277,059	772,219
--	--
(22,137)	(93,503)
--	100,000
12,528	(11,731)
--	(39,914)
(4,310)	(2,409)
3,304	(11,725)
1,334	46,943
--	(106,100)
<u>267,778</u>	<u>653,780</u>
<u><u>\$ 447,942</u></u>	<u><u>\$ 1,335,777</u></u>

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**CITY OF MORA, MINNESOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2013**

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City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

NOTE 1: Summary of Significant Accounting Policies

The financial statements of the City of Mora, Minnesota have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard - setting body for establishing governmental accounting and financial reporting principles.

The more significant accounting policies follow:

A. Reporting Entity

The City of Mora (government) is a municipal corporation governed by an elected mayor and four council members. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the governments operations.

Component Units:

*The Economic Development Authority (EDA)*- is responsible for improving the community economic condition through job creation, tax base growth, and other means. The EDA is financially supported by the City of Mora, and is managed by an appointed Board of 7 Directors, with one seat reserved for a member of the City Council. The EDA does not provide services exclusively or almost exclusively to the City, therefore is considered a Component Unit of the City of Mora. The EDA does not issue separate financial statements for the component unit.

*The Housing and Redevelopment Authority of Mora (HRA)* - was formed by the city and operates under a Board of Directors appointed by the City Mayor. The Authority manages 43 units of low rent public housing, 78 section 8 vouchers, 30 assisted living units, and 24 rural rental units of which, for financial reporting purposes, includes all of the activities relevant to its operations.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the City. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.



City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

NOTE 1: Summary of Significant Accounting Policies(Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be *available* if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are

Property taxes, licenses and permits, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The *general fund* is the government's primary operating fund and always reports as a major fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.

*Debt Service Funds:*

Fund 525 the Fire Station 2003  
Fund 529 the Airport Eastside 2007  
Fund 531 the HRA Eastwood

In addition to funds that meet the major fund criteria, any other governmental or enterprise fund that the government's officials believe is particularly important to financial statement users (for example, because of public interest or consistency) is reported as a major fund.

The City reports the following major proprietary funds:

The *liquor fund* accounts for the operation of the City liquor store.

The *electric utility fund* accounts for the operation of the city owned electric utility system.

The *water utility fund* accounts for the operation of the City owned water utility system.

The *wastewater utility fund* accounts for the operations of the City owned waste water treatment plant.

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

NOTE 1: Summary of Significant Accounting Policies(Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation(Continued)

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Government Auditing Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needed.

D. Assets, Liabilities, and Net Position or Equity

1. Deposits and investments

Cash balances from all funds are combined and invested to the extent available in authorized investments. Earnings from such investments are allocated to respective funds on the basis of applicable cash balance participation by each fund.

Investments are stated at fair value, based upon quoted market prices at the reporting.

Cash and cash equivalents for purposes of the general purpose financial statements includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City.

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

NOTE 1: Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

2. Receivables and payables (Continued)

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available for appropriation and are not expendable available financial resources.

Property tax levies are set by the City Council in December in each year and are certified to Kanabec County for collection in the following year. In Minnesota, counties act as collection agents for all property taxes. The County spreads all levies over taxable property. Such taxes become a lien on January 1, of the following year, and are recorded as receivables by the City at that date. Revenues from property taxes are accrued and recognized in the year collectible, net of delinquencies.

Real property taxes may be paid by taxpayers in two equal installments on May 15 and October 15. Personal property taxes may be paid on February 28 and June 30. The County provides tax settlements to cities and other taxing districts normally during the months of January, June, November, and December.

Taxes which remain unpaid at December 31 are classified as delinquent taxes receivable. The net amount of delinquent taxes receivable are fully offset by deferred revenue in the governmental funds of the fund financial statements because they are not known to be available to finance current expenditures.

Special assessment:

Special assessment receivable - delinquent represent the past year of uncollected special assessments and is offset by deferred revenues. Special assessment receivable - deferred are those assessments for property owner improvements made by the City. These assessments are made at various times by City resolution and are collectible over periods ranging from one to thirty years and bear interest at 6% to 7% annually. These are also offset by deferred revenues.

Accounts receivable:

Based on historical collection experience, no allowance has been made for doubtful accounts. Accounts that are determined to be uncollectible are expensed during the period.

3. Inventory

Inventories of the Enterprise Funds are valued at cost (on the first in, first out method), or market, whichever is lower.

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

NOTE 1: Summary of Significant Accounting Policies(Continued)

D. Assets, Liabilities, and Net Position or Equity(Continued)

4. Restricted assets and prepaid items

Restricted assets are deposits held for specifically required purposes and are offset by fund balance reserve accounts.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

5. Capital assets

Capital assets which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as equipment with an initial individual cost of more than \$5,000 and land, buildings, improvements, and infrastructure with an individual cost of more than \$25,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed, net of interest earned on the invested debt proceeds over the same period.

Property, plant, and equipment are capitalized when acquired, and depreciation is provided using the straight-line method applied over the following estimated useful lives of the assets.

<u>Assets</u>	<u>Useful Life in Years</u>
Land	Not depreciated
Buildings	30
Infrastructure	20-50
Other improvements	10-30
Machinery and equipment	5-15

6. Use of estimates

The preparation of financial statements in accordance with generally accepted accounting principles (GAAP) requires management to make estimates that affect amounts reported in the financial statements during the reporting period. Actual results could differ from such estimates.

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

NOTE 1: Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

7. Other Payables - Compensated Absences

Vacation pay is recorded as an expenditure when earned in both the Governmental and Proprietary Fund Types. Vacation days may be accrued to one and one-half times annual vacation earned. Sick pay can be accumulated up to a maximum of one hundred days. A percentage of sick pay is recognized as an expenditure when an employee reaches the required years of service. Payables for compensated absences decreased from \$111,530 in 2012 to \$97,474 in 2013. The net decrease of \$14,055 included an increase of \$5,474 and a decrease of \$19,529.

8. Long-term obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are immaterial and are expensed in the year of bond issuance.

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

9. Fund equity

In the fund financial statements, governmental funds report assignments of fund balance for amounts not appropriable for expenditure or legally segregated for a specific future use. Assigned fund balances represent tentative plans for future use of financial resources.

10. Comparative Data/Reclassification

No comparative data is presented for the prior year.

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

Note 2: Stewardship, Compliance, and Accountability

A. Budgetary Information

1. Formal budgetary information is employed as a management control device during the year for the General Fund, Special Revenue (other than TIF funds), Debt Service and Utility Funds. Budgetary control for Capital Projects is accomplished through the use of project controls.
2. Budgets for the General and Special Revenue Funds (other than TIF funds), Debt Service, and Utility Funds are adopted annually on a basis consistent with generally accepted accounting principles.
3. The level of control is the fund.
4. All budgeted appropriations lapse at the end of the year.
5. The city administrator may approve transfers between allowances within a fund's budget. The extent of such revision is not limited except that the fund's total budget may not be exceeded.

The City Council may increase the budget for expenditures of any fund as the city does not have any ordinances restricting increases. Budgets as adopted, however, are not automatically changed unless it has been demonstrated that a specific need exists and adequate funds are available.

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

NOTE 3: Detailed Notes on All Funds

A. Deposits

In accordance with Minnesota Statutes, the City maintains deposits with national banks, insured state banks or thrift institutions as authorized by the City Council.

Balances at December 31, 2013 are as follows:

Peoples National Bank - Checking	\$ 673,575
Kanabec State Bank - HiFi	1,470,753
Wells Fargo	1,536,442
Morgan Stanley & Smith Barney	2,700,883
Total Deposits	<u>\$ 6,381,653</u>

Minnesota Statutes requires that all City deposits be insured, secured by surety bond or collateralized, and the market value of collateral pledged must equal 110% of the deposits not covered by insurance or surety bonds.

Authorized collateral includes certain state or local government obligations and legal investments described in Section B. Minnesota Statutes also require that securities pledged as collateral be held in safekeeping by the Treasurer or in a financial institution other than the institution furnishing the collateral.

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. The City's policy requires deposits to be 110 percent secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance (FDIC). Deposits of the City's reporting entity are insured or collateralized with securities held by the City, its agent, or by the pledging institution's trust department or agent in the name of the City or applicable public trust.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally the City's investing activities are managed under the custody of the City Treasurer and the City Council in accordance with the city's investment policy. The City does not believe that either Credit risk or Interest rate risk pose a material risk.

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

NOTE 3: Detailed Notes on All Funds (Continued)

B. Investments

The City is authorized by Minnesota Statutes to invest idle funds as follows:

- (a) Direct obligations or obligations guaranteed by the United States or its agencies.
- (b) Share of investment companies registered under the Federal Investment Company Act of 1940 and whose only investments are in securities described in (a) above.
- (c) General obligations of the State of Minnesota or its municipalities.
- (d) Bankers acceptances of United States banks eligible for purchase by the Federal Reserve System.
- (e) Commercial paper issued by United States corporations or their Canadian subsidiaries, of the highest quality and maturing in 270 days or less.
- (f) Repurchase agreements with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a reporting dealer to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.
- (g) Money market funds with institutions that have portfolios consisting exclusively of United States Treasury obligations and Federal Agency issues.
- (h) The City's investment policy restricts the terms of investments.



City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

NOTE 3: Detailed Notes on All Funds (Continued)

C. Receivables

Receivables as of year end for the government's individual major funds and nonmajor funds in the aggregate are as follows:

	General	Municipal Liquor	Electric Utility	Water Utility
Receivables:				
Interest	\$ --	\$ --	\$ --	\$ --
Taxes-delinquent	38,425	--	--	--
Accounts	51,731	15,882	670,811	84,613
Special assessments	3,048	--	29,189	5,636
Intergovernmental	--	--	--	--
Loan receivable	--	--	1,600,000	--
Gross receivables	93,204	15,882	2,300,000	90,249
Less: Allowance for Uncollectible*	--	--	--	--
Net total receivables	<u>\$ 93,204</u>	<u>\$ 15,882</u>	<u>\$ 2,300,000</u>	<u>\$ 90,249</u>

\* Based on historical collection experience no allowance has been made for doubtful accounts. Accounts that are determined to be uncollectible are expensed during the period.

Wastewater Utility	Nonmajor and other Funds	Total
\$ --	\$ --	\$ --
--	23,524	61,949
134,848	18,529	976,414
18,869	449,310	506,052
--	13,198	13,198
--	--	1,600,000
153,717	504,561	3,157,613
--	--	--
<u>\$ 153,717</u>	<u>\$ 504,561</u>	<u>\$ 3,157,613</u>

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

NOTE 3: Detailed Notes on All Funds(Continued)

D. Capital Assets

Capital assets activity for the year ended December 31, 2013 was as follows:

Governmental Activities	Beginning Balances	Increase	Decrease*	Ending Balances
Capital assets, not being depreciated:				
Land	\$ 1,529,679	\$ --	\$ --	\$ 1,529,679
Construction in progress	--	--	--	--
Total capital assets, not being depreciated	<u>1,529,679</u>	<u>--</u>	<u>--</u>	<u>1,529,679</u>
Capital assets, being depreciated:				
Land Improvements	5,840,421	--	--	5,840,421
Buildings	3,348,670	--	--	3,348,670
Infrastructure	7,948,342	--	--	7,948,342
Machinery, Equipment, Vehicles	3,139,844	--	--	3,139,844
Total capital assets, being depreciated	<u>20,277,277</u>	<u>--</u>	<u>--</u>	<u>20,277,277</u>
Less: accumulated depreciation for:				
Land Improvements	2,457,414	158,698	--	2,616,112
Buildings	1,081,736	63,235	--	1,144,971
Infrastructure	3,614,212	184,250	--	3,798,462
Machinery, Equipment, Vehicles	2,147,113	178,420	--	2,325,533
Total accumulated depreciation	<u>9,300,475</u>	<u>584,603</u>	<u>--</u>	<u>9,885,078</u>
Total capital assets, being depreciated, net	<u>10,976,802</u>	<u>(584,603)</u>	<u>--</u>	<u>10,392,199</u>
Governmental activities capital assets, net	<u>\$ 12,506,481</u>	<u>\$ (584,603)</u>	<u>\$ --</u>	<u>\$ 11,921,878</u>

\* Assets which were sold, traded in, or junked were removed.

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

NOTE 3: Detailed Notes on All Funds (Continued)

D. Capital Assets (Continued)

<u>Business - Type Activities</u>	<u>Beginning Balances</u>	<u>Increase</u>	<u>Decrease*</u>	<u>Ending Balances</u>
Capital assets, not being depreciated:				
Land	\$ 356,036	\$ --	\$ --	\$ 356,036
Construction in progress	--	24,407	--	24,407
Total capital assets, not being depreciated	<u>356,036</u>	<u>24,407</u>	<u>--</u>	<u>380,443</u>
Capital assets, being depreciated:				
Buildings	4,213,434	--	--	4,213,434
Other Improvements	11,673,474	142,545	--	11,816,019
Equipment and fixtures	4,089,202	80,128	--	4,169,330
Total capital assets, being depreciated	<u>19,976,110</u>	<u>222,673</u>	<u>--</u>	<u>20,198,783</u>
Less: accumulated depreciation for:				
Buildings	1,622,287	122,843	--	1,745,130
Other Improvements	4,784,840	478,331	--	5,263,171
Equipment and fixtures	1,503,639	171,046	--	1,674,685
Total accumulated depreciation	<u>7,910,766</u>	<u>772,220</u>	<u>--</u>	<u>8,682,986</u>
Total capital assets being depreciated, net	<u>12,065,344</u>	<u>(549,547)</u>	<u>--</u>	<u>11,515,797</u>
Business - type activities capital assets, net	<u>\$ 12,421,380</u>	<u>\$ (525,140)</u>	<u>\$ --</u>	<u>\$ 11,896,240</u>

Depreciation expense was charged to functions/programs as follows:

<u>Governmental Activities</u>	
General government	\$ 35,076
Public safety	111,075
Public works	403,376
Culture and recreation	17,538
Cemetery	5,846
Miscellaneous	11,692
Total depreciation expense - governmental activities	<u>\$ 584,603</u>
<u>Business - Type Activities</u>	
Electric utility	\$ 151,099
Water utility	284,954
Wastewater utility	277,060
Liquor	59,107
Total depreciation expense - business - type activities	<u>\$ 772,220</u>

\* Assets which were sold, traded-in, or junked were removed.

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

NOTE 3: Detailed Notes on All Funds (Continued)

E. Interfund receivables, payables, and transfers

The following are the balances of due to or from other funds at December 31, 2013.

	<u>Due To</u>	<u>Due From</u>
General Fund	\$ --	\$ 788,939
Special Revenue Funds:		
Storm Water Utility	--	34,682
Cemetery Fund	--	49,051
ED Revolving Loan	--	56,055
TIF 2-2 Intrepid	--	8,539
TIF 1-8 Torborg	--	1,554
Fire Fund	20,139	--
TIF 1-11 KSB	1,568	--
TIF 1-14 HRA/Nelson	15,079	--
Capital Projects Fund:		
Future Fire Equipment	--	113,460
Future Improvements	--	337,455
City Hall Improvements	--	1,409
Highway 23 E. Frontage	332,640	--
Howe Ave. Construction	161,645	--
Downtown Feed Mill	131,651	--
Airport Kastenbauer House	182,588	--
Police Station	--	--
Fire Station	715,483	--
Crosswind	34,257	--
Springlake Trail	80,329	--
Parker	363,738	--
Trail Tunnel	23,593	--
Hwy 23 E. Commercial	950	--
7th and Grove Street	384,463	--
Debt Service Funds:		
2003 Fire Station	--	245,883
2004 Street Reconstruction	--	16,737
Maple Ave. East	--	141,316
2006 Street Reconstruction	--	30,193
2007 Airport Eastside	--	134,265
2008-2011 Street Reconstruction	--	186,035
HRA Eastwood	--	302,550
	<u>\$ 2,448,123</u>	<u>\$ 2,448,123</u>

The above amounts are due to overdraft cash balances of various funds.

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

NOTE 3: Detailed Notes on All Funds (Continued)

E. Interfund receivables, payables, and transfers (continued)

Interfund transfers out:

General Fund	\$ (128,063)
Other governmental funds	(91,212)
Enterprise	<u>(270,000)</u>
Total transfers out	<u><u>\$ (489,275)</u></u>

Interfund transfers in:

General Fund	\$ 327,521
Other governmental funds	36,019
Capital Projects	115,735
Debt Service	<u>10,000</u>
Total transfers out	<u><u>\$ 489,275</u></u>

The following is a general description of the interfund transfers:

General Fund:

Transfers from the general fund were completed to fund various programs in accordance with budgetary authorization.

Enterprise Funds:

Transfers from the Liquor Fund were completed to reduce property tax rates.

F. Long-Term Debt

General Obligation Bonds

The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities.

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

NOTE 3: Detailed Notes on All Funds (Continued)

F. Long-Term Debt (Continued)

General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds generally are issued as 10 to 40 - year bonds with amounts of principal maturing each year. General obligation bonds currently outstanding are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental Activities	4.00%	1,015,000
Governmental Activities	4.00%	745,495
Governmental Activities	1.7 - 3.2%	630,000
Total governmental activities		<u>2,390,495</u>
Business-Type Activities	4.000%	280,000
Business-Type Activities	4.200%	319,505
Business-Type Activities	1.862%	1,361,000
Total business-type activities		<u>\$ 1,960,505</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Year Ending</u> <u>December 31</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2014	204,000	85,546	105,000	49,804
2015	212,500	78,835	107,500	47,102
2016	192,500	72,281	108,500	44,322
2017	201,000	65,695	112,000	41,469
2018	167,000	59,113	118,000	38,425
2019-2023	839,000	200,572	585,000	146,589
2024-2028	574,495	57,906	641,505	63,343
2029-2033	--	--	183,000	5,120
2034-2038	--	--	--	--
2039-2043	--	--	--	--
2044	--	--	--	--
Total	<u>\$ 2,390,495</u>	<u>\$ 619,948</u>	<u>\$1,960,505</u>	<u>\$ 436,174</u>

Revenue Bonds

The government also issues bonds where the government pledges income derived from the acquired or constructed assets to pay debt service. Revenue bonds have been issued for business-type activities to both expand existing facilities and construct additional facilities. The original amount for the Water and Sewer bond (1) issued in prior years was \$365,000 of which \$241,995 was designated for the Water Fund and \$123,005 was designated for the Sewer Fund. Water and Sewer bond (2) was originally issued for \$1,385,000 of which \$182,822 was designated to the Water Fund and \$232,683 designated to the Sewer Fund, the remainder of the bond was designated for the Eastside Street-Airport Fund. Water bond (3) was originally issued for \$1,627,300 and designated to the Water Fund. Revenue bonds outstanding at year end are as follows:

<u>Purpose</u>	<u>Interest Rate</u>	<u>Amount</u>
1. Water & Sewer	4.000%	\$ 280,000
2. Water & Sewer	4.200%	319,505
3. Water	1.862%	1,361,000
		<u>\$1,960,505</u>

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City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

NOTE 3.: Detailed Notes on All Funds (Continued)

F. Long-Term Debt (Continued)

The following is a summary of changes in long-term debt obligations for the year ended December 31, 2013:

	Beginning Balance	Additions	Reductions
<b>GOVERNMENTAL ACTIVITIES</b>			
General obligation bonds:			
G.O. Fire Station Bonds	\$       --	\$       --	\$       --
G.O. Bond, Series 2006A	1,100,000	--	85,000
G.O. Bonds, Series 2008A	790,995	--	45,500
G.O. Street, Series 2011A	695,000	--	65,000
Total general obligation bonds-			
Governmental activities long-term			
liabilities	<u>\$ 2,585,995</u>	<u>\$       --</u>	<u>\$ 195,500</u>
 <b>BUSINESS - TYPE ACTIVITIES</b>			
G.O. Water & sewer revenue bonds	295,000	--	15,000
G.O. Water & sewer revenue bonds	--	--	--
G.O. Refunding Bonds, Series 2003B	--	--	--
G.O. Bonds, Series 2008A	339,005	--	19,500
G.O. Water Rev. Note 2010	1,429,920	--	68,920
 Total bonds payable Business -			
type activities long-term liabilities	<u>\$ 2,063,925</u>	<u>\$       --</u>	<u>\$ 103,420</u>

G. Restricted Assets

Restricted assets are deposits held for specifically required purposes and are offset by fund balance reserve accounts. Balances at December 31, 2013 and descriptions are as follows:

<u>Governmental Funds</u>	
Special Revenue - Cemetery	37,744
<u>Enterprise Funds - Restricted</u>	
Electric Utility	623,803
Water Utility	36,678
Wastewater Utility	--
Total	<u>\$ 698,225</u>

Ending Balance	Amounts Due Within One Year
\$ --	\$ --
1,015,000	90,000
745,495	49,000
<u>630,000</u>	<u>65,000</u>
<u>\$ 2,390,495</u>	<u>\$ 204,000</u>
280,000	15,000
--	--
--	--
319,505	21,000
<u>1,361,000</u>	<u>69,000</u>
<u>\$ 1,960,505</u>	<u>\$ 105,000</u>

City of Mora, Minnesota  
Notes to the Financial Statements  
December 31, 2013

NOTE 3: Detailed Notes on All Funds (Continued)

H. Tax Increment Financing

Pursuant to Minnesota Statutes (Section 469.175, Subd. 6) the City is required to disclose information relating to its tax increment districts.

The City of Mora is the administrating authority for the following tax increment financing districts: Redevelopment Districts No. 2-10 and No. 2-2; Housing District No. 1-8, and Tax Increment Financing Districts No. 1-11 and No. 1-14. Administrative authority for Tax Increment Financing Districts No. 1-12, and No. 1-13 are pending City Council approval.

1. Redevelopment District No. 1-11 (Kanabec State Bank)

Redevelopment District No. 1-11 was established in 2006 within Development District No. 1 under the authority of Minnesota Statutes 273.73, Subdivision 10, paragraph (a) (1).

Certification Request Date	10/03/06
Year First Increment Received	2008
Date of Required Decertification	2033
Tax Increment Revenue - 2013	\$ 43,897
Current Net Tax Capacity	129,086
Base Net Tax Capacity	41,967
Captured Net Tax Capacity	87,119
Captured Net Tax Capacity shared with other taxing jurisdictions	--
Captured Tax Capacity retained by authority	87,119
Financial Obligations:	
Limited Revenue Note - Original Obligation	450,000
Outstanding Revenue Note at 12-31-13	276,080

2. Redevelopment District No. 2-2 (Intrepid)

Redevelopment Tax Increment Financing District No. 2-2 is a redevelopment district established in 1995 within Development District No. 2 under the authority of Minnesota Statutes 469.174, Subdivision (10)(a)(1). The duration of the district is 25 years.

Certification Request Date	4/26/1995
Year First Increment Received	2000
Date of Required Decertification	12/31/2025
Tax Increment Revenue - 2013	\$ 57,866
Current Net Tax Capacity	9,931
Base Net Tax Capacity	50
Captured Net Tax Capacity	39,181
Captured Net Tax Capacity shared with other taxing jurisdictions	--
Captured Tax Capacity retained by authority	9,181
Financial Obligations:	
Limited Revenue Note – Original Obligation	772,000
Outstanding Revenue Note 12-31-13	13,137

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

NOTE 3: Detailed Notes on All Funds (Continued)

H. Tax Increment Financing (Continued)

3. Tax Increment Financing District No. 1-8 within Development District No. 1 (Torborg)

Tax Increment Financing District No. 1-8, a housing district within Development District No. 1, was established January 5, 1999 under authority of Minnesota Statutes, Section 469.124 through 469.134 and 469.174 through 469.179, all inclusive, as amended. The duration of the district is 25 years to December 31, 2026.

The City has elected to make a qualifying contribution in accordance with Minnesota Statutes, Section 273.1399, subdd 6 (d) in order to qualify District No. 1-8 for exemption from state aid losses as set forth in Section 273.139.

Certification Request Date	03/03/99
Year First Increment Received	2001
Date of Required Decertification	12/31/2026
Tax Increment Revenue - 2013	\$ 16,824
Current Net Tax Capacity	10,754
Base Net Tax Capacity	25
Captured Net Tax Capacity	10,729
Captured Tax Capacity shared with other taxing jurisdictions	--
Captured Tax Capacity retained by authority	10,729
Financial Obligations:	
Limited Revenue Note – Original Obligation	152,107
Outstanding Revenue Note 12-31-13	152,107

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

NOTE 3: Detailed Notes on All Funds (Continued)

I. Electric Utility Rate Stabilization

A rate stabilization program was established in 1984 by setting aside excess cash reserves, to be used at a later date to minimize the effect of wholesale rate increases.

J. Contingencies and Commitments

In connection with the normal conduct of its affairs, the City is involved in various claims or litigations. It is the opinion of the City attorney that the final settlement of these matters will not materially affect the financial statements of the City.

The City participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

K. Electric Utility Commitments

The Public Utilities Commission purchases power from Southern Minnesota Municipal Power Agency (SMMPA) under a power sales contract which extends to April 1, 2050. Under the terms of the contract, the Commission is obligated to buy all the electrical power and energy needed to operate the electric utilities through the term of the contract. In addition, on January 1, 1995, the Public Utilities Commission entered into a Capacity Purchase Agreement with SMMPA, whereby SMMPA is entitled to the exclusive use of the net electric generating capability of the Diesel Generating Facilities and the electric energy associated therewith. The agreement can be cancelled by either party upon a five-year notice. Under the terms of the agreement, SMMPA is responsible for all costs associated with operations, maintenance, repairs, and liabilities of operating the Diesel Generating Facilities.

L. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

Note 3: Detailed Notes on All Funds (Continued)

M. Risk Management - Claims and Judgments

Significant losses are covered by commercial insurance for all major programs. These programs are life, health, property and liability, workers' compensation, unemployment, and disability. For insured programs there have been no significant reductions in insurance coverage. Settlement amounts, if any, have not exceeded insurance coverage for the current year or the three prior years.

N. Excess of Expenditures over Appropriations

Expenditures exceeded appropriations in certain individual funds for the year ended December 31, 2013 as follows:

	<u>Expenditures</u>	<u>Appropriations</u>	<u>Over</u>
General Fund	\$ 2,025,468	\$ 1,887,934	\$ 137,534
Special Revenue Funds:			
TIF 1-8 Torborg	18,547	16,824	1,723
TIF 2-2	59,312	57,866	1,446
Cemetery	44,258	40,024	4,234
Fire Fund	205,291	184,614	20,677
Capital Projects:			
Crosswinds	4,823	779	4,044
Downtown Feed Mill	90	--	90
Fire Station	15,483	--	15,483
Spring Lake Trail	1,100	--	1,100
Airport - Kastenbauer House	2,719	2,600	119
7th and Grove Street	32,494	28,050	4,444
Highway 65 Street LT	115,964	110,167	5,797
Hwy 23 E. Commercial Lots	1,061	--	1,061
Debt Service:			
Street Construction 2004	16,770	15,434	1,336
Maple Avenue East	82,037	65,920	16,117
Street Construction 2006	29,756	24,772	4,984
Street reconstruction 2008-2010	83,508	40,215	43,293
Eastside 2007	79,272	(33,684)	112,956

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

NOTE 3: Detailed Notes on All Funds (Continued)

O. Defined Benefit Pension Plan - Statewide

1. Public Employees Retirement Association

a. Plan Description

All full-time and certain part-time employees of the City are covered by defined benefit plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund (GERF) which is a cost-sharing multiple-employer retirement plan. The plan is established and administered in accordance with Minnesota Statutes, Chapters 353 and 356.

GERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by *social security* and Basic members are not. All new members must participate in the Coordinated Plan.

PERA provides retirement & disability benefits to members and benefits to survivors upon death of eligible members. Benefits are established by state statute and vest after three years of credited service. The defined retirement benefits are based on a member's average age, and years of service and salary for any five successive years of allowable service.

Two methods are used to compute benefits for Coordinated and Basic Plan members. The retiring member receives the higher of step-rate benefit accrual formula (*Method 1*) or a level accrual formula (*Method 2*). Under *Method 1*, the annuity accrual rate for a Basic member is 2.2 percent of average salary for each of the first 10 years of service and 2.7 percent for each remaining year. For a Coordinated Plan member, the annuity accrual rate is 1.2 percent of average salary for each of the first 10 years and 1.7 percent for each remaining year. Using *Method 2*, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service. For all GERF members whose annuity is calculated using *Method 1*, a full annuity is available when age plus years of service equal 90. A reduced retirement annuity is also available to eligible members seeking early retirement.

There are different types of annuities available to members upon retirement. A single family annuity is a lifetime annuity that ceases upon the death of the retiree--no survivor annuity is payable. There are also various types of joint and survivor annuity options available which will reduce the monthly normal annuity amount, because the annuity is payable over joint lives. Members may also leave their contributions in the fund upon termination of public service, in order to qualify for a deferred annuity at retirement age. Refunds of contributions are available at any time to members who leave public service before retirement benefits begin.

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

NOTE 3: Detailed Notes on All Funds(Continued)

O. Defined Benefit Pension Plan - Statewide(Continued)

1. Public Employees Retirement Association(Continued)

a. Plan Description (Continued)

The benefit provisions stated in the previous paragraphs of this section are current provisions and apply to active plan participants. 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 terminate their public service.

PERA issues a publicly available financial report that included financial statements and required supplementary information for GERS. That report may be obtained by writing to:

PERA  
514 St. Peter Street #200  
St. Paul, Minnesota 55103-2088  
651-296-7460  
800-652-9026

b. Funding Policy

Minnesota Statutes Chapter 353 set the rates for employer and employee contributions. These statutes are established and amended by the state legislature. The City makes annual contributions to the pension plans equal to the amount required by state statutes. GERS Basic Plan members and Coordinated Plan members are required to contribute 9.1% and 6.25%, respectively, of their annual covered salary. The City of Mora is required to contribute the following percentages of annual covered payroll: 11.78% for Basic Plan GERS members, 7.25% for Coordinated Plan GERS members, and 14.4% for PEPFF members. The City's contributions to the Public Employees Retirement Fund for the years ending December 31, 2013, 2012, and 2011 were \$83,519, \$85,293, and \$87,836 respectively. The City's contributions to the public Employees Police and Fire Fund for the years ending December 31, 2013, 2012, and 2011 were \$-0-, \$-0- and \$-0-, respectively. The City's contributions were equal to the contractually required contributions for each year set by state statute.

2. Mora Firefighters Relief Association

a. Plan Description

Members of the Mora Volunteer Fire Department are covered by a lump sum pension benefit or defined contribution plan. The Association administers this lump sum pension. Since this is a volunteer fire department, no salaries are involved.

All active volunteer firefighters are covered. Minimum requirements for service pension are retirement age 50, an active member of the volunteer fire department for 10 years and an active member of the Association for 10 years. Minnesota state law controls the amount of pension and the handling and disbursement of these funds.



City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

NOTE 3: Detailed Notes on All Funds (Continued)

O. Defined Benefit Pension Plan - Statewide (Continued)

2. Mora Firefighters Relief Association (Continued)

b. Related Party Transactions

During 2013, and as of December 2013, the Association held no securities by the city or other related parties.

c. Contributions

The total lump sum benefit for the 30 members as of December 31, 2013. Funding comes from 2% state aid and interest earnings on investments.

NOTE 4: Deficit Fund Balances

The following nonmajor funds had deficit fund balances at December 31, 2013:

Special Revenue Funds:

TIF 1-11 Kanabec State Bank	\$ (3,715)
TIF 1-14 HRA/Nelson	(15,079)

Capital Project Funds:

Highway 23 E. Frontage Road	(332,640)
Fire Station	(700,000)
Howe Avenue Reconstruction	(177,341)
Downtown Feed Mill Redevelopment	(141,561)
Airport Kastenbauer House	(182,469)
Crosswind	(30,213)
Spring Lake Park	(90,329)
Parker	(363,738)
Trail tunnel	(23,593)
Hwy 23 E. Commercial Lots	(44,389)
7th and Grove Street	(380,019)
Highway 65 Street LT	(11,924)

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

NOTE: 5 Reclassifications

Certain prior year financial statement amounts have been reclassified to conform to current year's presentation. There was no affect on total Net Position or Fund Balance.

NOTE: 6 GASB 54 Fund Balance Reporting

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

1. Nonspendable, such as fund balance associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).
2. Restricted fund balance category includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. Committed fund balance classification includes amounts that can be used only for specific purposes determined by a formal action of the City Council (the City's highest level of decision making authority).
4. Assigned fund balance classification is intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.
5. Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

The Fund Balance Policy of the City includes classifying its fund balances in its various funds in one or more of the five classifications: nonspendable, restricted, committed, assigned, and unassigned.

The City will strive to maintain a minimum general fund balance of 40% - 50% of annual expenditures.

If resources from more than one fund balance classification could be spent, the city will strive to spend resources from fund balance classifications in the following order (first to last): Restricted, Committed, Assigned, and Unassigned.

A Council resolution is required to commit a fund balance to a specific purpose and subsequently to remove or change any constraint so adopted by the Council requires a majority vote of the City Council prior to December 31 each year.

The city council, by majority vote, may assign fund balances to be used for specific purposes when appropriate. The Council also delegates the power to assign fund balances to the following: City Administrator and Director of Finance. Assignments so made shall be reported to the council on a monthly basis, either separately or as part of ongoing reporting by the assigning party if other than the city council.

Any appropriation of an existing fund balance to eliminate a projected budgetary deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues satisfies the criteria to be classified as an assignment of fund balance.

The city council will conduct an annual review of the sufficiency of the minimum general fund balance level.

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2013

NOTE: 6 GASB 54 Fund Balance Reporting (continued)

Fund Balances - Pre-GASB 54 - Governmental Funds

	General Fund	Other Governmental Funds	Total Governmental Funds
Reserved for:			
Special revenue funds	\$ --	\$ 48,110	\$ 48,110
Debt Service	--	647,993	647,993
Unreserved, undesignated, reported in:			
General fund	1,175,987	--	1,175,987
Special revenue funds	--	176,855	176,855
Capital projects	--	(1,892,210)	(1,892,210)
Total Fund Balance	<u>\$ 1,175,987</u>	<u>(1,019,252)</u>	<u>156,735</u>

Fund Balances - Resated GASB 54 Categories

Nonspendable:			
Prepaid expenses	\$ 31,684	\$ 10,366	\$ 42,050
Restricted for:			
Debt Service	--	647,993	647,993
Committed for:	--	--	--
Assigned for:			
Special revenue	--	37,744	37,744
Unassigned for:			
Unassigned	1,144,303	(1,715,355)	(571,052)
Total Fund Balances	<u>\$ 1,175,987</u>	<u>\$ (1,019,252)</u>	<u>\$ 156,735</u>

City of Mora, Minnesota  
OTHER SUPPLEMENTARY INFORMATION  
December 31, 2013

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City of Mora, Minnesota  
 Fire Station 2003 - Debt Service Fund - 525  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 57,800	\$ 58,517	\$ 717
intergovernmental revenues	44,500	44,502	2
Interest earnings	--	--	--
Total revenues	<u>102,300</u>	<u>103,019</u>	<u>719</u>
<b>EXPENDITURES</b>			
Principal	--	--	--
Interest	--	--	--
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	102,300	103,019	719
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	102,300	103,019	719
Fund balances - beginning	<u>143,470</u>	<u>143,480</u>	<u>10</u>
Fund balances - ending	<u>\$ 245,770</u>	<u>\$ 246,499</u>	<u>\$ 729</u>

City of Mora, Minnesota  
 Eastside 2007 - Debt Service Fund - 529  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 60,791	\$ 60,493	\$ (298)
Special assessments	11,000	(93,983)	(104,983)
Interest earnings	1,000	(194)	(1,194)
Miscellaneous	--	--	--
Total revenues	<u>72,791</u>	<u>(33,684)</u>	<u>(106,475)</u>
<b>EXPENDITURES</b>			
Principal	45,500	45,500	--
Interest	33,347	33,347	--
Miscellaneous	425	425	--
Total expenditures	<u>79,272</u>	<u>79,272</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	(6,481)	(112,956)	(106,475)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	(6,481)	(112,956)	(106,475)
Fund balances - beginning	<u>127,947</u>	<u>127,947</u>	<u>--</u>
Fund balances - ending	<u>\$ 121,466</u>	<u>\$ 14,991</u>	<u>\$ (106,475)</u>

City of Mora, Minnesota  
HRA Eastwood - Debt Service Fund - 531  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ --	\$ --	\$ --
Special assessments	--	--	--
Investment earnings	--	1,131	1,131
Total revenues	<u>--</u>	<u>1,131</u>	<u>1,131</u>
<b>EXPENDITURES</b>			
Principal	--	--	--
Interest	--	--	--
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	--	1,131	1,131
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	--	1,131	--
Fund balances - beginning	<u>4,425</u>	<u>4,425</u>	<u>--</u>
Fund balances - ending	<u><u>\$ 4,425</u></u>	<u><u>\$ 5,556</u></u>	<u><u>\$ --</u></u>



City of Mora, Minnesota  
 Component Unit - Economic Development Authority  
 Balance Sheet  
 For the Year Ended December 31, 2013

	EDA
<b>ASSETS</b>	
Cash and Investments	\$ 20,773
Accounts receivable	333
Prepaid Insurance	<u>66</u>
Total Assets	<u><u>\$ 21,172</u></u>
 <b>LIABILITIES AND FUND BALANCE</b>	
Liabilities:	
Accounts Payable	\$ 2,874
Total Liabilities	<u>2,874</u>
Fund Balance:	
Unreserved	<u>18,298</u>
Total Fund Balance	<u>18,298</u>
Total Liabilities and Fund Balance	<u><u>\$ 21,172</u></u>

See notes to financial statements.

City of Mora, Minnesota  
 Component Unit - Economic Development Authority  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 For the Year Ended December 31, 2013

	Budget	EDA
<b>REVENUES</b>		
State grants and aids	\$ --	\$ 1,836
Contributions	40,000	41,000
Investment earnings	900	(220)
Total revenues	<u>40,900</u>	<u>42,616</u>
<b>EXPENDITURES</b>		
Salaries	45,861	47,051
Professional services	187	192
Supplies	954	979
Miscellaneous	7,592	7,788
Total expenditures	<u>54,594</u>	<u>56,010</u>
Excess (deficiency) of revenues over (under) expenditures	(13,694)	(13,394)
<b>OTHER FINANCING SOURCES (USES)</b>		
Miscellaneous income	--	1,645
Total other financing sources (uses)	<u>--</u>	<u>1,645</u>
Net change in fund balance	(13,694)	(11,749)
Fund balances - beginning	<u>30,047</u>	<u>30,047</u>
Fund balances - ending	<u><u>\$ 16,353</u></u>	<u><u>\$ 18,298</u></u>

See notes to financial statements.

City of Mora, Minnesota  
 Component Unit - Housing and Redevelopment Authority  
 Balance Sheet  
 March 31, 2013

	<u>HRA</u>
<b>ASSETS</b>	
Cash and Investments	\$ 340,994
Accounts receivable	79,973
Prepaid Items	19,475
Restricted cash	361,080
Other assets	93,165
Capaital assets (net of accumulated depreciation)	<u>4,292,353</u>
 Total Assets	 <u><u>\$ 5,187,040</u></u>
 <b>LIABILITIES AND FUND BALANCE</b>	
Liabilities:	
Accounts Payable	\$ 77,200
Other payables	89,657
Notes payable	4,104,015
 Total Liabilities	 <u><u>4,270,872</u></u>
 Fund Balance:	
Reserved	361,080
Unreserved	<u>555,088</u>
Total Fund Balance	<u><u>916,168</u></u>
 Total Liabilities and Fund Balance	 <u><u>\$ 5,187,040</u></u>

See notes to financial statements.

City of Mora, Minnesota  
 Component Unit - Housing and Redevelopment Authority  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 For the Year Ended March 31, 2013

	Budget	HRA
<b>REVENUES</b>		
State grants and aids	\$ --	\$ 884,188
Grants and contributions	--	503,617
Other	--	524,938
Total revenues	<u>--</u>	<u>1,912,743</u>
<b>EXPENDITURES</b>		
Administration	--	358,444
Tenant services	--	446,774
Utilities	--	102,438
Maintenance	--	176,771
General	--	95,645
Housing assistance payments	--	385,128
Other	--	4,401
Depreciation	--	241,904
Total expenditures	<u>--</u>	<u>1,811,505</u>
Operating income	<u>--</u>	<u>101,238</u>
<b>NONOPERATING REVENUES AND (EXPENSES)</b>		
Interest income	--	1,095
Interest expense	--	(206,069)
Gain on sale of capital assets	--	3,610
Total other financing sources (uses)	<u>--</u>	<u>(201,364)</u>
(Loss) Before Other Revenues and Expenses	--	(100,126)
Capital grant contribution	--	13,576
Change in Net Position		(86,550)
Fund balances - beginning	<u>--</u>	<u>1,002,718</u>
Fund balances - ending	<u>\$ --</u>	<u>\$ 916,168</u>

See notes to financial statements.

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City of Mora, Minnesota  
COMBINING AND INDIVIDUAL  
FUND STATEMENTS AND SCHEDULES  
NON-MAJOR GOVERNMENTAL FUNDS  
December 31, 2013

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## **Special Revenue Funds**

Storm Water Utility Fund - To account for revenues and expenditures related to storm water activities.

Cemetery Fund - To account for revenues and expenditures related to the cemetery.

Economic Development Revolving Loan Fund - To account for funds acquired and loaned to local businesses for economic development.

TIF 2-2 Intrepid Fund - To account for revenues and expenditures, including tax increments received and distributed for Intrepid's Senior Housing project.

TIF 1-8 Torborg Fund - To account for revenues and expenditures, including tax increments received and distributed for Torborg's housing project.

Fire Fund - To account for the revenues and expenditures related to the activities of the Mora Area Fire Department.

TIF 1-11 KSB Fund - To account for revenues and expenditures, including tax increments received and distributed for Kanabec State Bank's building project and for Highway 23 improvements.

TIF 1-14 HRA Fund - To account for the revenue and expenses, including tax increments received and distributed for a senior complex.

## **Capital Project Funds**

Future Fire Equipment Fund - To establish a fund for future purchases of fire fighting equipment.

Future Improvements Fund - To establish a fund for future purchases of capital assets.

City Hall Improvements - To account for revenues and expenditures related to the city hall improvements.

Highway 23 E. Frontage Road - To account for revenues and expenditures related to the highway project.

Howe Avenue Fund - To account for revenues and expenditures related to the 2008 water and sewer project.

Downtown Feed Mill Fund - To account for revenue and expenses related to the feed mill acquisition and demolition project.



### **Capital Projects Funds - (Continued)**

Airport Kastenbauer House Fund - To account for revenue and expenses related to the purchase of a house and 2 acres for future airport expansion.

Police Station Fund - To account for revenue and expenses related to the police station building project.

Crosswind - To account for revenues and expenses related to construction of a crosswind runway at the Mora airport.

Spring Lake Trail - To account for revenues and expenses related to construction of a recreational trail.

Parker - To account for revenues and expenses related to development of the Parker property along Highway 65 South.

Trail Tunnel - To account for revenues and expenses related to development of the Trail Tunnel.

Hwy 23 E. Commercial Lots - To account for revenues and expenses related to purchase and development.

7th and Grove Street Improvement - To account for revenues and expenses related to improvements.

Highway 65 Street Lights - To account for revenues and expenses related to project.

### **Debt Service Funds**

2003 Fire Station Fund - To account for revenues and expenditures, including tax collections and bond payments for the 2003 Fire Station bonds.

2004 Street Project Fund - To account for revenues and expenditures, including tax collections and bond payments for the 2004 Street Reconstruction bonds.

2005 Maple Avenue East Fund - To account for revenues and expenditures, including tax collections and bond payments for the Maple Avenue East bonds.

2006 Street Reconstruction Fund - To account for revenues and expenditures, including tax collections and bond payments for the 2006 Street Reconstruction bonds.

2007 Eastside - To account for revenues and expenditures related to the Eastside project bonds.

2008-2011 Street Reconstruction Fund - To account for revenues and expenditures, including tax collections and bond payments for the 2008-2011 Street Reconstruction bonds.

HRA Eastwood - To account for the revenues and expenditures, including bond payments for Eastwood.

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City of Mora, Minnesota  
Nonmajor Governmental Funds  
Combining Balance Sheet  
December 31, 2013

	Special Revenue Funds		
	220	225	230
	Storm		EDA
	Water	Cemetery	Revolving
	Utility	Fund	Loan
<b>ASSETS</b>			
Cash and investments	\$ --	\$ --	\$ --
Accounts receivable	3,109	--	--
Interest receivable	--	--	--
Taxes receivable - delinquent	--	--	--
Special assessments receivable -			
Delinquent	--	--	--
Due from other funds	34,682	49,051	56,055
Due from other governments	--	--	--
Note receivable	--	--	34,387
Prepaid insurance	--	1,148	--
Total Current Assets	<u>37,791</u>	<u>50,199</u>	<u>90,442</u>
Restricted Assets:			
Cash and investments	--	37,744	--
Total Restricted Assets	<u>--</u>	<u>37,744</u>	<u>--</u>
Total Assets	<u>\$ 37,791</u>	<u>\$ 87,943</u>	<u>\$ 90,442</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ --	\$ --	\$ --
Due to other funds	--	--	--
Deferred revenue	--	--	--
Total liabilities	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balances:			
Nonspendable	--	1,148	--
Restricted	--	--	--
Committed	--	--	--
Assigned	--	37,744	--
Unassigned	37,791	49,051	90,442
Total fund balances	<u>37,791</u>	<u>87,943</u>	<u>90,442</u>
Total liabilities and fund balances	<u>\$ 37,791</u>	<u>\$ 87,943</u>	<u>\$ 90,442</u>

Special Revenue Funds					
237	245	222	248	251	
TIF 2-2 Intrepid	TIF 1-8 Torborg	Fire Fund	TIF 1-11 KSB	TIF 1-14 HRA/Nelson	Total
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	13,065	--	--	16,174
--	--	--	--	--	--
--	--	--	1,232	--	1,232
--	--	--	--	--	--
8,539	1,554	--	--	--	149,881
--	--	13,198	--	--	13,198
--	--	--	--	--	34,387
--	--	9,218	--	--	10,366
<u>8,539</u>	<u>1,554</u>	<u>35,481</u>	<u>1,232</u>	<u>--</u>	<u>225,238</u>
--	--	--	--	--	37,744
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>37,744</u>
<u>\$ 8,539</u>	<u>\$ 1,554</u>	<u>\$ 35,481</u>	<u>\$ 1,232</u>	<u>\$ --</u>	<u>\$ 262,982</u>
\$ --	\$ --	\$ --	\$ --	\$ --	--
--	--	20,139	1,568	15,079	36,786
--	--	--	1,231	--	1,231
<u>--</u>	<u>--</u>	<u>20,139</u>	<u>2,799</u>	<u>15,079</u>	<u>38,017</u>
--	--	9,218	--	--	10,366
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	37,744
8,539	1,554	6,124	(1,567)	(15,079)	176,855
<u>8,539</u>	<u>1,554</u>	<u>15,342</u>	<u>(1,567)</u>	<u>(15,079)</u>	<u>224,965</u>
<u>\$ 8,539</u>	<u>\$ 1,554</u>	<u>\$ 35,481</u>	<u>\$ 1,232</u>	<u>\$ --</u>	<u>262,982</u>

City of Mora, Minnesota  
Nonmajor Governmental Funds  
Combining Balance Sheet  
December 31, 2013

	Capital Projects Funds			
	407	409	425	429
	Future		Fire	City Hall
	Fire	Future	Station	Improvements
	Equipment	Improvements	2003	2005
<b>ASSETS</b>				
Cash and investments	\$ --	\$ --	\$ --	\$ --
Accounts receivable	--	--	--	--
Interest receivable	--	--	--	--
Taxes receivable - delinquent	--	--	--	--
Special assessments receivable - Delinquent	--	--	--	--
Due from other funds	113,460	337,455	--	1,409
Due from other governments	--	--	--	--
Note receivable	--	--	--	--
Prepaid insurance	--	--	--	--
Total Current Assets	<u>113,460</u>	<u>337,455</u>	<u>--</u>	<u>1,409</u>
Restricted Assets:				
Cash and investments	--	--	--	--
Total Restricted Assets	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total assets	<u>\$ 113,460</u>	<u>\$ 337,455</u>	<u>\$ --</u>	<u>\$ 1,409</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ --	\$ --	\$ --	\$ --
Due to other funds	--	--	715,483	--
Deferred revenue	--	--	--	--
Total liabilities	<u>--</u>	<u>--</u>	<u>715,483</u>	<u>--</u>
Fund Balances:				
Nonspendable	--	--	--	--
Restricted	--	--	--	--
Committed	--	--	--	--
Assigned	--	--	--	--
Unassigned	113,460	337,455	(715,483)	1,409
Total fund balances	<u>113,460</u>	<u>337,455</u>	<u>(715,483)</u>	<u>1,409</u>
Total liabilities and fund balances	<u>\$ 113,460</u>	<u>\$ 337,455</u>	<u>\$ --</u>	<u>\$ 1,409</u>

Capital Projects Funds					
434	439	440	442	443	444
Highway 23 - E	Howe Avenue Construction	Downtown Feed Mill Redevelopment	Airport Kastenbauer House	Police Station	Crosswind
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	66,803	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	66,803	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
\$ --	\$ 66,803	\$ --	\$ --	\$ --	\$ --
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
332,640	161,645	131,651	182,588	--	34,257
--	--	--	--	--	--
332,640	161,645	131,651	182,588	--	34,257
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
(332,640)	(94,842)	(131,651)	(182,588)	--	(34,257)
(332,640)	(94,842)	(131,651)	(182,588)	--	(34,257)
\$ --	\$ 66,803	\$ --	\$ --	\$ --	\$ --

Capital Projects Funds

445	446	447	450	451
Spring Lake Trail	Parker	Trail Tunnel	Hwy 23 E Commercial	7th and Grove Street Improvement
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
--	--	--	--	1,189
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	1,189
--	--	--	--	--
--	--	--	--	--
\$ --	\$ --	\$ --	\$ --	\$ 1,189
\$ --	\$ --	\$ --	\$ --	\$ --
80,329	363,738	23,593	950	384,463
--	--	--	--	1,189
80,329	363,738	23,593	950	385,652
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
(80,329)	(363,738)	(23,593)	(950)	(384,463)
(80,329)	(363,738)	(23,593)	(950)	(384,463)
\$ --	\$ --	\$ --	\$ --	\$ 1,189

452			
Highway 65			
Street Lights			
Project		Total	
\$	--	\$	--
	--		--
	--		--
	--		1,189
	--		66,803
	--		452,324
	--		--
	--		--
	--		--
	--		520,316
	--		--
	--		--
\$	--	\$	520,316
\$	--		--
	--		2,411,337
	--		1,189
	--		2,412,526
	--		--
	--		--
	--		--
	--		--
	--		(1,892,210)
	--		(1,892,210)
\$	--	\$	520,316



City of Mora, Minnesota  
Nonmajor Governmental Funds  
Combining Balance Sheet  
December 31, 2013

	Debt Service		
	526 Street Construction 2004	527 Maple Avenue East	528 Street Construction 2006
<b>ASSETS</b>			
Cash and investments	\$ --	\$ --	\$ --
Accounts receivable	--	--	--
Interest receivable	--	--	--
Taxes receivable - delinquent	1,470	4,223	2,243
Special assessments receivable - Delinquent	--	229,747	--
Due from other funds	16,737	141,316	30,193
Due from other governments	--	--	--
Note receivable	--	--	--
Prepaid insurance	--	--	--
Total Current Assets	<u>18,207</u>	<u>375,286</u>	<u>32,436</u>
Restricted Assets:			
Cash and investments	<u>--</u>	<u>--</u>	<u>--</u>
Total Restricted Assets	<u>--</u>	<u>--</u>	<u>--</u>
Total assets	<u>\$ 18,207</u>	<u>\$ 375,286</u>	<u>\$ 32,436</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ --	\$ --	\$ --
Due to other funds	--	--	--
Deferred revenue	1,316	228,258	2,035
Total liabilities	<u>1,316</u>	<u>228,258</u>	<u>2,035</u>
Fund Balances:			
Nonspendable	--	--	--
Restricted	16,891	147,028	30,401
Committed	--	--	--
Assigned	--	--	--
Unassigned	--	--	--
Total fund balances	<u>16,891</u>	<u>147,028</u>	<u>30,401</u>
Total liabilities and fund balances	<u>\$ 18,207</u>	<u>\$ 375,286</u>	<u>\$ 32,436</u>

530 2008-2011 Street Reconstruction	Total	Total Nonmajor Governmental Funds
\$ --	\$ --	--
--	--	16,174
--	--	--
2,900	10,836	13,257
--	229,747	296,550
186,035	374,281	976,486
--	--	13,198
--	--	34,387
--	--	10,366
<u>188,935</u>	<u>614,864</u>	<u>1,360,418</u>
--	--	37,744
<u>--</u>	<u>--</u>	<u>37,744</u>
<u>\$ 188,935</u>	<u>\$ 614,864</u>	<u>\$ 1,398,162</u>
\$ --	\$ --	--
--	--	2,448,123
2,308	233,917	236,337
<u>2,308</u>	<u>233,917</u>	<u>2,684,460</u>
--	--	10,366
186,627	380,947	380,947
--	--	--
--	--	37,744
--	--	(1,715,355)
<u>186,627</u>	<u>380,947</u>	<u>(1,286,298)</u>
<u>\$ 188,935</u>	<u>\$ 614,864</u>	<u>1,398,162</u>

City of Mora, Minnesota  
Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended December 31, 2013

	Special Revenue Funds		
	220	225	230
	Storm Water Utility	Cemetery Fund	EDA Revolving Loan
<b>REVENUES</b>			
Property taxes	\$ --	\$ --	\$ --
Tax increments	--	--	--
Special assessments	--	--	--
Charges for services	36,548	39,500	--
Intergovernmental revenue	--	--	--
Interest earnings	(174)	(146)	2,025
Miscellaneous -			
Contributions	--	--	--
Other	--	670	--
Total revenues	<u>36,374</u>	<u>40,024</u>	<u>2,025</u>
<b>EXPENDITURES</b>			
Public works	5,175	--	--
Public safety	--	--	--
Cemetery	--	44,258	--
Housing development	--	--	--
Economic development	--	--	--
Debt service	--	--	--
Capital projects	--	--	--
Total expenditures	<u>5,175</u>	<u>44,258</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	31,199	(4,234)	2,025
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from long-term debt	--	--	--
Transfers in	--	--	--
Transfers out	(10,000)	(4,700)	--
Total other financing sources (uses)	<u>(10,000)</u>	<u>(4,700)</u>	<u>--</u>
Net change in fund balances	21,199	(8,934)	2,025
Fund balances - beginning	<u>16,592</u>	<u>96,877</u>	<u>88,417</u>
Fund balances - ending	<u>\$ 37,791</u>	<u>\$ 87,943</u>	<u>\$ 90,442</u>

Special Revenue Funds					
237	245	222	248	251	
TIF 2-2 Intrepid	TIF 1-8 Torborg	Fire Fund	TIF 1-11 KSB	TIF 1-14 HRA/Nelson	Total
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
57,866	16,824	--	43,897	--	118,587
--	--	--	--	--	--
--	--	45,266	--	--	121,314
--	--	--	--	--	--
--	--	--	--	--	1,705
--	--	42,575	--	--	42,575
--	--	96,773	--	--	97,443
<u>57,866</u>	<u>16,824</u>	<u>184,614</u>	<u>\$ 43,897</u>	<u>\$ --</u>	<u>381,624</u>
--	--	--	--	--	5,175
--	--	205,291	--	--	205,291
--	--	--	--	--	44,258
59,312	18,547	--	--	--	77,859
--	--	--	41,749	--	41,749
--	--	--	--	--	--
--	--	--	--	--	--
<u>59,312</u>	<u>18,547</u>	<u>205,291</u>	<u>41,749</u>	<u>--</u>	<u>374,332</u>
(1,446)	(1,723)	(20,677)	2,148	--	7,292
--	--	--	--	--	--
--	--	36,019	--	--	36,019
--	--	--	--	--	(14,700)
<u>--</u>	<u>--</u>	<u>36,019</u>	<u>--</u>	<u>--</u>	<u>21,319</u>
(1,446)	(1,723)	15,342	2,148	--	28,611
9,985	3,277	--	(3,715)	(15,079)	196,354
<u>\$ 8,539</u>	<u>\$ 1,554</u>	<u>\$ 15,342</u>	<u>\$ (1,567)</u>	<u>\$ (15,079)</u>	<u>\$ 224,965</u>

City of Mora, Minnesota  
Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2013

	Capital Project Funds			
	407	409	425	429
	Future Fire Equipment	Future Improvements	Fire Station	City Hall Improvements 2005
<b>REVENUES</b>				
Property taxes	\$ --	\$ --	\$ --	\$ --
Tax increments	--	--	--	--
Special assessments	--	--	--	--
Charges for services	--	--	--	--
Intergovernmental revenue	63,297	--	--	--
Interest earnings	446	3,882	--	--
Miscellaneous -				
Contributions	2,984	--	--	--
Other	--	(3,515)	--	--
Total revenues	<u>66,727</u>	<u>367</u>	<u>--</u>	<u>--</u>
<b>EXPENDITURES</b>				
Public works	--	--	--	--
Public safety	--	--	--	--
Cemetery	--	--	--	--
Housing development	--	--	--	--
Economic development	--	--	--	--
Debt service	--	--	--	--
Capital projects	633	--	15,483	--
Total expenditures	<u>633</u>	<u>--</u>	<u>15,483</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	66,094	367	(15,483)	--
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from long-term debt	--	--	--	--
Transfers in	24,614	53,400	--	--
Transfers out	(5,941)	(43,592)	--	--
Total other financing sources (uses)	<u>18,673</u>	<u>9,808</u>	<u>--</u>	<u>--</u>
Net change in fund balances	84,767	10,175	(15,483)	--
Fund balances - beginning	<u>28,693</u>	<u>327,280</u>	<u>(700,000)</u>	<u>1,409</u>
Fund balances - ending	<u>\$ 113,460</u>	<u>\$ 337,455</u>	<u>\$ (715,483)</u>	<u>\$ 1,409</u>

Capital Projects Funds					
434	439	440	442	443	444
Highway 23 - E	Howe Avenue Reconstruction	Downtown Feed Mill Redevelopment	Airport Kastenbauer House	Police Station	Crosswind
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--
--	77,463	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	779
--	5,036	--	--	--	--
--	--	--	--	--	--
--	--	--	2,600	--	--
--	82,499	--	2,600	--	779
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	90	2,719	--	4,823
--	--	90	2,719	--	4,823
--	82,499	(90)	(119)	--	(4,044)
--	--	--	--	--	--
--	--	10,000	--	--	--
--	--	--	--	(26,979)	--
--	--	10,000	--	(26,979)	--
--	82,499	9,910	(119)	(26,979)	(4,044)
(332,640)	(177,341)	(141,561)	(182,469)	26,979	(30,213)
\$ (332,640)	\$ (94,842)	\$ (131,651)	\$ (182,588)	\$ --	\$ (34,257)

Capital Projects Funds				
445	446	447	450	451
Spring Lake Trail	Parker	Trail Tunnel	Hwy 23 Commercial Lots	7th and Grove Street Improvement
\$ --	\$ --	\$ --	\$ --	\$ 28,050
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	28,050
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	1,061	32,494
--	--	--	1,061	32,494
--	--	--	(1,061)	(4,444)
--	--	--	44,500	--
10,000	--	--	--	--
--	--	--	--	--
10,000	--	--	44,500	--
10,000	--	--	43,439	(4,444)
(90,329)	(363,738)	(23,593)	(44,389)	(380,019)
\$ (80,329)	\$ (363,738)	\$ (23,593)	\$ (950)	\$ (384,463)

452			
Highway 65			
Street LT			
Project		Total	
\$ --		\$ 28,050	
--		--	
--		77,463	
--		--	
96,103		160,179	
--		9,364	
--		2,984	
14,064		13,149	
<u>110,167</u>		<u>291,189</u>	
--		--	
--		--	
--		--	
--		--	
--		--	
--		--	
115,964		173,267	
<u>115,964</u>		<u>173,267</u>	
(5,797)		117,922	
--		44,500	
17,721		115,735	
--		(76,512)	
<u>17,721</u>		<u>83,723</u>	
11,924		201,645	
<u>(11,924)</u>		<u>(2,093,855)</u>	
<u>\$ --</u>		<u>\$ (1,892,210)</u>	



City of Mora, Minnesota  
Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended December 31, 2013

	Debt Service		
	526	527	528
	Street	Maple	Street
	Construction	Avenue	Construction
	2004	East	2006
<b>REVENUES</b>			
Property taxes	\$ 15,385	\$ 51,387	\$ 24,674
Tax increments	--	--	--
Special assessments	--	3,581	--
Charges for services	--	--	--
Intergovernmental revenue	--	--	--
Interest earnings	49	10,952	98
Miscellaneous -			
Contributions	--	--	--
Other	--	--	--
Total revenues	<u>15,434</u>	<u>65,920</u>	<u>24,772</u>
<b>EXPENDITURES</b>			
Public works	--	--	--
Public safety	--	--	--
Cemetery	--	--	--
Housing development	--	--	--
Economic development	--	--	--
Debt service	16,770	82,037	29,756
Capital projects	--	--	--
Total expenditures	<u>16,770</u>	<u>82,037</u>	<u>29,756</u>
Excess (deficiency) of revenues over (under) expenditures	(1,336)	(16,117)	(4,984)
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from long-term debt	--	--	--
Transfers in	--	10,000	--
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>10,000</u>	<u>--</u>
Net change in fund balances	(1,336)	(6,117)	(4,984)
Fund balances - beginning	<u>18,227</u>	<u>153,145</u>	<u>35,385</u>
Fund balances - ending	<u>\$ 16,891</u>	<u>\$ 147,028</u>	<u>\$ 30,401</u>

Debt Service		Total Nonmajor Governmental Funds
530 2008-2010 Street Reconstrcution	Total	
\$ 38,893	\$ 130,339	\$ 158,389
--	--	118,587
--	3,581	81,044
--	--	121,314
--	--	160,179
1,322	12,421	23,490
--	--	--
--	--	45,559
--	--	110,592
<u>40,215</u>	<u>146,341</u>	<u>819,154</u>
--	--	5,175
--	--	205,291
--	--	44,258
--	--	77,859
--	--	41,749
83,508	212,071	212,071
--	--	173,267
<u>83,508</u>	<u>212,071</u>	<u>759,670</u>
(43,293)	(65,730)	59,484
--	--	44,500
--	10,000	161,754
--	--	(91,212)
<u>--</u>	<u>10,000</u>	<u>115,042</u>
(43,293)	(55,730)	174,526
<u>229,920</u>	<u>436,677</u>	<u>(1,460,824)</u>
<u>\$ 186,627</u>	<u>\$ 380,947</u>	<u>(1,286,298)</u>

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City of Mora, Minnesota  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Special Revenue Funds  
December 31, 2013

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City of Mora, Minnesota  
Storm Water Utility - Special Revenue Fund - 220  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Storm water fees	\$ 36,900	\$ 36,548	\$ (352)
Investment earnings	500	(174)	(674)
Miscellaneous	--	--	--
Total revenues	<u>37,400</u>	<u>36,374</u>	<u>(1,026)</u>
<b>EXPENDITURES</b>			
Professional services	3,000	5,045	(2,045)
Miscellaneous	10,035	130	9,905
Capital outlay	--	--	--
Total expenditures	<u>13,035</u>	<u>5,175</u>	<u>7,860</u>
Excess (deficiency) of revenues over (under) expenditures	24,365	31,199	6,834
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	--	--	--
Transfers out	(10,000)	(10,000)	--
Total other financing sources (uses)	<u>(10,000)</u>	<u>(10,000)</u>	<u>--</u>
Net change in fund balances	14,365	21,199	6,834
Fund balances - beginning	<u>16,592</u>	<u>16,592</u>	<u>--</u>
Fund balances - ending	<u>\$ 30,957</u>	<u>\$ 37,791</u>	<u>\$ 6,834</u>

City of Mora, Minnesota  
 Fire Fund - Special Revenue Fund - 222  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Grants	\$ --	\$ 96,773	\$ 96,773
Charges for services	26,400	45,266	18,866
Contributions	40,888	42,575	1,687
Total revenues	<u>67,288</u>	<u>184,614</u>	<u>117,326</u>
<b>EXPENDITURES</b>			
Supplies	45,128	74,307	29,179
Salaries	22,924	37,746	14,822
Capital outlay	34,394	56,632	22,238
Miscellaneous	22,232	36,606	14,374
Total expenditures	<u>124,678</u>	<u>205,291</u>	<u>80,613</u>
Excess (deficiency) of revenues over (under) expenditures	(57,390)	(20,677)	36,713
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	--	36,019	36,019
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>36,019</u>	<u>36,019</u>
Net change in fund balances	(57,390)	15,342	72,732
Fund balances - beginning	<u>--</u>	<u>--</u>	<u>--</u>
Fund balances - ending	<u>\$ (57,390)</u>	<u>\$ 15,342</u>	<u>\$ 72,732</u>

City of Mora, Minnesota  
 Cemetery Fund - Special Revenue Fund - 225  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Interments	\$ 24,750	\$ 21,000	\$ (3,750)
Perpetual care	3,500	3,700	200
Sale of lots	14,000	14,800	800
Miscellaneous	1,075	670	(405)
Investment earnings	2,000	(146)	(2,146)
Total revenues	<u>45,325</u>	<u>40,024</u>	<u>(5,301)</u>
<b>EXPENDITURES</b>			
Professional services	4,424	5,208	784
Salaries	27,155	31,964	4,809
Capital outlay	--	125	125
Miscellaneous	5,914	6,961	1,047
Total expenditures	<u>37,493</u>	<u>44,258</u>	<u>6,765</u>
Excess (deficiency) of revenues over (under) expenditures	7,832	(4,234)	(12,066)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	--	--	--
Transfers out	(4,700)	(4,700)	--
Total other financing sources (uses)	<u>(4,700)</u>	<u>(4,700)</u>	<u>--</u>
Net change in fund balances	3,132	(8,934)	(12,066)
Fund balances - beginning	<u>96,877</u>	<u>96,877</u>	<u>--</u>
Fund balances - ending	<u>\$ 100,009</u>	<u>\$ 87,943</u>	<u>\$ (12,066)</u>



City of Mora, Minnesota  
Economic Development Revolving Loan - Special Revenue Fund - 230  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Miscellaneous	\$ --	\$ --	\$ --
Investment earnings	4,000	2,025	(1,975)
Total revenues	<u>4,000</u>	<u>2,025</u>	<u>(1,975)</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Dues and subscriptions	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	4,000	2,025	(1,975)
Fund balances - beginning	<u>88,417</u>	<u>88,417</u>	<u>--</u>
Fund balances - ending	<u><u>\$ 92,417</u></u>	<u><u>\$ 90,442</u></u>	<u><u>\$ (1,975)</u></u>

City of Mora, Minnesota  
TIF 2-2 Intrepid - Special Revenue Fund - 237  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2013

	Original and Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Tax increments	\$ --	\$ 57,866	\$ 57,866
Investment earnings	--	--	--
Total revenues	<u>--</u>	<u>57,866</u>	<u>57,866</u>
<b>EXPENDITURES</b>			
Professional services	--	2,893	2,893
Housing development	--	56,419	56,419
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>59,312</u>	<u>59,312</u>
Net changes in fund balances	--	(1,446)	(1,446)
Fund balances - beginning	<u>9,985</u>	<u>9,985</u>	<u>--</u>
Fund balances - ending	<u><u>\$ 9,985</u></u>	<u><u>\$ 8,539</u></u>	<u><u>\$ (1,446)</u></u>

City of Mora, Minnesota  
TIF 1-8 Torborg Apartments - Special Revenue Fund - 245  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Tax increments	\$ --	\$ 16,824	\$ 16,824
Investment earnings	--	--	--
Total revenues	<u>--</u>	<u>16,824</u>	<u>16,824</u>
<b>EXPENDITURES</b>			
Professional services	--	3,444	3,444
Housing development	--	15,102	15,102
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>18,546</u>	<u>18,546</u>
Net change to fund balances	--	(1,722)	(1,722)
Fund balances - beginning	<u>3,277</u>	<u>3,277</u>	<u>--</u>
Fund balances - ending	<u>\$ 3,277</u>	<u>\$ 1,555</u>	<u>\$ (1,722)</u>

City of Mora, Minnesota  
TIF 1-11 Kanabec State Bank - Special Revenue Fund - 248  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Tax increments	\$ --	\$ 43,897	\$ 43,897
Total revenues	<u>--</u>	<u>43,897</u>	<u>43,897</u>
<b>EXPENDITURES</b>			
Professional services	--	4,390	4,390
Economic development	--	--	--
Interest	--	--	--
Miscellaneous	--	37,359	37,359
Total expenditures	<u>--</u>	<u>41,749</u>	<u>41,749</u>
Net change to fund balances	--	2,148	2,148
Fund balances - beginning	<u>(3,715)</u>	<u>(3,715)</u>	<u>--</u>
Fund balances - ending	<u><u>\$ (3,715)</u></u>	<u><u>\$ (1,567)</u></u>	<u><u>\$ 2,148</u></u>

City of Mora, Minnesota  
TIF 1-14 HRA/Nelson - Special Revenue Fund - 251  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Tax increments	\$ --	\$ --	\$ --
Misc income	--	--	--
Total revenues	--	--	--
<b>EXPENDITURES</b>			
Professional services	--	--	--
Economic development	--	--	--
Interest	--	--	--
Miscellaneous	--	--	--
Total expenditures	--	--	--
Net change to fund balances	--	--	--
Fund balances - beginning	(15,079)	(15,079)	--
Fund balances - ending	<u>\$ (15,079)</u>	<u>\$ (15,079)</u>	<u>\$ --</u>

City of Mora, Minnesota  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Capital Projects Funds  
December 31, 2013

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City of Mora, Minnesota  
Future Fire Equipment - Capital Projects Fund - 407  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenues	\$ --	\$ 63,297	\$ 63,297
Contributions	--	2,984	2,984
Interest earnings	--	446	446
Total revenues	--	66,727	66,727
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	--	--	--
Miscellaneous	--	633	633
Total expenditures	--	633	633
Excess (deficiency) of revenues over (under) expenditures	--	66,094	66,094
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	--	24,614	24,614
Transfers out	--	(5,941)	(5,941)
Total other financing sources (uses)	--	18,673	18,673
Net change in fund balances	--	84,767	84,767
Fund balances - beginning	28,693	28,693	--
Fund balances - ending	\$ 28,693	\$ 113,460	\$ 84,767



City of Mora, Minnesota  
 Future Improvements - Capital Projects Fund - 409  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenues	\$ --	\$ --	\$ --
Interest earnings	--	3,882	3,882
Miscellaneous	--	(3,515)	(3,515)
Total revenues	<u>--</u>	<u>367</u>	<u>367</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	--	--	--
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	--	367	367
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	--	53,400	53,400
Transfers out	--	(43,592)	(43,592)
Total other financing sources (uses)	<u>--</u>	<u>9,808</u>	<u>9,808</u>
Net change in fund balances	--	10,175	10,175
Fund balances - beginning	<u>327,280</u>	<u>327,280</u>	<u>--</u>
Fund balances - ending	<u><u>\$ 327,280</u></u>	<u><u>\$ 337,455</u></u>	<u><u>\$ 10,175</u></u>

City of Mora, Minnesota  
 Fire Station- Capital Projects Fund - 425  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenues	\$ --	\$ --	\$ --
Interest earnings	--	--	--
Miscellaneous	--	--	--
Total revenues	--	--	--
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	--	15,483	15,483
Miscellaneous	--	--	--
Total expenditures	--	15,483	15,483
Excess (deficiency) of revenues over (under) expenditures	--	(15,483)	(15,483)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	--	--	--
Transfers out	--	--	--
Total other financing sources (uses)	--	--	--
Net change in fund balances	--	(15,483)	(15,483)
Fund balances - beginning	(700,000)	(700,000)	--
Fund balances - ending	\$ (700,000)	\$ (715,483)	\$ (15,483)

City of Mora, Minnesota  
City Hall Improvements 2005 - Capital Projects Fund - 429  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenues	\$ --	\$ --	\$ --
Miscellaneous	--	--	--
Interest earnings	--	--	--
Total revenues	--	--	--
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	--	--	--
Miscellaneous	--	--	--
Total expenditures	--	--	--
Excess (deficiency) of revenues over (under) expenditures	--	--	--
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	--	--	--
Transfers out	--	--	--
Total other financing sources (uses)	--	--	--
Net change in fund balances	--	--	--
Fund balances - beginning	1,409	1,409	--
Fund balances - ending	\$ 1,409	\$ 1,409	\$ --

City of Mora, Minnesota  
Highway 23-E - Capital Project Fund - 434  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenues	\$ --	\$ --	\$ --
Miscellaneous	--	--	--
Interest earnings	--	--	--
Total revenues	<u>--</u>	<u>--</u>	<u>--</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	--	--	--
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	--	--	--
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	--	--	--
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	--	--	--
Fund balances - beginning	<u>(332,640)</u>	<u>(332,640)</u>	<u>--</u>
Fund balances - ending	<u><u>\$ (332,640)</u></u>	<u><u>\$ (332,640)</u></u>	<u><u>\$ --</u></u>

City of Mora, Minnesota  
 Howe Avenue Reconstruction - Capital Project Fund - 439  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Special assessments	\$ --	\$ 77,463	\$ 77,463
Miscellaneous	--	--	--
Interest earnings	--	5,036	5,036
Total revenues	--	82,499	82,499
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	--	--	--
Miscellaneous	--	--	--
Total expenditures	--	--	--
Excess (deficiency) of revenues over (under) expenditures	--	82,499	82,499
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	--	--	--
Transfers out	--	--	--
Total other financing sources (uses)	--	--	--
Net change in fund balances	--	82,499	82,499
Fund balances - beginning	(177,341)	(177,341)	--
Fund balances - ending	\$ (177,341)	\$ (94,842)	\$ 82,499

City of Mora, Minnesota  
Downtown Feed Mill Redevelopment - Capital Project Fund - 440  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenues	\$ --	\$ --	\$ --
Miscellaneous	--	--	--
Contributions	--	--	--
Interest earnings	--	--	--
Total revenues	<u>--</u>	<u>--</u>	<u>--</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	--	90	90
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>90</u>	<u>90</u>
Excess (deficiency) of revenues over (under) expenditures	--	(90)	(90)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	--	10,000	10,000
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>10,000</u>	<u>10,000</u>
Net change in fund balances	--	9,910	9,910
Fund balances - beginning	<u>(141,561)</u>	<u>(141,561)</u>	<u>--</u>
Fund balances - ending	<u>\$ (141,561)</u>	<u>\$ (131,651)</u>	<u>\$ 9,910</u>

City of Mora, Minnesota  
 Airport Kastenbauer House - Capital Project Fund - 442  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenues	\$ --	\$ --	\$ --
Miscellaneous	--	2,600	2,600
Contributions	--	--	--
Interest earnings	--	--	--
Total revenues	<u>--</u>	<u>2,600</u>	<u>2,600</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	--	2,719	2,719
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>2,719</u>	<u>2,719</u>
Excess (deficiency) of revenues over (under) expenditures	--	(119)	(119)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	--	--	--
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	--	(119)	(119)
Fund balances - beginning	<u>(182,469)</u>	<u>(182,469)</u>	<u>--</u>
Fund balances - ending	<u>\$ (182,469)</u>	<u>\$ (182,588)</u>	<u>\$ (119)</u>

City of Mora, Minnesota  
Police Station - Capital Project Fund - 443  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenues	\$ --	\$ --	\$ --
Miscellaneous	--	--	--
Interest earnings	--	--	--
Total revenues	<u>--</u>	<u>--</u>	<u>--</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	--	--	--
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	--	--	--
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	--	--	--
Transfers out	--	(26,979)	(26,979)
Total other financing sources (uses)	<u>--</u>	<u>(26,979)</u>	<u>(26,979)</u>
Net change in fund balances	--	(26,979)	(26,979)
Fund balances - beginning	<u>26,979</u>	<u>26,979</u>	<u>--</u>
Fund balances - ending	<u><u>\$ 26,979</u></u>	<u><u>\$ --</u></u>	<u><u>\$ (26,979)</u></u>



City of Mora, Minnesota  
 Crosswind - Capital Project Fund - 444  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenues	\$ --	\$ 779	\$ 779
Miscellaneous	--	--	--
Contributions	--	--	--
Interest earnings	--	--	--
Total revenues	<u>--</u>	<u>779</u>	<u>779</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	--	4,823	4,823
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>4,823</u>	<u>4,823</u>
Excess (deficiency) of revenues over (under) expenditures	--	(4,044)	(4,044)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	--	--	--
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	--	(4,044)	(4,044)
Fund balances - beginning	<u>(30,213)</u>	<u>(30,213)</u>	<u>--</u>
Fund balances - ending	<u>\$ (30,213)</u>	<u>\$ (34,257)</u>	<u>\$ (4,044)</u>

City of Mora, Minnesota  
Spring Lake Trail - Capital Project Fund - 445  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenues	\$ --	\$ --	\$ --
Miscellaneous	--	--	--
Contributions	--	--	--
Interest earnings	--	--	--
Total revenues	<u>--</u>	<u>--</u>	<u>--</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	--	--	--
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	--	--	--
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	--	10,000	10,000
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>10,000</u>	<u>10,000</u>
Net change in fund balances	--	10,000	10,000
Fund balances - beginning	<u>(90,329)</u>	<u>(90,329)</u>	<u>--</u>
Fund balances - ending	<u>\$ (90,329)</u>	<u>\$ (80,329)</u>	<u>\$ 10,000</u>

City of Mora, Minnesota  
Parker - Capital Project Fund - 446  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenues	\$ --	\$ --	\$ --
Miscellaneous	--	--	--
Contributions	--	--	--
Interest earnings	--	--	--
Total revenues	<u>--</u>	<u>--</u>	<u>--</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	--	--	--
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	--	--	--
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	--	--	--
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	--	--	--
Fund balances - beginning	<u>(363,738)</u>	<u>(363,738)</u>	<u>--</u>
Fund balances - ending	<u>\$ (363,738)</u>	<u>\$ (363,738)</u>	<u>\$ --</u>

City of Mora, Minnesota  
Trail Tunnel - Capital Project Fund - 447  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenues	\$ --	\$ --	\$ --
Miscellaneous	--	--	--
Contributions	--	--	--
Interest earnings	--	--	--
Total revenues	<u>--</u>	<u>--</u>	<u>--</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	--	--	--
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	--	--	--
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	--	--	--
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	--	--	--
Fund balances - beginning	<u>(23,593)</u>	<u>(23,593)</u>	<u>--</u>
Fund balances - ending	<u><u>\$ (23,593)</u></u>	<u><u>\$ (23,593)</u></u>	<u><u>\$ --</u></u>

City of Mora, Minnesota  
Hwy 23 E. Commercial Lots - Capital Project Fund - 450  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenues	\$ --	\$ --	\$ --
Miscellaneous	--	--	--
Contributions	--	--	--
Interest earnings	--	--	--
Total revenues	<u>--</u>	<u>--</u>	<u>--</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	--	1,061	1,061
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>1,061</u>	<u>1,061</u>
Excess (deficiency) of revenues over (under) expenditures	--	(1,061)	(1,061)
<b>OTHER FINANCING SOURCES (USES)</b>			
Sale of fixed assets	--	44,500	44,500
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>44,500</u>	<u>44,500</u>
Net change in fund balances	--	43,439	43,439
Fund balances - beginning	<u>(44,389)</u>	<u>(44,389)</u>	<u>--</u>
Fund balances - ending	<u>\$ (44,389)</u>	<u>\$ (950)</u>	<u>\$ 43,439</u>

City of Mora, Minnesota  
 2012 7th and Grove St Improvement - 451  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Taxes	\$ 30,000	\$ 28,050	\$ (1,950)
Miscellaneous	--	--	--
Contributions	--	--	--
Interest earnings	--	--	--
Total revenues	<u>30,000</u>	<u>28,050</u>	<u>(1,950)</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	--	32,494	32,494
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>32,494</u>	<u>32,494</u>
Excess (deficiency) of revenues over (under) expenditures	30,000	(4,444)	(34,444)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	--	--	--
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	30,000	(4,444)	(34,444)
Fund balances - beginning	<u>(380,019)</u>	<u>(380,019)</u>	<u>--</u>
Fund balances - ending	<u>\$ (350,019)</u>	<u>\$ (384,463)</u>	<u>\$ (34,444)</u>

City of Mora, Minnesota  
Highway 65 Street LT Project - 452  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenues	\$ --	\$ 96,103	\$ 96,103
Miscellaneous	--	14,064	14,064
Contributions	--	--	--
Interest earnings	--	--	--
Total revenues	<u>--</u>	<u>110,167</u>	<u>110,167</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	--	115,964	115,964
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>115,964</u>	<u>115,964</u>
Excess (deficiency) of revenues over (under) expenditures	--	(5,797)	(5,797)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	--	17,721	17,721
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>17,721</u>	<u>17,721</u>
Net change in fund balances	--	11,924	11,924
Fund balances - beginning	<u>(11,924)</u>	<u>(11,924)</u>	<u>--</u>
Fund balances - ending	<u>\$ (11,924)</u>	<u>\$ --</u>	<u>\$ 11,924</u>

City of Mora, Minnesota  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Debt Service Funds  
December 31, 2013



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City of Mora, Minnesota  
 Street Construction 2004 - Debt Service Fund - 526  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 15,220	\$ 15,385	\$ 165
Interest earnings	200	49	(151)
Total revenues	<u>15,420</u>	<u>15,434</u>	<u>14</u>
<b>EXPENDITURES</b>			
Principal	15,000	15,000	--
Interest	1,700	1,700	--
Miscellaneous	--	70	70
Total expenditures	<u>16,700</u>	<u>16,770</u>	<u>70</u>
Excess (deficiency) of revenues over (under) expenditures	(1,280)	(1,336)	(56)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	(1,280)	(1,336)	(56)
Fund balances - beginning	<u>18,227</u>	<u>18,227</u>	<u>--</u>
Fund balances - ending	<u><u>\$ 16,947</u></u>	<u><u>\$ 16,891</u></u>	<u><u>\$ (56)</u></u>

City of Mora, Minnesota  
Maple Avenue East - Debt Service Fund - 527  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 51,596	\$ 51,387	\$ (209)
Special assessments	9,000	3,581	(5,419)
Interest earnings	12,700	10,952	(1,748)
Total revenues	<u>73,296</u>	<u>65,920</u>	<u>(7,376)</u>
<b>EXPENDITURES</b>			
Principal	45,000	45,000	--
Interest	35,900	35,900	--
Miscellaneous	350	1,137	787
Total expenditures	<u>81,250</u>	<u>82,037</u>	<u>787</u>
Excess (deficiency) of revenues over (under) expenditures	(7,954)	(16,117)	(8,163)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	10,000	10,000	--
Total other financing sources (uses)	<u>10,000</u>	<u>10,000</u>	<u>--</u>
Net change in fund balances	2,046	(6,117)	(8,163)
Fund balances - beginning	<u>153,145</u>	<u>153,145</u>	<u>--</u>
Fund balances - ending	<u>\$ 155,191</u>	<u>\$ 147,028</u>	<u>\$ (8,163)</u>

City of Mora, Minnesota  
 Street Construction 2006 - Debt Service Fund - 528  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 24,660	\$ 24,674	\$ 14
Interest earnings	800	98	(702)
Total revenues	<u>25,460</u>	<u>24,772</u>	<u>(688)</u>
<b>EXPENDITURES</b>			
Principal	25,000	25,000	--
Interest	4,700	4,700	--
Miscellaneous	--	56	56
Total expenditures	<u>29,700</u>	<u>29,756</u>	<u>56</u>
Excess (deficiency) of revenues over (under) expenditures	(4,240)	(4,984)	(744)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	(4,240)	(4,984)	(744)
Fund balances - beginning	<u>35,385</u>	<u>35,385</u>	<u>--</u>
Fund balances - ending	<u><u>\$ 31,145</u></u>	<u><u>\$ 30,401</u></u>	<u><u>\$ (744)</u></u>

City of Mora, Minnesota  
 2008 - 2011 Street Reconstruction - Debt Service Fund - 530  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 37,685	\$ 38,893	\$ 1,208
Investment earnings	2,000	1,322	(678)
Total revenues	<u>39,685</u>	<u>40,215</u>	<u>530</u>
<b>EXPENDITURES</b>			
Loss on investment	--	1,878	1,878
Principal	65,000	65,000	--
Interest	16,205	16,205	--
Fiscal agent fees	425	425	--
Total expenditures	<u>81,630</u>	<u>83,508</u>	<u>1,878</u>
Excess (deficiency) of revenues over (under) expenditures	(41,945)	(43,293)	(1,348)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	(41,945)	(43,293)	(1,348)
Fund balances - beginning	<u>229,920</u>	<u>229,920</u>	<u>--</u>
Fund balances - ending	<u>\$ 187,975</u>	<u>\$ 186,627</u>	<u>\$ (1,348)</u>

City of Mora, Minnesota  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN NET ASSETS - BUDGET AND ACTUAL

Enterprise Funds  
December 31, 2013

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City of Mora, Minnesota  
Municipal Liquor Store - Enterprise Fund - 609  
Schedule of Revenues, Expenditures, and Changes in Net Position - Budget and Actual  
For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Sales	\$ 3,165,400	\$ 2,801,512	\$ 363,888
Less cost of goods sold	<u>\$ (2,400,000)</u>	<u>\$ (2,042,479)</u>	<u>\$ (357,521)</u>
Total Operating Revenues	<u>765,400</u>	<u>759,033</u>	<u>6,367</u>
Operating Expenses:			
Employee services	250,000	245,707	4,293
Supplies	30,000	27,106	2,894
Other services and charges	187,529	167,985	19,544
Depreciation	<u>60,000</u>	<u>59,107</u>	<u>893</u>
Total Operating Expenses	<u>527,529</u>	<u>499,905</u>	<u>27,624</u>
Operating Income (Loss)	237,871	259,128	21,257
Add: Non-Operating Revenues:			
Commissions	1,000	2,446	1,446
Interest earned	5,000	3,225	(1,775)
Miscellaneous	<u>1,800</u>	<u>1,786</u>	<u>(14)</u>
Total Non-Operating Revenues	<u>7,800</u>	<u>7,457</u>	<u>(343)</u>
Income before Transfers	245,671	266,585	20,914
Transfers:			
Transfers in (out)	<u>(270,000)</u>	<u>(270,000)</u>	<u>--</u>
Total Transfers	<u>(270,000)</u>	<u>(270,000)</u>	<u>--</u>
Net Income (Loss)	(24,329)	(3,415)	20,914
Net Position, January 1	<u>569,836</u>	<u>569,836</u>	<u>--</u>
Net Position, December 31	<u>\$ 545,507</u>	<u>\$ 566,421</u>	<u>\$ 20,914</u>



City of Mora, Minnesota  
Electric Utility Fund - Enterprise Fund - 651  
Schedule of Revenues, Expenditures, and Changes in Net Position - Budget and Actual  
For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Sales	\$ 4,706,481	\$ 4,947,615	\$ (241,134)
Total Operating Revenues	<u>4,706,481</u>	<u>4,947,615</u>	<u>(241,134)</u>
Operating Expenses:			
Cost of sales	4,468,323	4,207,563	260,760
Employee services	330,000	337,349	(7,349)
Supplies	10,000	11,582	(1,582)
Other services & charges	192,436	469,703	(277,267)
Depreciation	<u>145,000</u>	<u>151,099</u>	<u>(6,099)</u>
Total Operating Expenses	<u>5,145,759</u>	<u>5,177,296</u>	<u>(31,537)</u>
Operating Income (Loss)	(439,278)	(229,681)	(209,597)
Add: Non-Operating Revenues and Expenses:			
Miscellaneous expenses	--	--	--
Commissions	--	--	--
Discounts earned	--	--	--
Interest earned	150,000	90,525	59,475
Gain on investments	--	(52,452)	52,452
Miscellaneous - wage & power plant reimbursement	<u>394,300</u>	<u>521,807</u>	<u>(127,507)</u>
Total Non-Operating Revenues	<u>544,300</u>	<u>559,880</u>	<u>(15,580)</u>
Income before Transfers	105,022	330,199	(225,177)
Transfers and other expenses:			
Transfers in (out)	<u>--</u>	<u>--</u>	<u>--</u>
Total Transfers	<u>--</u>	<u>--</u>	<u>--</u>
Net Income (Loss)	105,022	330,199	(225,177)
Net Position, January 1	<u>8,515,565</u>	<u>8,515,565</u>	<u>--</u>
Net Position, December 31	<u>\$ 8,620,587</u>	<u>\$ 8,845,764</u>	<u>\$ (225,177)</u>

City of Mora, Minnesota  
Water Utility Fund - Enterprise Fund - 652  
Schedule of Revenues, Expenditures, and Changes in Net Position - Budget and Actual  
For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Sales	\$ 564,480	\$ 564,263	\$ 217
WAC fees	--	3,000	--
Total Operating Revenues	<u>564,480</u>	<u>567,263</u>	<u>217</u>
Operating Expenses:			
Cost of sales	--	--	--
Employee services	191,510	179,361	12,149
Supplies	57,355	25,349	32,006
Other services & charges	150,498	92,949	57,549
Depreciation	248,000	284,954	(36,954)
Total Operating Expenses	<u>647,363</u>	<u>582,613</u>	<u>64,750</u>
Operating Income (Loss)	(82,883)	(15,350)	(64,533)
Add: Non-Operating Revenues:			
Special assessments	2,100	(1,719)	3,819
Discounts earned	--	--	--
Interest earned	25,000	4,525	20,475
Gain on sale of fixed assets	--	(5,052)	5,052
Miscellaneous	15,750	20,920	(5,170)
Total Non-Operating Revenues	<u>42,850</u>	<u>18,674</u>	<u>24,176</u>
Income before Operating Transfers	(40,033)	3,324	(40,357)
Operating Transfers:			
Transfers in	--	--	--
Transfers (out)	--	--	--
Total Operating Transfers	<u>--</u>	<u>--</u>	<u>--</u>
Net Income (Loss)	(40,033)	3,324	(40,357)
Net Position, January 1	<u>3,442,905</u>	<u>3,442,905</u>	<u>--</u>
Net Position, December 31	<u>\$ 3,402,872</u>	<u>\$ 3,446,229</u>	<u>\$ (40,357)</u>

City of Mora, Minnesota  
Wastewater Utility Fund - Enterprise Fund - 653  
Schedule of Revenues, Expenditures, and Changes in Net Position-Budget and Actual  
For the Year Ended December 31, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Sales	\$ 766,382	\$ 777,347	\$ (10,965)
SAC fees	--	120,000	(120,000)
Total Operating Revenues	<u>766,382</u>	<u>897,347</u>	<u>(130,965)</u>
Operating Expenses:			
Employee services	247,846	247,283	563
Supplies	117,785	84,292	33,493
Other services and charges	175,520	123,373	52,147
Depreciation	275,000	277,059	(2,059)
Total Operating Expenses	<u>816,151</u>	<u>732,007</u>	<u>84,144</u>
Operating Income (Loss)	(49,769)	165,340	(215,109)
Add: Non-Operating Revenues:			
Special assessments	7,900	(5,035)	12,935
Discounts earned	--	--	--
Interest earned	12,000	11,042	958
Gain on sale of fixed assets	--	(8,855)	8,855
Miscellaneous	24,410	28,714	(4,304)
Total Non-Operating Revenues	<u>44,310</u>	<u>25,866</u>	<u>18,444</u>
Income before Operating Transfers	(5,459)	191,206	(196,665)
Operating Transfers:			
Transfers in	--	--	--
Transfers (out)	--	--	--
Total Operating Transfers	<u>--</u>	<u>--</u>	<u>--</u>
Net Income (Loss)	(5,459)	191,206	(196,665)
Net Position, January 1	<u>3,639,177</u>	<u>3,639,177</u>	<u>--</u>
Net Position, December 31	<u>\$ 3,633,718</u>	<u>\$ 3,830,383</u>	<u>\$ (196,665)</u>

CITY OF MORA, MINNESOTA  
ANNUAL FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2013

FINANCIAL SECTION (CONTINUED)

SCHEDULES

SUPPLEMENTARY FINANCIAL INFORMATION

These supplementary schedules are included to provide management additional information for financial analysis.

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## City of Mora, Minnesota

Municipal Liquor Store Fund  
 Schedule of Gross Sales, Net Profit, Transfers Out, and Net Position  
 Last Ten Fiscal Years

<u>Year</u>	<u>Gross Sales</u>	<u>Income Before Transfers</u>	<u>Transfers Out</u>	<u>Net Position</u>
2004	2,026,853	278,745	270,000	780,423
2005	2,089,631	322,307	270,000	832,731
2006	2,235,390	268,974	320,000	781,705
2007	2,227,864	276,722	270,000	788,427
2008	2,267,126	243,060	270,000	761,487
2009	2,383,815	255,822	270,000	747,309
2010	2,506,404	194,508	270,000	671,817
2011	2,641,618	175,539	270,000	578,602
2012	2,853,810	261,234	270,000	569,836
2013	2,801,512	266,585	270,000	566,421

## City of Mora, Minnesota

Electric Utility Enterprise Fund  
 Schedule of Gross Sales, Net Profit, Transfer In, Transfers Out, and Net Position  
 Last Ten Fiscal Years

Year	Gross Sales	Income Before Transfers	Transfers In	Transfers Out	Net Position
2004	3,974,016	114,129	--	150,000	6,518,649
2005	3,632,674	172,347	--	150,000	6,540,996
2006	4,210,821	705,836	--	459,152	6,787,680
2007	4,640,605	166,330	--	20,000	6,934,010
2008	4,644,804	411,128	--	20,000	7,325,138
2009	4,584,541	322,752	--	--	7,647,890
2010	4,822,950	247,210	--	--	7,895,100
2011	4,827,516	242,455	--	--	8,137,555
2012	4,764,417	378,010	--	--	8,515,565
2013	4,947,615	330,199	--	--	8,845,764

## City of Mora, Minnesota

Electric Utility Fund  
Schedule of Services, Billing, KWH, and Revenues per KWH  
For the Year Ended December 31, 2013

	Service	Amount	KWH	Revenues KWH
City Residential	1,456	\$ 1,073,047	10,062,809	0.1066
Rural Residential	104	127,943	1,232,912	0.1038
Small Commercial	216	629,166	6,465,145	0.0973
Large Commercial	23	1,076,536	12,478,348	0.0863
Industrial	5	1,917,256	24,548,600	0.0781
Government	25	72,116	1,083,403	0.0666
Street Lights	458	30,991	336,244	0.0922
Security Lights	137	18,359	77,328	0.2374
Renewable Energy Credits	1	1,916	--	--
Total Retail Sales	2,425	\$ 4,947,330	56,284,789	0.0879
Cost of Power:				
Purchased Power		\$ 4,199,176		
Cost per KWH Sold		0.074600		
Total KWH Purchased		59,058,369		
Less: Station Power		<u>(516,426)</u>		
Net KWH to Feeders		58,541,943		
Less: Total Retail Sales		<u>(56,284,789)</u>		
Line Loss	3.86%	<u>\$ 2,257,154</u>		



## City of Mora, Minnesota

Water Utility Enterprise Fund  
 Schedule of Gross Sales, Net Profit, Transfers In, Transfers Out, and Net Position  
 Last Ten Fiscal Years

Year	Gross Sales	Income Before Transfers	Transfers In	Transfers Out	Net Position
2004	424,726	33,745	--	58,428	3,320,849
2005	402,091	(9,090)	66,158	29,946	3,347,971
2006	414,887	45,175	--	--	3,393,146
2007	414,191	36,800	--	--	3,429,946
2008	442,940	(24,556)	--	--	3,405,390
2009	504,535	70,186	--	--	3,475,576
2010	551,411	40,804	--	--	3,516,380
2011	539,339	(34,341)	--	--	3,482,039
2012	55,809	(39,134)	--	--	3,442,905
2013	564,263	3,324	--	--	3,446,229

## City of Mora, Minnesota

Wastewater Utility Enterprise Fund  
 Schedule of Gross Sales, Net Profit, Transfers In, Transfers Out, and Net Position  
 Last Ten Fiscal Years

Year	Gross Sales	Income Before Transfers	Transfers In	Transfers Out	Net Position
2004	636,217	164,792	--	271,480	3,927,009
2005	649,939	163,937	66,158	239,140	3,917,964
2006	725,104	167,646	--	205,000	3,880,610
2007	789,515	237,862	376,486	--	3,309,958
2008	795,073	145,017	--	--	3,454,975 *
2009	779,758	89,380	--	--	3,544,355
2010	815,205	77,193	--	--	3,621,548
2011	746,177	(26,383)	--	--	3,595,165
2012	734,175	44,012	--	--	3,639,177
2013	777,347	191,206	--	--	3,830,383

\* Prior period adjustment for bonds payable \$1,185,000.

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CITY OF MORA, MINNESOTA  
ANNUAL FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2013

STATISTICAL SECTION

STATISTICAL DATA TABLES

The statistical section presents comparative data. The data includes information on statutory debt limitations and on overlapping debt. The statistical tables reflect social and economic data, financial trends and the fiscal capacity of the city. This section is intended to serve investors in city bonds and others interested in financial statistics of municipal government.

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## **Objectives of Statistical Section Information**

*Financial trends information* is intended to assist users in understanding and assessing how government's financial position has changed over time. (Tables 1-4)

*Revenue capacity information* is intended to assist users in understanding and assessing the factors affecting a government's ability to generate its own-source revenues. (Tables 5-8)

*Debt capacity information* is intended to assist users in understanding and assessing a government's debt burden and its ability to issue additional debt. (Tables 9-13)

*Demographic and economic information* is intended (1) to assist users in understanding the socioeconomic environment within which a government operates and (2) to provide information that facilitates comparisons of financial statement information over time and among governments. (Tables 14-15)

*Operating information* is intended to provide contextual information about a government's operations and resources to assist readers in using financial statement information to understand and assess a government's economic condition. (Tables 16-18)

City of Mora, Minnesota  
Net Position by Component  
Last Eight Fiscal Years

	Fiscal Year*		
	2006	2007	2008
Governmental Activities			
Invested in capital assets, net of related debt	\$ 5,587,118	\$ 9,049,016	\$ 8,457,166
Restricted	693,843	387,763	434,461
Unrestricted	1,092,618	923,873	799,883
Total governmental activities net position	<u>7,373,579</u>	<u>10,360,652</u>	<u>9,691,510</u>
Business-type activities			
Invested in capital assets, net of related debt	8,636,906	8,349,640	7,022,525
Restricted	--	--	2,023,921
Unrestricted	6,206,235	6,112,701	5,900,544
Total business-type activities net position	<u>14,843,141</u>	<u>14,462,341</u>	<u>14,946,990</u>
Total Primary Government	<u>\$ 22,216,720</u>	<u>\$ 24,822,993</u>	<u>\$ 24,638,500</u>

\* Previous years data not available.

		Fiscal Year*			
2009	2010	2011	2012	2013	
\$ 9,194,864	\$ 9,599,168	\$ 9,077,983	\$ 9,920,486	\$ 9,531,383	
243,525	589,192	746,871	1,123,326	605,922	
399,933	(64,312)	213,740	(1,307,923)	(495,696)	
9,838,322	10,124,048	10,038,594	9,735,889	9,641,609	
7,473,809	5,878,027	7,569,240	8,657,456	8,335,737	
2,005,897	2,067,870	2,067,870	664,161	660,481	
5,935,424	7,760,194	6,156,251	6,845,866	7,692,579	
15,415,130	15,706,091	15,793,361	16,167,483	16,688,797	
\$ 25,253,452	\$ 25,830,139	\$ 25,831,955	\$ 25,903,372	\$ 26,330,406	



City of Mora, Minnesota  
Changes in Net Position  
Last Eight Fiscal Years

	Fiscal Year*			
	2006	2007	2008	2009
<b>Governmental Activities</b>				
General government	\$ 428,118	\$ 495,842	\$ 509,568	\$ 521,710
Public safety	368,624	880,843	968,290	993,186
Public works	37,276	649,551	726,335	1,005,869
Cemetery	19,715	48,595	72,685	66,702
Culture and recreation	205,117	279,803	326,874	224,822
Housing and economic development	239,505	189,464	228,581	183,266
Capital projects	336,546	(1,029)	1,280,120	(206,895)
Miscellaneous	--	--	--	--
Interest on long term debt	132,833	103,365	125,864	124,586
Total governmental activities expenditures	1,767,734	2,646,434	4,238,317	2,913,246
<b>Business-type activities</b>				
Liquor	1,985,734	1,977,770	2,046,371	2,153,910
Electric	4,551,322	5,397,147	5,031,885	4,881,937
Water	429,607	496,699	558,998	528,492
Wastewater	615,184	656,818	717,145	790,109
Total business-type activities expenses	7,581,847	8,528,434	8,354,399	8,354,448
Total primary government expenses	9,349,581	11,174,868	12,592,716	11,267,694
<b>Program Revenues</b>				
Governmental activities				
Charges for services:				
General government	1,117,369	942,471	798,197	670,879
Public safety	--	--	--	97,331
Public works	--	--	--	45,952
Cemetery	--	--	73,929	42,440
Culture and recreation	--	--	116,962	104,203
Housing & economic development	--	--	--	50
Operating grants and contributions	1,169,152	2,828,888	1,520,293	1,007,007
Capital grants and contributions	--	--	--	--
Total governmental activities program revenues	2,286,521	3,771,359	2,509,381	1,967,862
<b>Business-type activities</b>				
Charges for services				
Liquor	2,239,951	2,230,868	2,271,548	2,390,937
Electric	5,094,489	5,367,985	5,283,769	5,026,367
Water	475,504	481,330	489,423	541,726
Wastewater	762,235	844,683	814,478	826,516
Total business-type activities program revenues	8,572,179	8,924,866	8,859,218	8,785,546
Total primary government program revenues	10,858,700	12,696,225	11,368,599	10,753,408
<b>Net Revenue (Expense)</b>				
Governmental activities	518,787	1,124,925	(1,728,936)	(945,384)
Business-type activities	960,332	396,432	504,819	431,098
Total primary government net expense	\$ 1,479,119	\$ 1,521,357	\$ (1,224,117)	\$ (514,286)

\* Previous years data not available.

Fiscal Year*			
2010	2011	2012	2013
\$ 482,961	\$ 514,691	\$ 477,547	\$ 572,569
885,754	1,340,101	531,449	1,053,981
880,659	899,165	864,140	853,953
54,568	58,501	46,395	50,104
247,197	327,637	262,476	261,623
64,152	(56,110)	(482,493)	131,300
(122,296)	111,995	462,702	173,267
--	--	--	--
138,026	827,341	853,015	89,537
2,631,021	4,023,321	3,015,231	3,186,334
2,324,242	2,475,319	2,598,991	2,542,384
5,168,762	5,166,409	5,147,945	5,177,296
552,514	606,161	619,188	582,613
787,295	807,184	738,245	732,007
8,832,813	9,055,073	9,104,369	9,034,300
11,463,834	13,078,394	12,119,600	12,220,634
427,318	673,684	169,056	434,079
179,246	64,149	28,626	45,266
46,846	--	37,230	62,077
33,475	--	45,260	39,500
126,918	--	109,367	112,515
33,729	--	--	--
939,449	1,305,081	1,115,154	1,051,443
42,385	--	--	--
1,829,366	2,042,914	1,504,693	1,744,880
2,509,291	2,645,500	2,853,810	2,805,744
5,288,455	5,267,408	4,764,417	5,416,970
557,885	547,318	555,809	581,412
833,067	757,228	734,175	912,171
9,188,698	9,217,454	8,908,211	9,716,297
11,018,064	11,260,368	10,412,904	11,461,177
(801,655)	(1,980,407)	(1,510,538)	(1,441,454)
355,885	162,381	(196,158)	681,997
\$ (445,770)	\$ (1,818,026)	\$ (1,706,696)	\$ (759,457)

City of Mora, Minnesota  
Change in Net Position  
Last Eight Fiscal Years

	Fiscal Year*			
	2006	2007	2008	2009
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities				
Taxes				
Property taxes	\$ 479,292	\$ 504,338	\$ 545,600	\$ 592,363
Franchise taxes				
Tax increments	135,836	133,876	135,418	169,466
Gain on sale of capital assets	23,000	2,665	1,270	2,320
Unrestricted grants and contributions				
Payments in lieu of taxes				
Investment earnings	47,997	124,755	116,099	81,049
Miscellaneous				(20,000)
Transfers	984,152	(86,486)	290,000	270,000
Total governmental activities	1,670,277	679,148	1,088,387	1,095,198
Business-type activities				
Investment earnings	227,299	321,282	269,830	337,042
Miscellaneous	--	--	--	(30,000)
Transfers	(984,152)	86,486	(290,000)	(270,000)
Total business-type activities	(756,853)	407,768	(20,170)	37,042
Total primary government	913,424	1,086,916	1,068,217	1,132,240
<b>Changes in Net Position</b>				
Governmental activities	2,795,202	679,148	1,088,387	1,095,198
Business-type activities	(360,421)	407,768	(20,170)	37,042
Prior period adjustment	--	--	--	--
Total primary government	\$ 2,434,781	\$ 1,086,916	\$ 1,068,217	\$ 1,132,240

\* Previous years data not available.

Table 2  
(Continued)

	Fiscal Year*		
2010	2011	2012	2013
<hr/>			
\$ 535,245	\$ 576,629	\$ 615,824	\$ 605,942
191,721	174,918	131,818	121,599
1,439	163,858	12,695	780
88,976	41,750	73,077	82,746
--	667,798	104,419	266,097
270,000	270,000	270,000	270,000
1,087,381	1,894,953	1,207,833	1,347,164
235,076	196,135	840,280	109,317
(30,000)	--	--	--
(270,000)	(270,000)	(270,000)	(270,000)
(64,924)	(73,865)	570,280	(160,683)
1,022,457	1,821,088	1,778,113	1,186,481
1,087,381	1,894,953	1,207,833	1,347,164
(64,924)	(73,865)	570,280	(160,683)
--	--	--	--
\$ 1,022,457	\$ 1,821,088	\$ 1,778,113	\$ 1,186,481

City of Mora, Minnesota  
Fund Balances, Governmental Funds  
Last Eight Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year*			
	2006	2007	2008	2009
General Fund				
Nonspendable	\$ 46,603	\$ 44,222	\$ 45,820	\$ 52,965
Unassigned	713,185	854,860	884,927	934,208
Total general fund	759,788	899,082	930,747	987,173
All Other Governmental Funds				
Nonspendable	47,721	687	685	786
Restricted	599,519	293,229	334,147	139,611
Committed	--	--	--	--
Assigned	168,355	138,808	178,429	140,397
Unassigned	295,317	95,847	(685)	(490,467)
Total all other governmental funds	1,110,912	528,571	512,576	(209,673)
Total all governmental funds	\$ 1,870,700	\$ 1,427,653	\$ 1,443,323	\$ 777,500

\* Previous years data not available.

Fiscal Year*			
2010	2011	2012	2013
\$ 49,680	\$ 48,911	\$ 48,547	\$ 31,684
965,593	1,006,954	1,065,516	1,144,303
1,015,273	1,055,865	1,114,063	1,175,987
781	778	796	10,366
482,488	652,354	712,259	380,947
--	--	--	--
--	94,517	109,329	304,790
(976,677)	(981,685)	(2,007,356)	(1,715,355)
(493,408)	(234,036)	(1,184,972)	(1,019,252)
\$ 521,865	\$ 821,829	\$ (70,909)	\$ 156,735

City of Mora, Minnesota  
Changes in Fund Balances, Governmental Funds  
Last Eight Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year*			
	2006	2007	2008	2009
<b>Revenues</b>				
Property taxes	\$ 479,292	\$ 504,338	\$ 545,600	\$ 592,363
Tax increments	135,836	133,876	135,418	169,466
Licenses & permits	65,810	73,975	80,946	53,097
Special assessments	110,450	77,964	172,510	(43,299)
Intergovernmental	1,169,152	2,828,888	1,347,783	945,504
Charges for services	331,094	448,959	732,639	620,280
Fines	40,614	47,854	58,541	33,709
Investment earnings	47,997	124,755	116,099	81,049
Other revenues	274,490	296,384	118,232	357,891
Total revenues	2,654,735	4,536,993	3,307,768	2,810,060
<b>Expenditures</b>				
General government	521,072	463,645	484,113	475,954
Public safety	688,003	804,374	887,682	848,291
Public works	398,490	371,848	433,600	479,673
Cemetery	36,523	36,521	59,957	43,824
Culture and recreation	255,546	275,778	322,631	217,196
Housing and economic development	239,505	189,464	219,971	168,014
Capital projects	1,135,542	2,476,495	1,237,951	1,111,316
Miscellaneous	46,057	62,914	1,008,374	58,525
Debt service				
Principal	437,982	135,000	140,000	195,500
Interest & other expenditures	49,851	77,515	97,235	127,590
Total expenditures	3,808,571	4,893,554	4,891,514	3,725,883
Excess of revenues over (under) expenditures	(1,153,836)	(356,561)	(1,583,746)	(915,823)
<b>Other Financing Sources (Uses)</b>				
Proceeds from borrowing	1,787,911	--	1,337,249	--
Miscellaneous	--	--	--	(20,000)
Transfers in	391,408	438,823	1,103,716	391,408
Transfers out	(121,408)	(525,309)	(810,957)	(121,408)
Total other financing sources (uses)	2,057,911	(86,486)	1,630,008	250,000
Net change in fund balances	\$ 904,075	\$ (443,047)	\$ 46,262	\$ (665,823)
Debt service as a percentage of non-capital expenditures	18.3%	8.8%	6.5%	12.4%

\* Previous years data not available.

Table 4

		Fiscal Year*			
2010		2011		2012	
				2013	
\$	535,245	\$	561,906	\$	615,824
	191,721		174,919		131,818
	29,949		42,635		39,180
	84,052		16,850		3,997
	966,409		1,334,430		1,115,154
	341,153		333,956		346,362
	21,943		21,514		23,080
	123,334		101,245		73,077
	352,940		412,403		384,284
	2,646,746		2,999,858		2,732,776
	505,796		551,344		638,779
	870,618		1,280,949		923,748
	457,389		597,855		433,104
	48,790		53,437		40,549
	252,742		291,450		284,573
	172,578		184,188		115,732
	527,375		359,507		422,030
	--		--		--
	212,833		200,500		910,500
	124,265		118,461		126,499
	3,172,386		3,637,691		3,895,514
	(525,640)		(637,833)		(1,162,738)
	--		667,798		--
	--		--		--
	421,724		1,275,208		1,197,121
	(151,724)		(1,005,208)		(927,121)
	270,000		937,798		270,000
\$	(255,640)	\$	299,965	\$	(892,738)
	12.7%		9.7%		29.9%
					10.8%



City of Mora, Minnesota  
Taxable Assessed Value of Taxable Property  
Last Ten Fiscal Years

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Other Taxable Property	Total Taxable Assessed Value
2004	99,128,700	29,445,900		NA	128,574,600
2005	104,276,300	32,735,400		NA	137,011,700
2006	113,236,200	36,692,000		NA	149,928,200
2007	127,839,600	28,845,500	8,299,000	23,218,000	156,685,100
2008	131,635,700	29,678,700	8,389,000	23,747,400	193,450,800
2009	132,458,400	31,618,900	8,343,800	24,602,800	197,023,900
2010	145,936,500	33,040,700	8,339,700	6,702,600	194,019,500
2011	133,890,500	31,354,500	7,891,100	4,617,000	177,753,100
2012	120,843,900	31,643,500	7,883,700	4,353,100	164,742,200
2013	110,442,700	31,430,600	8,247,400	4,777,000	154,897,700

Figures from Kanabec County Assessor - Fall Mini Abstract

Total Tax Capacity of Taxable Property	Total Direct Tax Rate
1,573,876	27.045%
1,865,812	23.888%
1,979,692	25.423%
2,132,536	24.852%
2,228,546	25.982%
2,316,294	26.817%
2,128,231	27.336%
1,974,492	29.465%
1,734,974	35.987%
1,551,770	38.459%

City of Mora, Minnesota  
Direct and Overlapping Property Tax Rates  
as a % of Net Tax Capacity  
Last Ten Fiscal Years

Fiscal Year	General Fund	Debt Service	Total City Tax Rate	School	County
2004	13.863	13.182	27.045	17.256	82.960
2005	12.064	11.824	23.888	15.963	80.918
2006	14.237	11.186	25.423	16.003	75.711
2007	16.570	8.282	24.852	15.579	73.490
2008	17.173	8.809	25.982	14.911	73.333
2009	16.574	10.243	26.817	15.540	74.595
2010	15.946	11.390	27.336	15.999	74.510
2011	17.107	12.358	29.465	17.347	80.318
2012	18.564	17.423	35.987	16.500	97.876
2013	20.560	17.899	38.459	19.410	103.078

Figures from Kanabec County Auditor.

Region (ECRDC)	Total Tax Rate
0.229	127.490
0.201	120.970
0.180	117.317
0.162	114.083
0.151	114.377
0.150	117.102
0.155	118.000
0.175	127.305
0.216	150.579
0.226	161.173

Table 7

City of Mora, Minnesota  
Principal Property Tax Payers  
Current Year and Nine Years Ago

Taxpayer	2013			2004		
	Net Tax Capacity	Rank	Percentage of Total City Tax Capacity	Net Tax Capacity	Rank	Percentage of Total City Tax Capacity
Engineered Polymers	\$ 68,540	1	4.42%	\$ 59,946	1	2.76%
Kanabec State Bank	43,198	2	2.78%	28,914	6	1.33%
Gorham Housing Partners	39,931	3	2.57%	44,064	3	2.03%
Greater MN Credit Union	36,348	4	2.34%	26,359	8	1.21%
Minmor (Fingerhut)	31,272	5	2.02%	35,456	4	1.63%
Coborn's, Inc.	30,896	6	1.99%	33,294	5	1.53%
Peoples National Bank	20,132	7	1.30%			
Living Services Foundation	19,356	8	1.25%	22,669	9	1.04%
Dilip Patel (Americinn)	18,362	9	1.18%			
Daniel Kamin (Shopko)	15,298	10	0.99%			
Kanabec County				47,228	2	2.18%
Villa Health Care Center				28,539	7	1.32%
Paul Belkholm				20,858	10	0.96%
Total	\$ 323,333		20.84%	\$ 347,327		15.99%
Total Net Tax Capacity	\$ 1,551,770			\$ 2,169,512		

Figures from the Kanabec County Assessor

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City of Mora, Minnesota  
Property Tax Levies and Collections  
Last Ten Fiscal Years

Fiscal Year	General Fund Levy	Debt Service Levy	Taxes Levied for Fiscal Year*	Collected within the Fiscal Year of the Levy	
				Amount	Percentage of Levy
2004	207,228	197,054	404,282	384,459	95.10%
2005	207,228	203,112	410,340	384,438	93.69%
2006	261,991	208,524	470,515	451,726	96.01%
2007	333,850	166,866	500,716	484,649	96.79%
2008	362,312	185,838	548,150	514,486	93.86%
2009	359,565	222,222	581,787	546,087	93.86%
2010	339,376	242,411	581,787	543,800	93.47%
2011	337,780	244,007	581,787	543,800	93.47%
2012	308,033	289,098	597,131	576,120	96.48%
2013	319,051	277,752	596,803	573,151	96.04%

Source: Kanabec County Auditor/Treasurer, Tax Levy Book Report

\*Mobile home taxes not included because they are not levied.

Total Collections to Date			
Collections in Subsequent Years	Amount	Percentage of Levy	Outstanding Delinquent Taxes
19,823	404,282	100.00%	--
25,788	410,226	99.97%	114
18,594	470,320	99.96%	195
15,627	500,276	99.91%	440
30,263	544,749	99.38%	3,401
31,756	577,843	99.32%	3,944
32,417	576,217	99.04%	5,570
32,098	575,898	98.99%	5,889
13,540	589,660	98.75%	7,471
--	573,151	96.04%	23,652



City of Mora, Minnesota  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year	General Government Activities			Business Type Activities		
	General Obligation Bonds	Special Assessment Bonds	Equipment Certificates	Electric Bonds	Water Bonds	Wastewater Bonds
2004	1,405,000	75,000	--	--	844,500	2,417,500
2005	1,310,000	50,000	--	--	807,500	2,212,500
2006	1,560,000	1,500,000	--	--	807,500	1,992,500
2007	1,450,000	1,475,000	--	--	790,000	1,755,000
2008	1,345,000	2,815,000	--	--	781,000	1,516,000
2009	1,225,000	2,705,000	--	--	771,500	1,271,500
2010	1,115,000	2,590,000	--	--	2,388,800	1,016,500
2011	1,695,000	2,470,000	--	--	1,561,000	740,500
2012	875,000	2,345,000	--	--	1,429,920	--
2013	770,000	2,220,000	--	--	1,361,000	--

NA-not available

	Total Primary Government	Percentage of Personal Income	Per Capita
	4,742,000	5.6%	1,377
	4,380,000	4.9%	1,230
	5,860,000	6.4%	1,642
	5,470,000	5.4%	1,479
	6,457,000	6.0%	1,754
	5,973,000	NA	1,643
	7,110,300	NA	1,991
	6,466,500	NA	1,818
	4,649,920	NA	1,322
	4,351,000	NA	1,233

City of Mora, Minnesota  
 Ratios of General Bonded Debt Outstanding  
 Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Taxable Market Value	GO Bond Percentage of Taxable Market Value	Population	Per Capita
2004	1,405,000	131,614,800	1.07%	3444	408
2005	1,310,000	163,889,100	0.80%	3560	368
2006	1,560,000	171,816,700	0.91%	3568	437
2007	1,450,000	188,202,100	0.77%	3699	392
2008	1,345,000	193,450,800	0.70%	3681	365
2009	1,225,000	197,023,900	0.62%	3635	337
2010	1,115,000	194,019,500	0.57%	3571	312
2011	1,695,000	177,753,100	0.95%	3557	477
2012	875,000	164,724,200	0.53%	3518	249
2013	770,000	154,897,700	0.50%	3528	218

Source: Kanabec County Auditor/Treasurer, Certificate as to Taxes & Taxable Property

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City of Mora, Minnesota  
Direct and Overlapping Governmental Activities Debt

Governmental Unit	Direct Debt Outstanding (not including business-type activities)	Overlapping Debt Outstanding	Direct and Overlapping Debt	Taxable Net Tax Capacity
Kanabec County	\$ --	\$ 14,730,000	\$ 14,730,000	\$ 10,224,592
Independent School District 332	--	1,380,000	1,380,000	6,718,219
Subtotal		16,110,000	16,110,000	
City of Mora	2,390,495	--	2,390,495	1,551,770
Total	\$ 2,390,495	\$ 16,110,000	\$ 18,500,495	

Figures from Kanabec County Auditor

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. The City of Mora lies wholly within the geographic boundaries of Kanabec County and ISD #332. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Mora. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be considered.

\* For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable net tax capacities. Applicable percentages were estimated by determining the portion of another governmental unit's NTC that is within the city's boundaries and dividing that amount by each unit's NTC.

Sources: Kanabec County Auditor, Reporting of Outstanding Indebtedness

Taxable Net Tax Capacity Within the City's Boundaries	Percentage of Direct & Overlapping Debt Applicable to the City*	City's Estimated Share of Debt
\$ 1,551,770	15.18%	\$ 2,235,549
1,551,770	23.10%	318,752
		<hr/> 2,554,301
1,551,770	100.00%	2,390,495
		<hr/> \$ 4,944,796

City of Mora, Minnesota  
Legal Debt Margin Information  
Last Ten Fiscal Years

Fiscal Year	Assessed Market Value	Debt Limit 2% - 2007 3% - 2008	Debt Applicable to Limit	Legal Debt Margin	Debt % of Limit
2004	131,614,800	2,632,296	1,405,000	1,227,296	53.38%
2005	163,889,100	3,277,782	1,310,000	1,967,782	39.97%
2006	171,816,700	3,436,334	1,560,000	1,876,334	45.40%
2007	188,202,100	3,764,042	1,450,000	2,314,042	38.52%
2008	193,450,800	5,803,524	1,345,000	4,458,524	23.18%
2009	197,023,900	5,910,717	1,225,000	4,685,717	20.73%
2010	194,019,500	5,820,585	1,115,000	4,705,585	19.16%
2011	177,753,100	5,332,593	1,695,000	3,637,593	31.79%
2012	164,724,200	4,941,726	875,000	4,066,726	17.71%
2013	154,897,700	4,646,931	770,000	3,876,931	16.57%

Statutory debt limit increased from 2% to 3% in 2008.

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City of Mora, Minnesota  
Pledged-Revenue Coverage  
Last Ten Fiscal Years

Water Revenue Bonds						
Fiscal Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
2004	\$ 420,820	\$ 445,503	\$ --	\$ 36,000	\$ 3,906	0%
2005	411,665	437,611	--	37,000	1,998	0%
2006	475,504	459,607	15,897	--	51,995	31%
2007	533,499	496,699	36,800	17,500	48,490	56%
2008	476,640	558,998	--	15,630	43,122	0%
2009	504,534	434,349	70,186	28,025	42,120	100%
2010	593,318	552,514	40,804	27,866	48,752	53%
2011	571,820	606,162	--	846,326	65,117	0%
2012	580,054	619,187	--	149,606	41,522	0%
2013	585,937	582,613	3,324	87,446	39,709	3%

Wastewater Revenue Bonds					
Utility Service	Less:	Net Available			
Charges	Operating	Revenue	Principal	Interest	Coverage
	Expenses				
\$ 636,217	\$ 742,905	\$ --	\$ 1,770,000	\$ 43,964	0%
651,264	499,738	151,526	205,000	40,870	62%
762,235	615,184	147,051	220,000	87,765	48%
789,515	656,818	132,697	237,500	83,438	41%
795,073	717,145	77,928	242,370	63,403	25%
779,758	690,378	89,380	260,475	66,739	27%
865,238	788,044	77,194	270,134	58,328	24%
780,801	807,184	--	294,974	45,850	0%
782,258	738,246	44,012	756,474	19,812	6%
923,213	732,007	191,206	15,974	11,630	693%

City of Mora, Minnesota  
Demographic and Economic Statistics  
Last Ten Calendar Years

Year	Population (1)	Personal Income	Per Capita Personal Income (1)	Median Age (1)	Per Cent HS Degree of Higher (1)	Per Cent BA Degree or Higher (1)
2004	3,444	84,570,864	24,556	37.9	NA	NA
2005	3,560	87,330,360	24,531	37.8	NA	NA
2006	3,568	91,194,512	25,559	37.8	NA	NA
2007	3,699	100,671,120	27,216	NA	NA	NA
2008	3,681	108,247,536	29,407	NA	NA	NA
2009	3,635	NA	NA	NA	NA	NA
2010	3,571	79,954,690	22,390	42.1	87.1	13.9
2011	3,557	NA	NA	NA	NA	NA
2012	3,518	NA	NA	NA	NA	NA
2013	3,528	NA	NA	NA	NA	NA

NA-not available

(1) MN State Demographer, except 2010 data from US Census

(2) Data from Mora Public Schools

(3) Data from MN Department of Employment and Economic Development

School Enrollment (2)	Unemployment Rate (3)
1,889	8.20%
1,862	7.80%
1,870	8.50%
1,858	10.70%
1,865	14.10%
1,770	13.10%
1,778	12.80%
1,777	10.80%
1,761	11.00%
1,755	9.80%

City of Mora, Minnesota  
Principal Employers  
Current Year and Four Years Ago

Employer	2013			2009		
	Employees	Rank	% of Total	Employees	Rank	% of Total
FirstLight Health System	375	1	20.5	308	1	18.5
Mora Public Schools	319	2	17.4	255	2	15.3
Engineered Polymers Corporation	222	3	12.1	199	3	12.0
Kanabec County	219	4	12.0	180	4	10.8
Coborn's, Inc.	170	5	9.3	152	5	9.1
St. Clare Living Community	147	6	8.0	147	8	8.8
Minmor, LLC	138	7	7.6	110	6	6.6
Lakes & Pines Community Action Council	104	8	5.7	133	9	8.0
City of Mora	85	9	4.7	114	7	6.9
RJ Mechanical	50	10	2.7	NA	NA	NA
Industries, Inc.	NA	NA	NA	65	10	3.91
	<u>1,829</u>		<u>100.0</u>	<u>1,663</u>		<u>100.0</u>

Source: City Survey of Employers, Annually in April

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City of Mora, Minnesota  
Full-time Employees by Function/Program  
Last Ten Fiscal Years

Function/Program	Full-time Employees as of June 30				
	2013	2012	2011	2010	2009
General Government					
Management Services	2	2	2	2	2
Finance	3	3	3	3	3
Planning	1	1	1	1	1
Building	1	1	1	1	1
Police - contracted with the sheriff starting in 2010					
Officers	0	0	0	0	6
Civilians	0	0	0	0	1
Streets & Parks	6	7	7	7	7
Aquatic Center	1	1	1	1	1
Electric	3	3	3	4	4
Water/Wastewater	5	5	6	6	6
Liquor Store	2	2	2	2	2
Total	24	25	26	27	34

Data from city payroll records.

Full-time Employees as of June 30				
2008	2007	2006	2005	2004
2	2	2	2	2
3	3	3	3	3
1	1	1	1	0
1	1	1	1	1
6	6	6	6	6
1	1	1	1	1
7	7	6	6	7
1	1	1	1	1
5	7	7	6	6
5	5	5	5	5
2	2	2	2	1
34	36	35	34	33



City Of Mora, Minnesota  
Operating Indicators by Function/Program  
Last Eight Fiscal Years\*

Function/Program	Fiscal Year *			
	2013	2012	2011	2010
Police - contracted with the sheriff starting March 1, 2010				
Physical arrests	1,252	745	908	594
Parking violations	165	165	158	105
Traffic violations	1,293	913	1,359	604
Fire				
Emergency responses	54	92	75	69
Fires extinguished	36	56	43	31
Inspections	13	8	7	8
Public Works				
Street resurfacing (miles)	0	.25	.49	1.28
Potholes repaired	297	135	167	319
Library				
Volumes in collection	--	30,000	30,000	30,000
Total volumes borrowed	--	64,751	87,000	89,800
Water				
Total connections	1,172	1,173	1,179	1,178
Water-main breaks	--	--	--	3

NA-not available

\* Previous years data not available.

\*\* Contracted with Sheriff's office in 2010.

Data from City of Mora department heads.

2009	Fiscal Year *		2006
	2008	2007	
246	319	285	294
77	175	246	57
262	1,025	753	537
56	75	97	87
29	23	46	43
8	8	10	7
1.22	None	.84	1.38
213	189	225	209
30,000	30,000	21,000	20,000
92,000	89,919	89,924	N/A
1,177	1,160	1,151	1,150
2	3	1	2

City of Mora, Minnesota  
Capital Asset Statistics by Function/Program  
Last Eight Fiscal Years

Function/Program	Fiscal Year*			
	2013	2012	2011	2010
Police **				
Stations	1	1	1	1
Patrol units	5	5	5	5
Fire Stations	1	1	1	1
Other Public Works				
Streets (miles)	24	24.16	24.16	24.16
Street lights	458	458	458	458
Parks and recreation				
Acreage	28	28.44	28.44	28.44
Playgrounds	4	4	4	4
Baseball/softball fields	3	3	3	3
Walking/biking trails(miles)	4.80	4.80	4.80	4.80
Water				
Water mains (miles)	18.00	18.00	18.00	18.00
Fire hydrants	281	281	281	281
Storage capacity (gallons)	700,000	700,000	700,000	700,000
Wastewater				
Sanitary sewers (miles)	16.00	16.00	16.00	16.00
Storm sewers (miles)	6.87	6.87	6.87	6.87
Treatment capacity (gallons/day)	800,000	800,000	800,000	800,000

\* Previous years data not available.

\*\* Contracted with Sheriff's office in 2010.

Data from City of Mora department heads.

	Fiscal Year*		
2009	2008	2007	2006
1	1	1	1
6	6	6	6
1	1	1	1
24.16	23.60	23.60	21.70
458	458	458	458
28.44	28.44	28.44	28.44
4	4	4	4
3	3	3	3
2.50	2.50	2.50	2.00
18.00	18.00	18.00	16.00
281	279	279	258
700,000	700,000	700,000	700,000
16.00	16.00	16.00	14.00
6.87	6.83	6.83	6.83
800,000	800,000	800,000	800,000

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CITY OF MORA, MINNESOTA  
ANNUAL FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2013

AUDITOR'S REPORT SECTION

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# Althoff and Nordquist, LLC

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MINNESOTA SOCIETY OF C.P.A.'S

## 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* AND THE MINNESOTA LEGAL COMPLIANCE AUDIT GUIDE

Honorable Mayor and Common Council  
City of Mora, Minnesota

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Mora, Minnesota, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise City of Mora, Minnesota's basic financial statements, and have issued our report thereon dated June 27, 2014. We conducted our audit 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, and the provisions of the *Legal Compliance Audit Guide*, promulgated by the State Auditor pursuant to Minnesota Statutes Section 6.65. The financial statements of The Housing and Redevelopment Authority of Mora (HRA) were not audited in accordance with Government Auditing Standards, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with The Housing and Redevelopment Authority of Mora (HRA).

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Mora, Minnesota's internal control over financial reporting (internal control) to determine the 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 the City of Mora, Minnesota's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Mora, Minnesota'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 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 are less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting 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 may exist that have not been identified.





### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Mora's financial statements are free from material misstatement, we performed tests of its compliance with certain provision of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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* and the *Minnesota Legal Compliance Audit Guide* promulgated by the Legal Compliance Task Force pursuant to Minnesota Statutes Sec. 6.65.

The *Legal Compliance Audit Guide* covers seven main categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, tax increment financing, and miscellaneous items. Our study included all of the listed categories. The results of our testing indicate that for the items tested, the City of Mora, Minnesota complied with material terms and conditions of applicable legal provisions. Further, for the items not tested, based on our audit, the procedures referred to above, nothing came to our attention to indicate that the City of Mora, Minnesota had not complied with such legal provisions.

### **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.



Althoff & Nordquist, LLC  
Pine City, Minnesota  
June 27, 2014

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