

COMPREHENSIVE ANNUAL  
FINANCIAL REPORT  
OF THE CITY OF  
MORA, MINNESOTA  
FOR THE  
FISCAL YEAR ENDED  
December 31, 2014

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

This page intentionally left blank.

City of Mora, Minnesota

COMPREHENSIVE ANNUAL FINANCIAL REPORT  
For the Year Ended December 31, 2014  
Table of Contents

	<u>REFERENCE</u>	<u>PAGE</u>
<b>INTRODUCTORY SECTION</b>		
Letter of Transmittal		3
Organizational Chart		7
Organization		9
<b>FINANCIAL SECTION</b>		
Independent Auditor's Report		13
Management's Discussion and Analysis		17
Basic Financial Statements		
Government-wide Financial Statements:		
Statement of Net Position	Form A-1	31
Statement of Activities	Form A-2	32
Fund Financial Statements:		
Balance Sheet - Governmental Funds	Form B-1	36
Reconciliation of Net Position in the Government-wide Financial Statements and Fund Balances in the Fund Financial Basis Financial Statements	Form B-2	38
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	Form B-3	40
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Net Position of Governmental Funds to the Statement of Activities	Form B-4	42
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:		
General Fund	Form B-5	44
Proprietary Funds:		
Statement of Net Position	Form C-1	46
Statement of Revenues, Expenses, and Changes in Fund Net Position	Form C-2	48
Statement of Cash Flows	Form C-3	50
Notes to Financial Statements		57
<b>Other Supplementary Information</b>		
Schedule of Revenues, Expenditures, and Changes in Fund Balances of Budget and Actual - Eastside 2007	Form D-1	85
Schedule of Revenues, Expenditures, and Changes in Fund Balances of Budget and Actual - HRA Eastwood	Form D-2	86
Component Unit:		
Balance Sheet - Economic Development Authority	Form E-1	87
Statement of Revenues, Expenditures, and Changes in Fund Balance - Economic Development Authority	Form E-2	88
Balance Sheet - Housing and Redevelopment Authority	Form E-3	89
Statement of Revenues, Expenditures, and Changes in Fund Balance - Housing and Redevelopment Authority	Form E-4	90

COMPREHENSIVE ANNUAL FINANCIAL REPORT  
For the Year Ended December 31, 2014  
Table of Contents

<b>FINANCIAL SECTION (Continued)</b>	<u>REFERENCE</u>	<u>PAGE</u>
Combining and Individual Fund Statements and Schedules Non-Major Funds		
Combining Balance Sheet - Nonmajor Governmental Funds	Form F-1	95
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	Form F-2	103
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Storm Water Utility Fund	Form F-3	113
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Fire Fund	Form F-4	114
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Cemetery Fund	Form F-5	115
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Economic Development Revolving Loan	Form F-6	116
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - TIF 2-2 Intrepid	Form F-7	117
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - TIF 1-8 Torborg Apartments	Form F-8	118
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - TIF 1-11 KSB	Form F-9	119
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - TIF 1-12 HRA/Nelson	Form F-10	120
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Future Fire Equipment	Form F-11	123
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Future Improvements	Form F-12	124
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Fire Station	Form F-13	125
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - City Hall Improvements 2005	Form F-14	126
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Highway 23-E	Form F-15	127
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Howe Avenue Reconstruction	Form F-16	128
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Downtown Feed Mill Redevelopment	Form F-17	129
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Airport Kastenbauer House	Form F-18	130
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Crosswind	Form F-19	131
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Spring Lake Trail	Form F-20	132
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Parker	Form F-21	133
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Trail Tunnel	Form F-22	134
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Hwy 23 E. Commercial Lots	Form F-23	135

City of Mora, Minnesota

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2014

Table of Contents

	<u>REFERENCE</u>	<u>PAGE</u>
<b>FINANCIAL SECTION (Continued)</b>		
Combining and Individual Fund Statements and Schedules (Continued)		
Schedule of Revenues, Expenditures, and Changes in Fund		
Balances - Budget and Actual - 2012 7th & Grove St. Improvements	Form F-24	136
Schedule of Revenues, Expenditures, and Changes in Fund		
Balances - Budget and Actual - Grove & Wood St. Improvements	Form F-25	137
Schedule of Revenues, Expenditures, and Changes in Fund		
Balances - Budget and Actual - Fire Station 2003	Form F-26	141
Schedule of Revenues, Expenditures, and Changes in Fund		
Balances - Budget and Actual - Street Reconstruction 2004	Form F-27	142
Schedule of Revenues, Expenditures, and Changes in Fund		
Balances - Budget and Actual - Maple Avenue East	Form F-28	143
Schedule of Revenues, Expenditures, and Changes in Fund		
Balances - Budget and Actual - Street Construction 2006	Form F-29	144
Schedule of Revenues, Expenditures, and Changes in Fund		
Balances of Budget and Actual - 2008-2010 Street Reconstruction	Form F-30	145
Schedule of Revenues, Expenditures, and Changes in Fund		
Balances - Budget and Actual - Municipal Liquor Store	Form G-1	149
Schedule of Revenues, Expenditures, and Changes in Fund		
Balances - Budget and Actual - Electric Utility Fund	Form G-2	150
Schedule of Revenues, Expenditures, and Changes in Fund		
Balances - Budget and Actual - Water Utility Fund	Form G-3	151
Schedule of Revenues, Expenditures, and Changes in Fund		
Balances - Budget and Actual - Wastewater Utility Fund	Form G-4	152
<b>SUPPLEMENTARY FINANCIAL INFORMATION</b>		
Schedule of Gross Sales, Net profit, Transfers Out, and Retained		
Earnings - Municipal Liquor Store Fund	Schedule 1	155
Schedule of Gross Sales, Net profit, Transfers Out, and Retained		
Earnings - Electric Utility Enterprise Fund	Schedule 2	156
Schedule of Services, Billing, KWH, and Revenues per KWH-		
Electric Utility Fund	Schedule 3	157
Schedule of Gross Sales, Net Profit, Transfers In, Out, and		
Retained Earnings - Water Utility Enterprise Fund	Schedule 4	158
Schedule of Gross Sales, Net Profit, Transfers In, Out, and		
Retained Earnings - Wastewater Utility Enterprise Fund	Schedule 5	159
<b>STATISTICAL SECTION</b>		
Net Position by Component	Table 1	164
Changes in Net Position	Table 2	166
Fund Balances, Governmental Funds	Table 3	170
Changes in Fund Balances, Governmental Funds	Table 4	172
Taxable Assessed Value of Taxable Property	Table 5	174
Direct and Overlapping Property Tax Rates		
as a % of Net Tax Capacity	Table 6	176

City of Mora, Minnesota

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2014

Table of Contents

	<u>REFERENCE</u>	<u>PAGE</u>
<b>STATISTICAL SECTION (Continued)</b>		
Principal Property Tax Payers	Table 7	178
Property Tax Levies and Collections	Table 8	180
Ratios of Outstanding Debt by Type	Table 9	182
Ratios of General Bonded Debt Outstanding	Table 10	184
Direct and Overlapping Governmental Activities Debt	Table 11	186
Legal Debt Margin Information	Table 12	188
Pledged-Revenue Coverage	Table 13	190
Demographic and Economic Statistics	Table 14	192
Principal Employers	Table 15	194
Full-Time Equivalent Employees by Function/Program	Table 16	196
Operating Indicators by Function/Program	Table 17	198
Capital Asset Statistics by Function/Program	Table 18	200
<b>AUDITOR'S REPORT SECTION</b>		
Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards and the Minnesota Legal Compliance Audit Guide		205

City of Mora, Minnesota  
INTRODUCTORY SECTION  
December 31, 2014

This page intentionally left blank.





# CITY OF MORA MORA MUNICIPAL UTILITIES

101 Lake Street South  
Mora, MN 55051-1588

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



320.679.1511

Fax 320.679.3862

320.679.1451

June 30, 2015

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, 2014. 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 2014 the local economy continued to show steady signs of improvement.

Many construction jobs lost in recent years have slowly returned. Employment in the service and retail sectors is up. Unemployment at 7.7% in December 2014 is the lowest for that period in the last nine years.

There were no new homes started in 2014, but three new garages were constructed. First-year property tax delinquency continues to be lower than the ten-year average by about 3%. Tax capacity values increased by 1.3%, compared to a 10.6% decline in 2013.

No new commercial buildings were constructed in 2014. Interior remodeling continued for O'Reilly Auto Parts at 310 Highway 65, and a new roof was installed on the gym at the high school. In addition, a new Verizon Wireless tower was installed on the south end of Oslin Road.

#### 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 2, 2014.

#### 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, parks, 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:

	2014	2013	2012	2011	2010
General Fund	<b>\$298,775</b>	\$319,051	\$308,033	\$337,780	\$339,376
Debt Service Funds	<b>\$287,802</b>	\$277,752	\$289,098	\$244,007	\$242,411
Total Levy	<b>\$586,577</b>	\$596,803	\$597,131	\$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 2014, two independent bond rating agencies completed their regular reviews of our ratings. Standard & Poor kept our rating stable at an A+. Moody's Investors Service downgraded the City's rating from A1 to A2. Moody's cited a declining tax base and sluggish economy, as well as a narrowing operating cash position as rationale for the A2 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

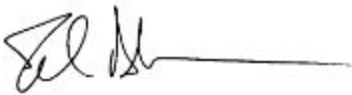
Minnesota statutes require an annual audit by the state auditor or an independent certified public accountant. The city selected the CPA firm of Althoff & Nordquist, LLC to complete the audit for 2014. The auditor's opinion is included in this report.

#### Acknowledgments

The finance department staff contributed significantly to this report. I wish to thank Carol Allman, Kelly Erickson, Wendy Akkerman, and Sara King 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,

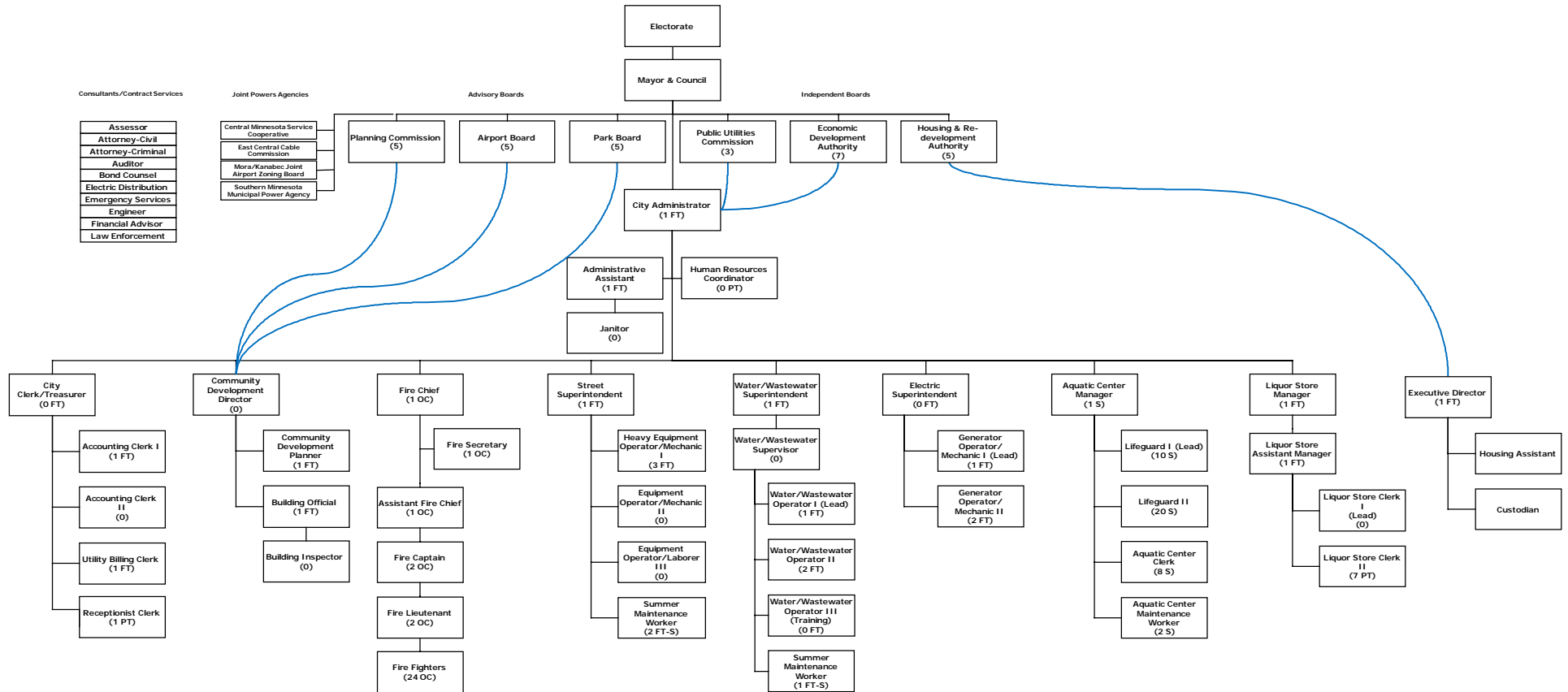
CITY OF MORA

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

Joel Dhein  
City Administrator

**CITY OF MORA, KANABEC COUNTY, MINNESOTA**  
**Staff Organizational Chart**  
**December, 2013**

ver. 6.0



Number indicates positions authorized  
 FT = Full-Time  
 PT = Part-Time  
 OC = On-Call  
 S = Seasonal

This page intentionally left blank.

CITY OF MORA, MINNESOTA

ORGANIZATION

Elected Officials

Greg Ardner	Mayor
Brandon Akkerman	Council Member
Bob Bollenback	Council Member
Bob Jensen	Council Member
Alan Skramstad	Council Member

Appointed Officials

Joel Dhein	City Administrator, City Clerk/Treasurer
Barb McFadden	City Attorney - Prosecution
Joel Jamnik	City Attorney - Civil

Public Utilities

George Baldwin	Chair
Dennis Schulz	Commissioner
Steve Ahlness	Commissioner

This page intentionally left blank.



City of Mora, Minnesota  
FINANCIAL SECTION  
December 31, 2014

This page intentionally left blank.

# Althoff and Nordquist, LLC

CERTIFIED PUBLIC ACCOUNTANTS

[www.althoffandnordquist.com](http://www.althoffandnordquist.com)

505 - SECOND STREET SE  
PINE CITY, MINNESOTA 55063  
TELEPHONE: 320-629-6185

124 EAST FOREST AVE.  
MORA, MINNESOTA 55051  
TELEPHONE: 320-679-4846

CARL D. NORDQUIST, JR., C.P.A.  
ROBERT R. ALTHOFF, C.P.A.

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, 2014, 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 15.11 percent, 3.26 percent, and 9.88 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, 2014, 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

## 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 29, 2015

City of Mora, Minnesota  
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED  
December 31, 2014

This page intentionally left blank.

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, 2014. 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 \$27,301,591 (net position). Of this amount, \$7,336,022 (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 \$971,185 in 2014.
- \* At the close of the fiscal year, governmental fund balances totaled \$696,806.
- \* As of December 31, 2014, the unreserved fund balance of the General Fund was \$1,149,651. This amount was 50.7% of the General Fund's total expenditures in 2014.

**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 \$27,301,591. This was a \$971,185 increase over last year's net position of \$26,330,406. 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	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$ 1,169,515	\$ 527,842	\$ 8,809,503	\$ 8,917,486	\$ 9,979,018	\$ 9,445,328
Capital assets (net)	12,074,748	11,921,878	11,814,184	11,896,242	23,888,932	23,818,120
Total Assets	<u>13,244,263</u>	<u>12,449,720</u>	<u>20,623,687</u>	<u>20,813,728</u>	<u>33,867,950</u>	<u>33,263,448</u>
Other liabilities	681,936	621,616	2,162,423	2,164,426	2,844,359	2,786,042
Long-term liabilities	1,973,995	2,186,495	1,748,005	1,960,505	3,722,000	4,147,000
Total Liabilities	<u>2,655,931</u>	<u>2,808,111</u>	<u>3,910,428</u>	<u>4,124,931</u>	<u>6,566,359</u>	<u>6,933,042</u>
Net Position:						
Invested in capital assets,						
net of related debt	9,888,253	9,531,383	8,458,679	8,335,737	18,346,932	17,867,120
Restricted	927,431	605,912	661,206	660,481	1,588,637	1,266,393
Unrestricted	(227,352)	(495,686)	7,593,374	7,692,579	7,366,022	7,196,893
Total Net Position	<u>\$ 10,588,332</u>	<u>\$ 9,641,609</u>	<u>\$ 16,713,259</u>	<u>\$ 16,688,797</u>	<u>\$ 27,301,591</u>	<u>\$ 26,330,406</u>

The city reported positive balances in net position for both governmental and business-type activities. Net position decreased \$946,723 for governmental activities and increased by \$24,462 for business-type activities. The city's overall financial position improved during 2014 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	
	2014	2013	2014	2013
Revenues:				
Program revenues				
Charge for services	\$ 883,166	\$ 693,437	\$ 9,720,445	\$ 9,716,297
Operating grants and contributions	1,057,562	1,051,443	--	--
Capital grants and contributions	--	--	--	--
General revenues				
Property taxes	625,105	605,942	--	--
Tax increment	131,854	121,599	--	--
Investment earnings	53,802	82,746	137,802	109,317
Other revenue	739,766	266,877	--	--
Total Revenue	<u>3,491,255</u>	<u>2,822,044</u>	<u>9,858,247</u>	<u>9,825,614</u>
Program Expenses:				
General government	666,550	572,569	--	--
Public safety	963,669	1,053,971	--	--
Public works	897,477	853,953	--	--
Cemetery	72,779	50,104	--	--
Culture and recreation	321,358	261,623	--	--
Housing & ED	125,539	131,300	--	--
Capital projects	136,302	173,267	--	--
Miscellaneous	--	--	--	--
Interest on long-term debt	80,859	89,537	--	--
Liquor	--	--	2,603,292	2,542,384
Electric	--	--	5,110,192	5,177,296
Water	--	--	659,693	582,613
Wastewater	--	--	730,607	732,007
Total Expenses	<u>3,264,533</u>	<u>3,186,324</u>	<u>9,103,784</u>	<u>9,034,300</u>
Increase in net position before transfers	226,722	(364,280)	754,463	791,314
Miscellaneous	--	--	--	--
Transfers	720,001	270,000	(730,001)	(270,000)
<b>Change in net position</b>	946,723	(94,280)	24,462	521,314
Beginning net position	9,641,609	9,735,889	16,688,797	16,167,483
<b>Ending net position</b>	<u><u>\$ 10,588,332</u></u>	<u><u>\$ 9,641,609</u></u>	<u><u>\$ 16,713,259</u></u>	<u><u>\$ 16,688,797</u></u>

Totals	
2014	2013
\$ 10,603,611	\$ 10,409,734
1,057,562	1,051,443
--	--
625,105	605,942
131,854	121,599
191,604	192,063
739,766	266,877
13,349,502	12,647,658
666,550	572,569
963,669	1,053,971
897,477	853,953
72,779	50,104
321,358	261,623
125,539	131,300
136,302	173,267
--	--
80,859	89,537
2,603,292	2,542,384
5,110,192	5,177,296
659,693	582,613
730,607	732,007
12,368,317	12,220,624
981,185	427,034
--	--
(10,000)	--
971,185	427,034
26,330,406	25,903,372
\$ 27,301,591	\$ 26,330,406

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 2014.

**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

- Inter-fund transfer revenue exceeded budgeted amounts by \$429,721, due largely to a \$450,000 transfer from the electric fund in order to close out some project funds with deficit balances.
- Actual activity for charges for services was \$34,194 less than expected, caused by \$9,046 decrease in building permit income, a change in the accounting of the \$13,910 city garage budget, and a drop in swim fee revenue of \$7,872.
- Investment earnings were up by \$20,664 from budget due to market conditions.
- Intergovernmental revenue was down \$14,028 from expected, mainly to a change in the accounting for a \$15,000 grant for the annual Music in the Park Program.
- Miscellaneous revenues exceeded budgeted amounts by \$13,912, due to the change in accounting for a \$15,000 grant for the annual Music in the Park Program.
- Revenue from taxes exceeded the budget by \$81,928 due to an increase in ad valorem tax collections.

Expenditures

- General fund expenditures were over budget amounts by \$22,161.
- Personnel expenditures were \$17,325 lower than budgeted, due largely to a drop in wage expense of \$20,583 for the Street Department. The Street Department was short-staffed for the majority of the year.
- Miscellaneous expenditures were \$6,420 lower than budgeted, due to the absence of miscellaneous expenditures in general government of \$5,000 and \$2,080 by the mayor and city council members.

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)

- The Street department was \$49,848 under budget, due mostly to a savings in street maintenance in the amount of \$34,428 and a savings in motor fuel of \$10,055.
- Aquatic center expenditures were \$7,881 below budget due primarily to a savings in repair expenses of \$6,285.
- Airport expenditures exceeded budgeted amounts by \$72,833, due largely to a gas leak which cost over \$73,300 to repair.

As a result of these budget variances and numerous less significant variance, the General Fund actual revenues varied from the amended budget by \$497,983 and expenditures varied by \$534,498. The General Fund balance decreased by \$26,436.

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

**Capital Assets and Debt Administration**

*Capital Assets* . As of December 31, 2014, the city had invested \$23,888,932 in capital assets, including buildings, facilities, vehicles, and equipment. This amount represents a net decrease prior to depreciation of \$70,814 from last year. Total depreciation expense for the year was \$1,327,248. 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	
	2014	2013	2014	2013
Non-Depreciable Assets:				
Land	\$ 1,537,007	\$ 1,529,679	\$ 356,036	\$ 356,036
Construction in progress	--	--	548,953	24,407
Depreciable Assets:				
Buildings	2,185,025	2,203,699	2,380,022	2,468,304
Infrastructure	4,466,941	4,149,880	--	--
Improvements	3,153,696	3,224,309	7,700,075	6,552,848
Machinery, equipment, vehicles	732,079	814,311	829,098	2,494,645
Total	<u>\$ 12,074,748</u>	<u>\$ 11,921,878</u>	<u>\$ 11,814,184</u>	<u>\$ 11,896,240</u>

For further information, please refer to Note 3: D Capital Assets, pages 68-69.

*Debt administration* . At year end, the city had \$4,042,000 in general obligation bonds and other long-term debt outstanding, of which \$320,000 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	
	2014	2013	2014	2013
General obligation bonds	\$ 2,186,495	\$ 2,390,495	\$ --	\$ --
Revenue bonds	--	--	1,855,505	1,960,505
Total	<u>\$ 2,186,495</u>	<u>\$ 2,390,495</u>	<u>\$ 1,855,505</u>	<u>\$ 1,960,505</u>

For further information please refer to Note 3: F Long-term Debt, pages 71-74.

Totals	
2014	2013
\$ 1,893,043	\$ 1,885,715
548,953	24,407
4,565,047	4,672,003
4,466,941	4,149,880
10,853,771	9,777,157
1,561,177	3,308,956
<u>\$ 23,888,932</u>	<u>\$ 23,818,118</u>

Total	
2014	2013
2,186,495	2,390,495
<u>1,855,505</u>	<u>1,960,505</u>
<u>\$ 4,042,000</u>	<u>\$ 4,351,000</u>

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

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

The City of Mora maintains an A2 bond rating from Moody's Investors Services.

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

City Council

- Joe Heggernes was appointed as fire chief for a two year term, ending January 18, 2016. Like wise, Bob Jensen was appointed as assistant fire chief.
- Accounting changes were made to set up a special revenue fund for the fire department.
- A new squad car was purchased in 2014 for approximately \$23,0000.
- A vacancy on the Housing & Redevelopment Authority was filled when the Council appointed Barbara Fredrickson to fill the unexpired term of Richard Johnson ending December 31, 2016.
- Vacancies on the Park Board were filled when the Council appointed Jodi Bakke and Candice Fox to three year terms to expire December 31, 2016.
- An accounting change was made to create a new department in the general fund for all costs related to the maintenance garage.
- A street reconstruction plan and approval for the issuance of general obligation street reconstruction bonds were unanimously approved at a City Council meeting on March 18, 2014.
- City Council approved the conversion of storage space at the city garage from cold storage to heated storage, at a cost of approximately \$52,000. The City and Mora Municipal Utilities will both participate in sharing the costs for this project.
- The City applied to the Minnesota Public Facilities Authority for funds to be used for the Wastewater Treatment Plant improvements.
- The City received a downgraded rating from A1 to A2 from Moody's Investor Service, a major municipal bond rating company. Stand & Poor kept our rating at an A+.
- The City purchased a new John Deere lawn mower to be shared between the Cemetery and Parks departments for approximately \$15,000.



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

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

City Council (continued)

- A contribution in the amount of \$450,000 was accepted from the Public Utility Commission to help the city with deficits in some project funds.
- New heaters were approved for installation at the Mora Aquatic Center, for approximately \$38,000.
- An accountant position was created to assist with the reassignment of duties due to the resignation of the part-time receptionist/clerk. The position was filled in December by Sara King.
- An independent classification and compensation study was approved for all city and utility employees.

Public Utilities Commission

- New computer equipment was approved for city hall staff members at a cost of approximately \$4,000.
- A lease was approved between the Public Utilities Commission (PUC) and the Economic Development Authority (EDA) for a new telework center in the vacant office space at the power plant.
- A 2014 Chevrolet Silverado was purchased for the electric department for approximately \$28,000.
- Wood & Grove street utilities improvements were approved for completion in 2015.
- A transfer in the amount of \$1,250,000 was approved from the electric fund to the sewer fund to aid in financing the new Wastewater Treatment Facility (WWTF).
- An independent classification and compensation study was approved for all city and utility employees.
- The advertisement of bids for the renovation/construction of the wastewater treatment plant were approved by the PUC, upon receipt of comments from the PCA.

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

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

Economic Development Authority

- Greg Ardner was elected as president of the Mora Economic Development Authority.
- The EDA approved a contribution of \$2,200 to the Initiative Foundation.
- A new Revolving Economic Development Loan request from City Council for \$7,500 was approved by the EDA. The funds will be used to contribute to new banners for the Highway 65 corridor.
- The authority agreed to assist Northland Process Piping in acquiring financial assistance through the Minnesota Investment Fund. Under benefits of the MIF program, the City will receive 40%, up to \$100,000 of the repayment. Consequently, the Minnesota Department of Employment and Economic Development (DEED) approved the EDA's request for MIF funds for Northland Process Piping.
- The authority agreed to proceed with a Small Cities Development Program (SCDP) grant application intended to fund commercial and residential rehab projects.
- The authority continued the process of development of a telework center.
- The authority adopted a budget for 2015, which includes an expected \$24,000 in expenditures to convert vacant office space at the power plant into the new telework center.
- It was the consensus of the EDA to support and participate in a Border-to-Border grant application. Other participants include Kanabec County, Mora School District #332, and FirstLight Health System.

**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, 2014

This page intentionally left blank.

City of Mora, Minnesota  
Statement of Net Position  
December 31, 2014

	Governmental Activities	Business - Type Activities	2014 Total	Component Units EDA	HRA
<b>ASSETS</b>					
Cash and investments	\$ 903,725	\$ 5,181,938	\$ 6,085,663	\$ 38,120	\$ 437,345
Due from other governments	20,990	--	20,990	--	--
Accounts receivable	150,536	833,503	984,039	97	72,697
Inventory	--	557,035	557,035	--	--
Loan/note receivable	7,667	1,500,000	1,507,667	--	--
Prepaid items	44,453	37,522	81,975	49	21,023
Special assessments	--	38,299	38,299	--	--
Restricted Assets:					
Temporary restricted:					
Cash and investments	42,144	661,206	703,350	--	347,596
Other assets	--	--	--	--	85,245
Capital assets, (net of accumulated depreciation)					
Land/CIP	1,537,007	356,036	1,893,043	--	--
Building, machinery, equipment	10,537,741	11,458,148	21,995,889	--	4,153,107
Total assets	<u>\$ 13,244,263</u>	<u>\$ 20,623,687</u>	<u>\$ 33,867,950</u>	<u>\$ 38,266</u>	<u>\$ 5,117,013</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 355,900	\$ 351,471	\$ 707,371	\$ --	\$ 68,901
Other payables	33,501	107,180	140,681	2,086	100,406
Accrued interest	78,835	--	78,835	--	--
Loan payable - Electric Fund	--	1,500,000	1,500,000	--	--
Customer meter deposits	1,200	55,875	57,075	--	--
Unearned revenue	--	40,397	40,397	--	--
Noncurrent liabilities:					
Due within one year	212,500	107,500	320,000	--	53,056
Due in more than one year	1,973,995	1,748,005	3,722,000	--	4,003,630
Total liabilities	<u>\$ 2,655,931</u>	<u>\$ 3,910,428</u>	<u>\$ 6,566,359</u>	<u>\$ 2,086</u>	<u>\$ 4,225,993</u>
<b>NET POSITION</b>					
Invested in capital assets, net of selected debt	\$ 9,888,253	\$ 8,458,679	\$ 18,346,932	\$ --	\$ 96,421
Restricted for:					
Debt service	664,661	--	664,661	--	--
Special revenue	262,770	--	262,770	--	347,596
Future operations:					
Liquor	--	--	--	--	--
Electric Utility	--	624,488	624,488	--	--
Water Utility	--	36,718	36,718	--	--
Waste Water Utility	--	--	--	--	--
Unrestricted:					
Unrestricted	(227,352)	7,593,374	7,366,022	36,180	447,003
Total net position	<u>\$ 10,588,332</u>	<u>\$ 16,713,259</u>	<u>\$ 27,301,591</u>	<u>\$ 36,180</u>	<u>\$ 891,020</u>
See notes to financial statements.					

City of Mora, Minnesota  
Statement of Activities  
For the Year Ended December 31, 2014

Functions/Programs	Expenses	Charges for Services	Program Revenues	
			Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ (666,550)	\$ 453,828	\$ 905,613	\$ --
Public safety	(963,669)	178,886	90,424	--
Public works	(897,477)	48,019	--	--
Cemetery	(72,779)	44,175	--	--
Culture and recreation	(321,358)	155,458	--	--
Housing & economic development	(125,539)	--	--	--
Capital projects	(136,302)	2,800	61,525	--
Interest on long-term debt	(80,859)	--	--	--
Total governmental activities	<u>(3,264,533)</u>	<u>883,166</u>	<u>1,057,562</u>	<u>--</u>
Business - type - activities:				
Liquor	(2,603,292)	2,883,872	--	--
Electric	(5,110,192)	5,381,694	--	--
Water	(659,693)	625,425	--	--
Wastewater	(730,607)	829,454	--	--
Total business - type activities	<u>(9,103,784)</u>	<u>9,720,445</u>	<u>--</u>	<u>--</u>
Total Primary Government	<u><u>\$ (12,368,317)</u></u>	<u><u>\$ 10,603,611</u></u>	<u><u>\$ 1,057,562</u></u>	<u><u>\$ --</u></u>
Component Units				
Economic Development Authority	(76,888)	--	80,812	--
Housing and Redevelopment Authority	(2,067,606)	863,283	497,795	16,713
Total Component Units	<u><u>\$ (76,888)</u></u>	<u><u>--</u></u>	<u><u>80,812</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
\$ 692,891	\$ --	\$ 692,891	\$ --	\$ --
(694,359)	--	(694,359)	--	--
(849,458)	--	(849,458)	--	--
(28,604)	--	(28,604)	--	--
(165,900)	--	(165,900)	--	--
(125,539)	--	(125,539)	--	--
(71,977)	--	(71,977)	--	--
(80,859)	--	(80,859)	--	--
<u>(1,323,805)</u>	<u>--</u>	<u>(1,323,805)</u>	<u>--</u>	<u>--</u>
--	280,580	280,580	--	--
--	271,502	271,502	--	--
--	(34,268)	(34,268)	--	--
<u>--</u>	<u>98,847</u>	<u>98,847</u>	<u>--</u>	<u>--</u>
<u>--</u>	<u>616,661</u>	<u>616,661</u>	<u>--</u>	<u>--</u>
<u>(1,323,805)</u>	<u>616,661</u>	<u>(707,144)</u>	<u>--</u>	<u>--</u>
--	--	--	3,924	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(689,815)</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>3,924</u>	<u>(689,815)</u>
625,105	--	625,105	--	--
131,854	--	131,854	--	--
53,802	137,802	191,604	43	782
1,200	--	1,200	--	--
738,566	--	738,566	3,915	664,166
<u>720,001</u>	<u>(730,001)</u>	<u>(10,000)</u>	<u>10,000</u>	<u>--</u>
<u>2,270,528</u>	<u>(592,199)</u>	<u>1,678,329</u>	<u>13,958</u>	<u>664,948</u>
946,723	24,462	971,185	17,882	(24,867)
9,641,609	16,688,797	26,330,406	18,298	915,887
<u>\$ 10,588,332</u>	<u>\$ 16,713,259</u>	<u>\$ 27,301,591</u>	<u>\$ 36,180</u>	<u>\$ 891,020</u>

This page intentionally left blank.



**CITY OF MORA, MINNESOTA  
FUND FINANCIAL STATEMENTS  
December 31, 2014**

City of Mora, Minnesota  
Governmental Funds  
Balance Sheet  
December 31, 2014

	General Fund	529 Airport Eastside 2007	531 HRA Eastwood
<b>ASSETS</b>			
Cash and investments	\$ 475,528	\$ 121,985	\$ 306,212
Taxes receivable - delinquent	28,912	2,413	--
Accounts receivable	131,135	2,664	--
Special assessment receivables -			
Delinquent	2,890	583	--
Deferred	--	239,188	--
Due from other governmental units	--	--	--
Due from other funds	716,777	--	--
Note receivable	--	--	--
Prepaid insurance	34,227	--	--
Cash restricted	--	--	--
Total assets	<u>\$ 1,389,469</u>	<u>\$ 366,833</u>	<u>\$ 306,212</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Due to other funds	\$ --	\$ --	\$ --
Accounts payable	54,434	--	301,466
Other payables	33,501	--	--
Deposits from developers	1,200	--	--
Unearned revenues	150,783	378,233	--
Total liabilities	<u>239,918</u>	<u>378,233</u>	<u>301,466</u>
Fund Balances:			
Nonspendable	34,227	--	--
Restricted	--	--	--
Committed	--	--	--
Assigned	--	--	4,746
Unassigned	1,115,324	(11,400)	--
Total fund balances	<u>1,149,551</u>	<u>(11,400)</u>	<u>4,746</u>
Total liabilities and fund balances	<u>\$ 1,389,469</u>	<u>\$ 366,833</u>	<u>\$ 306,212</u>

See notes to financial statements.

NonMajor Governmental Funds	Total Governmental Funds
\$ --	\$ 903,725
10,421	41,746
16,737	150,536
388,021	391,494
--	239,188
20,990	20,990
1,497,999	2,214,776
7,667	7,667
10,226	44,453
42,144	42,144
<u>\$ 1,994,205</u>	<u>\$ 4,056,719</u>
\$ 2,214,776	2,214,776
--	355,900
--	33,501
--	1,200
225,520	754,536
<u>2,440,296</u>	<u>3,359,913</u>
10,226	44,453
671,315	671,315
--	--
42,144	46,890
(1,169,776)	(65,852)
<u>(446,091)</u>	<u>696,806</u>
<u>\$ 1,994,205</u>	<u>\$ 4,056,719</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, 2014

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

	2014	2013
Total governmental fund balances	\$ 696,806	\$ 156,735
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Governmental capital assets	22,508,278	21,806,956
Less: accumulated depreciation	<u>(10,433,530)</u>	<u>(9,885,078)</u>
	12,074,748	11,921,878
Other long-term assets are not available to pay for current - personal expenditures and, therefore, are deferred with funds.		
Delinquent property taxes	(41,746)	(61,949)
Deferred special assessments	(630,682)	(452,358)
Deferred revenues	754,536	553,344
Interest on long-term debt is not accrued in governmental funds but rather recognized as an expenditure when due	(78,835)	(85,546)
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	<u>(2,186,495)</u>	<u>(2,390,495)</u>
Net position of governmental activities (page 33)	<u><u>\$ 10,588,332</u></u>	<u><u>\$ 9,641,609</u></u>

See notes to financial statements.

This page intentionally left blank.

City of Mora, Minnesota  
Governmental Funds  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended December 31, 2014

	General Fund	529 Airport Eastside 2007	531 HRA Eastwood
<b>REVENUES</b>			
Property taxes	\$ 384,852	\$ 43,553	\$ --
Tax increments	14,404	--	--
Licenses and permits	31,748	--	--
Special assessments	--	11,106	--
Intergovernmental	995,136	--	--
Charges for services	533,826	--	--
Fines	18,488	--	--
Investment earnings	49,724	45	340
Sale of assets	1,200	--	--
Miscellaneous	45,355	--	--
Total revenues	<u>2,074,733</u>	<u>54,704</u>	<u>340</u>
<b>EXPENDITURES</b>			
Current:			
General government	484,267	--	--
Public safety	761,649	--	--
Public works	515,028	--	--
Cemetery	--	--	--
Culture and recreation	315,873	--	--
Housing and economic development	--	--	--
Capital projects	--	--	--
Miscellaneous	191,297	--	1,150
Debt Service:			
Principal	--	49,000	--
Interest and other charges	--	32,095	--
Total expenditures	<u>2,268,114</u>	<u>81,095</u>	<u>1,150</u>
Excess (deficiency) of revenues over (under) expenditures	(193,381)	(26,391)	(810)
<b>OTHER FINANCING SOURCES (USES)</b>			
Issuance of long-term debt	--	--	--
Miscellaneous income (expense)	--	--	--
Transfers in	757,743	--	--
Transfers out	(590,798)	--	--
Total other financing sources (uses)	<u>166,945</u>	<u>--</u>	<u>--</u>
Net change in fund balances	(26,436)	(26,391)	(810)
Fund balances - beginning	1,175,987	14,991	5,556
Fund balances - ending	<u>\$ 1,149,551</u>	<u>\$ (11,400)</u>	<u>\$ 4,746</u>

See notes to financial statements.

Other Governmental Funds	Total Governmental Funds
\$ 196,700	\$ 625,105
117,450	131,854
--	31,748
34,488	45,594
61,525	1,056,661
130,600	664,426
--	18,488
3,693	53,802
--	1,200
115,700	161,055
<u>660,156</u>	<u>2,789,933</u>
--	484,267
97,814	859,463
4,017	519,045
56,325	56,325
--	315,873
114,571	114,571
136,302	136,302
--	192,447
210,475	259,475
--	32,095
<u>619,504</u>	<u>2,969,863</u>
40,652	(179,930)
--	--
--	--
614,410	1,372,153
(61,354)	(652,152)
<u>553,056</u>	<u>720,001</u>
593,708	540,071
(1,039,799)	156,735
<u>\$ (446,091)</u>	<u>\$ 696,806</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, 2014

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

	2014	2013
Net changes in fund balances - total governmental funds	\$ 540,071	\$ 227,644

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	701,322	--
Depreciation Expense	(548,452)	(584,603)
	<u>152,870</u>	<u>(584,603)</u>
Other miscellaneous items	43,071	60,873
Change in accrued interest payable	6,711	6,306
Long-term debt payments for current year	<u>204,000</u>	<u>195,500</u>
Changes in net position of governmental activities (page 34)	<u><u>\$ 946,723</u></u>	<u><u>\$ (94,280)</u></u>

See notes to financial statements.



This page intentionally left blank.

City of Mora, Minnesota  
General Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final	Amounts	
<b>REVENUES</b>				
Property taxes	\$ 327,351	\$ 327,351	\$ 399,256	\$ 71,905
Licenses and permits	43,105	43,105	31,748	(11,357)
Intergovernmental	791,004	791,004	995,136	204,132
Charges for services	628,584	561,296	533,826	(27,470)
Fines	20,000	20,000	18,488	(1,512)
Investment earnings	20,000	20,000	49,724	29,724
Sale of assets	--	--	1,200	1,200
Miscellaneous	9,400	9,400	45,356	35,956
Total revenues	<u>1,839,444</u>	<u>1,772,156</u>	<u>2,074,734</u>	<u>302,578</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
General	87,323	39,323	32,687	6,636
Council	35,990	35,990	32,505	3,485
City administrator	99,258	99,258	94,548	4,710
Elections	3,100	3,100	2,655	445
Finance director	122,677	121,677	131,976	(10,299)
Attorney	32,551	32,551	32,195	356
Personnel	30,945	30,945	36,590	(5,645)
Planning and zoning	75,459	75,459	73,655	1,804
City hall building	18,064	18,064	24,530	(6,466)
Library building	19,815	19,815	22,926	(3,111)
Total general government	<u>525,182</u>	<u>476,182</u>	<u>484,267</u>	<u>(8,085)</u>
Public safety:				
Building inspection	75,341	75,341	75,438	(97)
Police protection	615,472	615,472	615,539	(67)
Fire protection	162,788	69,194	70,672	(1,478)
Total public safety	<u>853,601</u>	<u>760,007</u>	<u>761,649</u>	<u>(1,642)</u>
Public works:				
Street department	494,269	494,269	409,421	84,848
Street lighting	32,412	24,412	31,806	(7,394)
Garage	--	13,910	73,801	(59,891)
Total public works	<u>526,681</u>	<u>532,591</u>	<u>515,028</u>	<u>77,454</u>
Culture and recreation:				
Swimming pool	218,228	230,578	222,698	7,880
Park areas	92,912	112,562	93,175	19,387
Total Culture and recreation	<u>311,140</u>	<u>343,140</u>	<u>315,873</u>	<u>27,267</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, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Miscellaneous:				
Forestry and nursery	--	--	--	--
Shade tree program	--	--	--	--
Airport	118,464	118,464	191,297	(72,833)
Loan Pine Community Center	--	--	--	--
Unallocated operating expenses	--	--	--	--
Total Miscellaneous	118,464	118,464	191,297	(72,833)
Total expenditures	2,335,068	2,230,384	2,268,114	22,161
Excess (deficiency) of revenues over (under) expenditures	(495,624)	(458,228)	(193,380)	264,848
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ 357,870	\$ 357,870	\$ 757,742	\$ 399,872
Transfers out	(70,000)	(94,030)	(590,798)	(496,768)
Total other financing sources (uses)	287,870	263,840	166,944	(96,896)
Net change in fund balances	(207,754)	(194,388)	(26,436)	167,952
Fund balances - beginning	1,175,987	1,175,987	1,175,987	--
Fund balances - ending	\$ 968,233	\$ 981,599	\$ 1,149,551	\$ 167,952

See notes to financial statements.

City of Mora, Minnesota  
Proprietary Funds  
Statement of Net Position  
December 31, 2014

	Business - Type Activities - Enterprise Funds		
	Municipal Liquor Fund	Electric Utility Fund	Water Utility Fund
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 158,957	\$ 4,211,058	\$ 411,034
Interest receivable	--	--	--
Accounts receivable	20,846	590,820	109,453
Due from other funds	--	1,500,000	--
Inventory	404,155	130,416	22,464
Prepaid items	8,781	15,513	2,753
Special assessments	--	24,113	3,263
Total current assets	<u>592,739</u>	<u>6,471,920</u>	<u>548,967</u>
Noncurrent assets:			
Restricted cash and investments	--	624,488	36,718
Total restricted assets	<u>--</u>	<u>624,488</u>	<u>36,718</u>
Capital assets:			
Plant in service	1,803,634	5,225,720	6,948,993
Less: accumulated depreciation	<u>(271,973)</u>	<u>(3,126,383)</u>	<u>(2,478,928)</u>
Total Capital assets (net of accumulated depreciation)	<u>1,531,661</u>	<u>2,099,337</u>	<u>4,470,065</u>
Total noncurrent assets	<u>1,531,661</u>	<u>2,723,825</u>	<u>4,506,783</u>
Total assets	<u><u>\$ 2,124,400</u></u>	<u><u>\$ 9,195,745</u></u>	<u><u>\$ 5,055,750</u></u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	--	326,175	17,202
Accrued payables	44,098	31,031	16,341
Due to other funds	1,500,000	--	--
Revenue bonds payable	<u>--</u>	<u>--</u>	<u>89,845</u>
Total current liabilities	<u>1,544,098</u>	<u>357,206</u>	<u>123,388</u>
Noncurrent liabilities:			
Customer meter deposits	--	55,875	--
Revenue bonds payable	--	--	1,509,211
Unearned revenue	<u>--</u>	<u>--</u>	<u>10,566</u>
Total noncurrent liabilities	<u>--</u>	<u>55,875</u>	<u>1,519,777</u>
Total liabilities	<u><u>\$ 1,544,098</u></u>	<u><u>\$ 413,081</u></u>	<u><u>\$ 1,643,165</u></u>
<b>NET POSITION</b>			
Invested in capital assets, net of related debt	\$ 31,661	\$ 2,099,337	\$ 2,871,009
Restricted:			
Future operations	--	624,488	36,718
Non spendable	412,936	145,929	25,217
Unrestricted:			
Unreserved	<u>135,705</u>	<u>5,912,910</u>	<u>479,641</u>
Total net position	<u><u>\$ 580,302</u></u>	<u><u>\$ 8,782,664</u></u>	<u><u>\$ 3,412,585</u></u>

See notes to financial statements.

Wastewater Utility Fund	Total
\$ 400,889	\$ 5,181,938
--	--
112,384	833,503
--	1,500,000
--	557,035
10,475	37,522
10,923	38,299
<u>534,671</u>	<u>8,148,297</u>
--	661,206
<u>--</u>	<u>661,206</u>
7,297,618	21,275,965
(3,584,497)	(9,461,781)
<u>3,713,121</u>	<u>11,814,184</u>
<u>3,713,121</u>	<u>12,475,390</u>
<u>\$ 4,247,792</u>	<u>\$ 20,623,687</u>
\$ 8,094	\$ 351,471
15,710	107,180
--	1,500,000
17,655	107,500
<u>41,459</u>	<u>2,066,151</u>
--	55,875
238,794	1,748,005
29,831	40,397
<u>268,625</u>	<u>1,844,277</u>
<u>\$ 310,084</u>	<u>\$ 3,910,428</u>
\$ 3,456,672	\$ 8,458,679
--	661,206
10,745	594,827
<u>470,291</u>	<u>6,998,547</u>
<u>\$ 3,937,708</u>	<u>\$ 16,713,259</u>

City of Mora, Minnesota  
Proprietary Funds  
Statement of Revenues, Expenses, and Changes in Fund Net Assets  
For the Year Ended December 31, 2014

	Business- Type Activities - Enterprise Funds		
	Municipal Liquor Fund	Electric Utility Fund	Water Utility Fund
Operating revenues:			
Sales and charges for services	\$ 2,881,620	\$ 4,805,727	\$ 591,249
Less cost of goods sold	(2,098,114)	(4,245,414)	--
Miscellaneous	2,252	575,967	34,176
Total operating revenues	<u>785,758</u>	<u>1,136,280</u>	<u>625,425</u>
Operating expenses:			
Employee service	251,130	355,947	162,241
Supplies	22,098	8,956	113,086
Other service charges	172,843	345,771	94,630
Depreciation	59,107	154,104	289,736
Total operating expenses	<u>505,178</u>	<u>864,778</u>	<u>659,693</u>
Operating income	<u>280,580</u>	<u>271,502</u>	<u>(34,268)</u>
Nonoperating revenues (expenses):			
Interest earnings	<u>3,301</u>	<u>125,399</u>	<u>624</u>
Total nonoperating revenues (expenses)	<u>3,301</u>	<u>125,399</u>	<u>624</u>
Income (loss) before transfers	<u>283,881</u>	<u>396,901</u>	<u>(33,644)</u>
Transfers in	--	--	--
Transfers out	<u>(270,000)</u>	<u>(460,001)</u>	<u>--</u>
Changes in net position	<u>13,881</u>	<u>(63,100)</u>	<u>(33,644)</u>
Total net position - beginning	<u>566,421</u>	<u>8,845,764</u>	<u>3,446,229</u>
Total net position - ending	<u>\$ 580,302</u>	<u>\$ 8,782,664</u>	<u>\$ 3,412,585</u>

See notes to financial statements.

Wastewater Utility Fund	Total
\$ 772,986	\$ 9,051,582
--	(6,343,528)
56,468	668,863
829,454	3,376,917
252,371	1,021,689
78,199	222,339
124,188	737,432
275,849	778,796
730,607	2,760,256
98,847	616,661
8,478	137,802
8,478	137,802
107,325	754,463
--	--
--	(730,001)
107,325	24,462
3,830,383	16,688,797
\$ 3,937,708	\$ 16,713,259

City of Mora Minnesota  
Proprietary Funds  
Statement of Cash Flows  
For the Year Ended December 31, 2014

	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	\$ 2,876,656	\$ 5,461,685	\$ 600,585
Cash payments for interest expense	(52,000)	(232)	(37,697)
Cash payments to suppliers	(2,354,144)	(4,497,132)	(151,043)
Cash payments to employees	(251,130)	(355,947)	(162,241)
Net cash provided by operating activities	<u>219,382</u>	<u>608,374</u>	<u>249,604</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING:</b>			
Transfers in (out)	<u>(270,000)</u>	<u>(460,001)</u>	<u>--</u>
Net cash provided by (used in) negotiated activities	<u>(270,000)</u>	<u>(460,001)</u>	<u>--</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Bond principal payments	--	--	(88,186)
Acquisition of capital assets	--	(92,538)	(65,196)
Proceeds from sale of capital assets	<u>--</u>	<u>--</u>	<u>--</u>
Net cash provided (used in) capital and related financing activities	<u>--</u>	<u>(92,538)</u>	<u>(153,382)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest income	<u>3,301</u>	<u>125,399</u>	<u>624</u>
Net increase (decrease) in cash and cash equivalents	(47,317)	181,234	96,846
Cash at Beginning of Year, including restricted cash	206,274	4,654,312	350,906
Cash at End of Year, including restricted cash	<u>\$ 158,957</u>	<u>\$ 4,835,546</u>	<u>\$ 447,752</u>

See notes to financial statements.



Wastewater Utility Fund	Total Current Year
\$ 851,918	\$ 9,790,844
(11,083)	(101,012)
(185,521)	(7,187,840)
(252,371)	(1,021,689)
<u>402,943</u>	<u>1,480,303</u>
<u>--</u>	<u>(730,001)</u>
<u>--</u>	<u>(730,001)</u>
(16,814)	(105,000)
(539,007)	(696,741)
<u>--</u>	<u>--</u>
<u>(555,821)</u>	<u>(801,741)</u>
<u>8,478</u>	<u>137,802</u>
(144,400)	86,363
545,289	5,756,781
<u>\$ 400,889</u>	<u>\$ 5,843,144</u>

City of Mora, Minnesota  
Proprietary Funds  
Statement of Cash Flows  
For the Year Ended December 31, 2014

	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)	\$ 280,580	\$ 271,502	\$ (34,268)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	59,107	154,104	289,736
(Increase) decrease in interest receivable	--	--	--
(Increase) decrease in accounts receivable	(4,964)	79,991	(24,840)
(Increase) decrease in other receivables	--	100,000	--
(Increase) decrease in special assessments	--	5,076	2,373
(Increase) decrease in inventory	(21,749)	10,699	15,457
(Increase) decrease in prepaid insurance	803	767	419
Increase (decrease) in accounts payable	--	(17,361)	993
Increase (decrease) in accrued payables	5,605	(2,439)	(266)
Increase (decrease) in other liabilities	(100,000)	6,035	--
Total adjustments	(61,198)	336,872	283,872
Net cash provided (used) by operating activities	\$ 219,382	\$ 608,374	\$ 249,604

See notes to financial statements.

<u>Wastewater Utility Fund</u>	<u>Total Current Year</u>
<u>\$ 98,847</u>	<u>\$ 616,661</u>
275,849	778,796
--	--
22,464	72,651
--	100,000
7,946	15,395
--	4,407
(93)	1,896
(284)	(16,652)
(220)	2,680
(1,566)	(95,531)
<u>304,096</u>	<u>863,642</u>
<u><u>\$ 402,943</u></u>	<u><u>\$ 1,480,303</u></u>

This page intentionally left blank.

**CITY OF MORA, MINNESOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2014**

This page intentionally left blank.

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2014

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, 2014

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 recorded only when

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 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, 2014

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, 2014

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, 2014

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, 2014

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 \$97,474 in 2013 to \$97,181 in 2014.

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, 2014

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, 2014

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, 2014 are as follows:

Peoples National Bank - Checking	\$ 767,178
First Citizens Bank - HiFi	1,482,209
Wells Fargo	1,641,543
Morgan Stanley & Smith Barney	2,936,203
Total Deposits	<u><u>\$ 6,827,133</u></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, 2014

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, 2014

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	31,325	--	--	--
Accounts	133,799	20,846	590,820	109,453
Special assessments	242,661	--	24,113	3,263
Intergovernmental	--	--	--	--
Loan receivable	--	--	1,500,000	--
Gross receivables	407,785	20,846	2,114,933	112,716
Less: Allowance for Uncollectible*	--	--	--	--
Net total receivables	<u>\$ 407,785</u>	<u>\$ 20,846</u>	<u>\$ 2,114,933</u>	<u>\$ 112,716</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
\$ --	\$ --	\$ --
--	10,421	41,746
112,384	16,737	984,039
10,923	388,021	668,981
--	20,990	20,990
--	--	1,500,000
123,307	436,169	3,215,756
--	--	--
<u>\$ 123,307</u>	<u>\$ 436,169</u>	<u>\$ 3,215,756</u>

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2014

NOTE 3: Detailed Notes on All Funds(Continued)

D. Capital Assets

Capital assets activity for the year ended December 31, 2014 was as follows:

Governmental Activities	Beginning Balances	Increase	Decrease*	Ending Balances
Capital assets, not being depreciated:				
Land	\$ 1,529,679	\$ 7,328	\$ --	\$ 1,537,007
Construction in progress	--	--	--	--
Total capital assets, not being depreciated	<u>1,529,679</u>	<u>7,328</u>	<u>--</u>	<u>1,537,007</u>
Capital assets, being depreciated:				
Land Improvements	5,840,421	46,689	--	5,887,110
Buildings	3,348,670	39,189	--	3,387,859
Infrastructure	7,948,342	507,907	--	8,456,249
Machinery, Equipment, Vehicles	3,139,844	100,209	--	3,240,053
Total capital assets, being depreciated	<u>20,277,277</u>	<u>693,994</u>	<u>--</u>	<u>20,971,271</u>
Less: accumulated depreciation for:				
Land Improvements	2,616,112	117,302	--	2,733,414
Buildings	1,144,971	57,863	--	1,202,834
Infrastructure	3,798,462	190,846	--	3,989,308
Machinery, Equipment, Vehicles	2,325,533	182,441	--	2,507,974
Total accumulated depreciation	<u>9,885,078</u>	<u>548,452</u>	<u>--</u>	<u>10,433,530</u>
Total capital assets, being depreciated, net	<u>10,392,199</u>	<u>145,542</u>	<u>--</u>	<u>10,537,741</u>
Governmental activities capital assets, net	<u>\$ 11,921,878</u>	<u>\$ 152,870</u>	<u>\$ --</u>	<u>\$ 12,074,748</u>

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

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2014

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	548,953	24,407	548,953
Total capital assets, not being depreciated	380,443	548,953	24,407	904,989
Capital assets, being depreciated:				
Buildings	4,213,434	--	--	4,213,434
Other Improvements	11,816,019	1,703,370	--	13,519,389
Equipment and fixtures	4,169,330	(1,531,176)	--	2,638,154
Total capital assets, being depreciated	20,198,783	172,194	--	20,370,977
Less: accumulated depreciation for:				
Buildings	1,745,130	88,282	--	1,833,412
Other Improvements	5,263,171	556,143	--	5,819,314
Equipment and fixtures	1,674,685	134,371	--	1,809,056
Total accumulated depreciation	8,682,986	778,796	--	9,461,782
Total capital assets being depreciated, net	11,515,797	(606,602)	--	10,909,195
Business - type activities capital assets, net	<u>\$ 11,896,240</u>	<u>\$ (57,649)</u>	<u>\$ 24,407</u>	<u>\$ 11,814,184</u>

Depreciation expense was charged to functions/programs as follows:

<u>Governmental Activities</u>	
General government	\$ 32,907
Public safety	104,206
Public works	378,432
Culture and recreation	16,454
Cemetery	5,485
Miscellaneous	10,968
Total depreciation expense - governmental activities	<u>\$ 548,452</u>
<u>Business - Type Activities</u>	
Electric utility	\$ 154,104
Water utility	289,736
Wastewater utility	275,849
Liquor	59,107
Total depreciation expense - business - type activities	<u>\$ 778,796</u>

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

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2014

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, 2014.

	Due To	Due From
	\$	\$
General Fund	--	716,777
Special Revenue Funds:		
Storm Water Utility	--	57,173
Cemetery Fund	--	35,526
ED Revolving Loan	--	109,034
TIF 2-2 Intrepid	--	9,950
TIF 1-8 Torborg	--	3,240
Fire Fund	13,976	--
TIF 1-11 KSB	1,785	--
TIF 1-14 HRA/Nelson	15,079	--
Capital Projects Fund:		
Future Fire Equipment	--	190,677
Future Improvements	--	414,744
Highway 23 E. Frontage	89,563	--
Howe Ave. Construction	279,606	--
Downtown Feed Mill	29,690	--
Airport Kastenbauer House	181,544	--
Fire Station	715,483	--
Crosswind	127,097	--
Parker	363,738	--
Grove & Wood Street	41,100	--
7th and Grove Street	356,115	--
Debt Service Funds:		
2005 Street Construction	--	14,949
2004 Street Reconstruction	--	329,412
Maple Ave. East	--	155,545
2006 Street Reconstruction	--	22,744
2008-2011 Street Reconstruction	--	155,005
	<u>\$ 2,214,776</u>	<u>\$ 2,214,776</u>

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

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2014

NOTE 3: Detailed Notes on All Funds (Continued)

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

Interfund transfers out:

General Fund	\$ (590,798)
Other governmental funds	(122,888)
Enterprise	<u>(730,001)</u>
Total transfers out	<u><u>\$ (1,443,687)</u></u>

Interfund transfers in:

General Fund	\$ 757,743
Other governmental funds	675,944
EDA	<u>10,000</u>
Total transfers out	<u><u>\$ 1,443,687</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, 2014

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%	925,000
Governmental Activities	4.00%	696,495
Governmental Activities	1.7 - 3.2%	565,000
Total governmental activities		<u>2,186,495</u>
Business-Type Activities	4.000%	298,505
Business-Type Activities	4.200%	265,000
Business-Type Activities	1.862%	1,292,000
Total business-type activities		<u>\$ 1,855,505</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>
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	167,000	53,035	114,000	35,373
2020-2024	791,000	169,774	600,000	131,014
2025-2029	455,495	35,669	603,505	46,952
2030	--	--	92,000	1,713
Total	<u>\$ 2,186,495</u>	<u>\$ 534,402</u>	<u>\$1,855,505</u>	<u>\$ 386,370</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%	\$ 265,000
2.	Water & Sewer	4.200%	298,505
3.	Water	1.862%	1,292,000
			<u>\$1,855,505</u>

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2014

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, 2014:

	Beginning Balance	Additions	Reductions
<b>GOVERNMENTAL ACTIVITIES</b>			
General obligation bonds:			
G.O. Bond, Series 2006A	\$ 1,015,000	\$ --	\$ 90,000
G.O. Bonds, Series 2008A	745,495	--	49,000
G.O. Street, Series 2011A	630,000	--	65,000
Total general obligation bonds-			
Governmental activities long-term			
liabilities	<u>\$ 2,390,495</u>	<u>\$ --</u>	<u>\$ 204,000</u>
 <b>BUSINESS - TYPE ACTIVITIES</b>			
G.O. Water & sewer revenue bonds	\$ 280,000	\$ --	\$ 15,000
G.O. Bonds, Series 2008A	319,505	--	21,000
G.O. Water Rev. Note 2010	1,361,000	--	69,000
 Total bonds payable Business -			
type activities long-term liabilities	<u>\$ 1,960,505</u>	<u>\$ --</u>	<u>\$ 105,000</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, 2014 and descriptions are as follows:

<u>Governmental Funds</u>	
Special Revenue - Cemetery	42,144
<u>Enterprise Funds - Restricted</u>	
Electric Utility	624,488
Water Utility	36,718
Wastewater Utility	--
Total	<u>\$ 703,350</u>

Ending Balance	Amounts Due Within One Year
\$ 925,000	\$ 95,000
696,495	52,500
<u>565,000</u>	<u>65,000</u>
<u>\$ 2,186,495</u>	<u>\$ 212,500</u>
\$ 265,000	\$ 15,000
298,505	22,500
<u>1,292,000</u>	<u>70,000</u>
<u>\$ 1,855,505</u>	<u>\$ 107,500</u>



City of Mora, Minnesota  
Notes to the Financial Statements  
December 31, 2014

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	2009
Date of Required Decertification	2034
Tax Increment Revenue - 2014	\$ 42,774
Current Net Tax Capacity	79,355
Base Net Tax Capacity	41,192
Captured Net Tax Capacity	38,163
Captured Net Tax Capacity shared with other taxing jurisdictions	--
Captured Tax Capacity retained by authority	38,163
Financial Obligations:	
Limited Revenue Note - Original Obligation	450,000

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 - 2014	\$ 57,866
Current Net Tax Capacity	39,930
Base Net Tax Capacity	750
Captured Net Tax Capacity	39,180
Captured Net Tax Capacity shared with other taxing jurisdictions	--
Captured Tax Capacity retained by authority	39,180
Financial Obligations:	
Limited Revenue Note – Original Obligation	772,000

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2014

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 - 2014	\$ 16,810
Current Net Tax Capacity	10,752
Base Net Tax Capacity	25
Captured Net Tax Capacity	10,727
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

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2014

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, 2014

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, 2014 as follows:

	<u>Expenditures</u>	<u>Appropriations</u>	<u>Over</u>
General Fund	\$ 2,268,114	\$ 2,074,734	\$ 193,380
Special Revenue Funds:			
TIF 1-11 KSB	42,992	42,774	218
Cemetery	56,325	44,554	11,771
Fire Fund	97,814	92,859	4,955
Capital Projects:			
Crosswinds	92,840	--	92,840
City Hall Improvement	516	--	516
Downtown Feed Mill	90	--	90
Grove & Wood St.	41,400	--	41,400
Debt Service:			
Street Construction 2004	16,100	14,500	1,600
Maple Avenue East	84,425	66,903	17,522
Street Construction 2006	28,700	21,553	7,147
Street reconstruction 2008-2010	81,250	50,661	30,589
Airport Eastside	81,095	54,704	26,391
HRA Eastwood	1,150	340	810

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2014

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, 2014

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, 2014, 2013, and 2012 were \$85,138, \$83,519, and \$85,293 respectively. The City's contributions to the public Employees Police and Fire Fund for the years ending December 31, 2014, 2013, and 2012 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, 2014

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 2014, and as of December 2014, 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, 2014. 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, 2014:

Special Revenue Funds:

TIF 1-11 Kanabec State Bank	\$ (1,785)
TIF 1-14 HRA/Nelson	(15,079)

Capital Project Funds:

Highway 23 E. Frontage Road	(89,563)
Fire Station	(715,483)
Howe Avenue Reconstruction	(90,319)
Downtown Feed Mill Redevelopment	(29,690)
Airport Kastenbauer House	(181,544)
Crosswind	(127,097)
Parker	(363,738)
7th and Grove Street	(355,765)
Grove & Wood St.	(41,100)

Debt Service Fund:

Airport Eastside	(11,400)
------------------	----------

City of Mora, Minnesota  
Notes to Financial Statements  
December 31, 2014

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  
OTHER SUPPLEMENTARY INFORMATION  
December 31, 2014

This page intentionally left blank.

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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 58,723	\$ 43,553	\$ (15,170)
Special assessments	9,000	11,106	2,106
Interest earnings	--	45	45
Miscellaneous	--	--	--
Total revenues	<u>67,723</u>	<u>54,704</u>	<u>(13,019)</u>
<b>EXPENDITURES</b>			
Principal	49,000	49,000	--
Interest	31,646	31,645	(1)
Miscellaneous	425	450	25
Total expenditures	<u>81,071</u>	<u>81,095</u>	<u>24</u>
Excess (deficiency) of revenues over (under) expenditures	(13,348)	(26,391)	(13,043)
<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	(13,348)	(26,391)	(13,043)
Fund balances - beginning	<u>14,991</u>	<u>14,991</u>	<u>--</u>
Fund balances - ending	<u>\$ 1,643</u>	<u>\$ (11,400)</u>	<u>\$ (13,043)</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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ --	\$ --	\$ --
Special assessments	--	--	--
Investment earnings	--	340	340
Total revenues	--	340	340
<b>EXPENDITURES</b>			
Principal	--	--	--
Interest	--	--	--
Miscellaneous	--	1,150	1,150
Total expenditures	--	1,150	1,150
Excess (deficiency) of revenues over (under) expenditures	--	(810)	(810)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	--	--	--
Total other financing sources (uses)	--	--	--
Net change in fund balances	--	(810)	(810)
Fund balances - beginning	5,556	5,556	--
Fund balances - ending	\$ 5,556	\$ 4,746	\$ (810)

City of Mora, Minnesota  
 Component Unit - Economic Development Authority - 227  
 Balance Sheet  
 For the Year Ended December 31, 2014

	EDA
<b>ASSETS</b>	
Cash and Investments	\$ 38,120
Accounts receivable	97
Prepaid Insurance	49
	<hr/>
Total Assets	\$ 38,266
	<hr/>
<b>LIABILITIES AND FUND BALANCE</b>	
Liabilities:	
Accounts Payable	\$ 2,086
Total Liabilities	2,086
	<hr/>
Fund Balance:	
Unreserved	36,180
Total Fund Balance	36,180
	<hr/>
Total Liabilities and Fund Balance	\$ 38,266
	<hr/>

See notes to financial statements.

City of Mora, Minnesota  
 Component Unit - Economic Development Authority - 227  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 For the Year Ended December 31, 2014

	Budget	EDA
<b>REVENUES</b>		
State grants and aids	\$ --	\$ 24,920
Contributions	50,000	55,892
Investment earnings	900	43
Total revenues	<u>50,900</u>	<u>80,855</u>
<b>EXPENDITURES</b>		
Salaries	49,268	47,980
Professional services	1,000	2,494
Supplies	300	229
Capital outlay	--	15,392
Miscellaneous	5,683	10,793
Total expenditures	<u>56,251</u>	<u>76,888</u>
Excess (deficiency) of revenues over (under) expenditures	(5,351)	3,967
<b>OTHER FINANCING SOURCES (USES)</b>		
Miscellaneous income	2,295	3,915
Transfer in	--	10,000
Total other financing sources (uses)	<u>2,295</u>	<u>13,915</u>
Net change in fund balance	(3,056)	17,882
Fund balances - beginning	<u>18,298</u>	<u>18,298</u>
Fund balances - ending	<u>\$ 15,242</u>	<u>\$ 36,180</u>

See notes to financial statements.

City of Mora, Minnesota  
 Component Unit - Housing and Redevelopment Authority  
 Balance Sheet  
 March 31, 2014

	<u>HRA</u>
<b>ASSETS</b>	
Cash and Investments	\$ 437,345
Accounts receivable	72,697
Prepaid Items	21,023
Restricted cash	347,596
Other assets	85,245
Capaital assets (net of accumulated depreciation)	<u>4,153,107</u>
 Total Assets	 <u><u>\$ 5,117,013</u></u>
 <b>LIABILITIES AND FUND BALANCE</b>	
Liabilities:	
Accounts Payable	\$ 68,901
Other payables	100,406
Notes payable	4,056,686
 Total Liabilities	 <u><u>4,225,993</u></u>
 Fund Balance:	
Reserved	347,596
Unreserved	<u>543,424</u>
Total Fund Balance	<u><u>891,020</u></u>
 Total Liabilities and Fund Balance	 <u><u>\$ 5,117,013</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, 2014

	Budget	HRA
<b>REVENUES</b>		
State grants and aids	\$ --	\$ 863,283
Grants and contributions	--	497,795
Other	--	664,166
Total revenues	<u>--</u>	<u>2,025,244</u>
<b>EXPENDITURES</b>		
Administration	--	384,440
Tenant services	--	492,197
Utilities	--	111,619
Maintenance	--	146,522
General	--	90,930
Housing assistance payments	--	370,656
Other	--	5,372
Depreciation	--	256,044
Total expenditures	<u>--</u>	<u>1,857,780</u>
Operating income	<u>--</u>	<u>167,464</u>
<b>NONOPERATING REVENUES AND (EXPENSES)</b>		
Interest income	--	782
Interest expense	--	(209,826)
Gain on sale of capital assets	--	--
Total other financing sources (uses)	<u>--</u>	<u>(209,044)</u>
(Loss) Before Other Revenues and Expenses	--	(41,580)
Capital grant contribution	--	16,713
Change in Net Position		(24,867)
Fund balances - beginning	<u>--</u>	<u>915,887</u>
Fund balances - ending	<u><u>\$ --</u></u>	<u><u>\$ 891,020</u></u>

See notes to financial statements.



City of Mora, Minnesota  
COMBINING AND INDIVIDUAL  
FUND STATEMENTS AND SCHEDULES  
NON-MAJOR GOVERNMENTAL FUNDS  
December 31, 2014

This page intentionally left blank.

## **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.

Fire Station 2003 - 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.

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

City of Mora, Minnesota  
Nonmajor Governmental Funds  
Combining Balance Sheet  
December 31, 2014

	Special Revenue Funds		
	220	225	230
	Storm		EDA
	Water	Cemetery	Revolving
	Utility	Fund	Loan
<b>ASSETS</b>			
Cash and investments	\$ --	\$ --	\$ --
Accounts receivable	3,276	86	--
Interest receivable	--	--	--
Taxes receivable - delinquent	--	--	--
Special assessments receivable -			
Delinquent	--	--	--
Due from other funds	57,173	35,526	109,034
Due from other governments	--	--	--
Note receivable	--	--	7,667
Prepaid insurance	15	1,136	--
Total Current Assets	<u>60,464</u>	<u>36,748</u>	<u>116,701</u>
Restricted Assets:			
Cash and investments	--	42,144	--
Total Restricted Assets	<u>--</u>	<u>42,144</u>	<u>--</u>
Total Assets	<u>\$ 60,464</u>	<u>\$ 78,892</u>	<u>\$ 116,701</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	15	1,136	--
Restricted	--	--	--
Committed	--	--	--
Assigned	--	42,144	--
Unassigned	60,449	35,612	116,701
Total fund balances	<u>60,464</u>	<u>78,892</u>	<u>116,701</u>
Total liabilities and fund balances	<u>\$ 60,464</u>	<u>\$ 78,892</u>	<u>\$ 116,701</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
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	9,488	--	--	12,850
--	--	--	--	--	--
--	--	--	742	--	742
--	--	--	--	--	--
9,950	3,240	--	--	--	214,923
--	--	5,800	--	--	5,800
--	--	--	--	--	7,667
--	--	9,075	--	--	10,226
<u>9,950</u>	<u>3,240</u>	<u>24,363</u>	<u>742</u>	<u>--</u>	<u>252,208</u>
--	--	--	--	--	42,144
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>42,144</u>
<u>\$ 9,950</u>	<u>\$ 3,240</u>	<u>\$ 24,363</u>	<u>\$ 742</u>	<u>\$ --</u>	<u>\$ 294,352</u>
\$ --	\$ --	\$ --	\$ --	\$ --	--
--	--	13,976	1,785	15,079	30,840
--	--	--	742	--	742
<u>--</u>	<u>--</u>	<u>13,976</u>	<u>2,527</u>	<u>15,079</u>	<u>31,582</u>
--	--	9,075	--	--	10,226
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	42,144
9,950	3,240	1,312	(1,785)	(15,079)	210,400
<u>9,950</u>	<u>3,240</u>	<u>10,387</u>	<u>(1,785)</u>	<u>(15,079)</u>	<u>262,770</u>
<u>\$ 9,950</u>	<u>\$ 3,240</u>	<u>\$ 24,363</u>	<u>\$ 742</u>	<u>\$ --</u>	<u>294,352</u>

City of Mora, Minnesota  
Nonmajor Governmental Funds  
Combining Balance Sheet  
December 31, 2014

	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	190,677	414,744	--	--
Due from other governments	8,702	--	--	--
Note receivable	--	--	--	--
Prepaid insurance	--	--	--	--
Total Current Assets	<u>199,379</u>	<u>414,744</u>	<u>--</u>	<u>--</u>
Restricted Assets:				
Cash and investments	--	--	--	--
Total Restricted Assets	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total assets	<u>\$ 199,379</u>	<u>\$ 414,744</u>	<u>\$ --</u>	<u>\$ --</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	199,379	414,744	(715,483)	--
Total fund balances	<u>199,379</u>	<u>414,744</u>	<u>(715,483)</u>	<u>--</u>
Total liabilities and fund balances	<u>\$ 199,379</u>	<u>\$ 414,744</u>	<u>\$ --</u>	<u>\$ --</u>

Capital Projects Funds				
434	439	440	442	444
Highway 23 - E	Howe Avenue Construction	Downtown Feed Mill Redevelopment	Airport Kastenbauer House	Crosswind
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	189,287	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	189,287	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
\$ --	\$ 189,287	\$ --	\$ --	\$ --
\$ --	\$ --	\$ --	\$ --	\$ --
89,563	279,606	29,690	181,544	127,097
--	--	--	--	--
89,563	279,606	29,690	181,544	127,097
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
(89,563)	(90,319)	(29,690)	(181,544)	(127,097)
(89,563)	(90,319)	(29,690)	(181,544)	(127,097)
\$ --	\$ 189,287	\$ --	\$ --	\$ --



Capital Projects Funds

445	446	447	450	451
Spring Lake Trail	Parker	Trail Tunnel	Hwy 23 E Commercial	7th and Grove Street Improvement
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	350
--	--	--	--	--
--	--	--	--	757
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	1,107
--	--	--	--	--
--	--	--	--	--
\$ --	\$ --	\$ --	\$ --	\$ 1,107
\$ --	\$ --	\$ --	\$ --	\$ --
--	363,738	--	--	356,115
--	--	--	--	757
--	363,738	--	--	356,872
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	(363,738)	--	--	(355,765)
--	(363,738)	--	--	(355,765)
\$ --	\$ --	\$ --	\$ --	\$ 1,107

453 Grove & Wood St. Improvements		Total
\$	--	\$ --
	--	350
	--	--
	--	757
	--	189,287
	--	605,421
	--	8,702
	--	--
	--	--
	--	804,517
	--	--
	--	--
\$	--	\$ 804,517
\$	--	--
	41,100	2,183,936
	--	757
	41,100	2,184,693
	--	--
	--	--
	--	--
	--	--
	(41,100)	(1,380,176)
	(41,100)	(1,380,176)
\$	--	\$ 804,517

City of Mora, Minnesota  
Nonmajor Governmental Funds  
Combining Balance Sheet  
December 31, 2014

	Debt Service		
	525	526	527
	Fire	Street	Maple
	Station	Construction	Avenue
	2003	2004	East
<b>ASSETS</b>			
Cash and investments	\$ --	\$ --	\$ --
Accounts receivable	710	189	1,895
Interest receivable	--	--	--
Taxes receivable - delinquent	2,860	846	2,156
Special assessments receivable -			
Delinquent	--	--	198,734
Due from other funds	329,412	14,949	155,545
Due from other governments	6,488	--	--
Note receivable	--	--	--
Prepaid insurance	--	--	--
Total Current Assets	<u>339,470</u>	<u>15,984</u>	<u>358,330</u>
Restricted Assets:			
Cash and investments	<u>--</u>	<u>--</u>	<u>--</u>
Total Restricted Assets	<u>--</u>	<u>--</u>	<u>--</u>
Total assets	<u>\$ 339,470</u>	<u>\$ 15,984</u>	<u>\$ 358,330</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ --	\$ --	\$ --
Due to other funds	--	--	--
Deferred revenue	2,244	693	218,824
Total liabilities	<u>2,244</u>	<u>693</u>	<u>218,824</u>
Fund Balances:			
Nonspendable	--	--	--
Restricted	337,226	15,291	139,506
Committed	--	--	--
Assigned	--	--	--
Unassigned	<u>--</u>	<u>--</u>	<u>--</u>
Total fund balances	<u>337,226</u>	<u>15,291</u>	<u>139,506</u>
Total liabilities and fund balances	<u>\$ 339,470</u>	<u>\$ 15,984</u>	<u>\$ 358,330</u>

528 Street Reconstruction 2006	530 2008-2011 Street Reconstruction	Total	Total Nonmajor Governmental Funds
\$ --	\$ --	\$ --	--
302	441	3,537	16,737
--	--	--	--
1,296	1,764	8,922	10,421
--	--	198,734	388,021
22,744	155,005	677,655	1,497,999
--	--	6,488	20,990
--	--	--	7,667
--	--	--	10,226
<u>24,342</u>	<u>157,210</u>	<u>895,336</u>	<u>1,952,061</u>
--	--	--	42,144
--	--	--	42,144
<u>\$ 24,342</u>	<u>\$ 157,210</u>	<u>\$ 895,336</u>	<u>\$ 1,994,205</u>
\$ --	\$ --	\$ --	--
--	--	--	2,214,776
1,088	1,172	224,021	225,520
<u>1,088</u>	<u>1,172</u>	<u>224,021</u>	<u>2,440,296</u>
--	--	--	10,226
23,254	156,038	671,315	671,315
--	--	--	--
--	--	--	42,144
--	--	--	(1,169,776)
<u>23,254</u>	<u>156,038</u>	<u>671,315</u>	<u>(446,091)</u>
<u>\$ 24,342</u>	<u>\$ 157,210</u>	<u>\$ 895,336</u>	<u>1,994,205</u>

City of Mora, Minnesota  
Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended December 31, 2014

	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	36,656	44,075	--
Intergovernmental revenue	--	--	--
Interest earnings	34	379	1,259
Miscellaneous -			
Contributions	--	--	--
Other	--	100	25,000
Total revenues	<u>36,690</u>	<u>44,554</u>	<u>26,259</u>
<b>EXPENDITURES</b>			
Public works	4,017	--	--
Public safety	--	--	--
Cemetery	--	56,325	--
Housing development	--	--	--
Economic development	--	--	--
Debt service	--	--	--
Capital projects	--	--	--
Total expenditures	<u>4,017</u>	<u>56,325</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	32,673	(11,771)	26,259
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from long-term debt	--	--	--
Transfers in	--	7,720	--
Transfers out	(10,000)	(5,000)	--
Total other financing sources (uses)	<u>(10,000)</u>	<u>2,720</u>	<u>--</u>
Net change in fund balances	22,673	(9,051)	26,259
Fund balances - beginning	<u>37,791</u>	<u>87,943</u>	<u>90,442</u>
Fund balances - ending	<u>\$ 60,464</u>	<u>\$ 78,892</u>	<u>\$ 116,701</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	16,810	--	42,774	--	117,450
--	--	--	--	--	--
--	--	49,869	--	--	130,600
--	--	--	--	--	--
--	--	1,083	--	--	2,755
--	--	41,007	--	--	41,007
--	--	900	--	--	26,000
<u>57,866</u>	<u>16,810</u>	<u>92,859</u>	<u>\$ 42,774</u>	<u>\$ --</u>	<u>317,812</u>
--	--	--	--	--	4,017
--	--	97,814	--	--	97,814
--	--	--	--	--	56,325
56,455	15,124	--	--	--	71,579
--	--	--	42,992	--	42,992
--	--	--	--	--	--
--	--	--	--	--	--
<u>56,455</u>	<u>15,124</u>	<u>97,814</u>	<u>42,992</u>	<u>--</u>	<u>272,727</u>
1,411	1,686	(4,955)	(218)	--	45,085
--	--	--	--	--	--
--	--	--	--	--	7,720
--	--	--	--	--	(15,000)
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(7,280)</u>
1,411	1,686	(4,955)	(218)	--	37,805
<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>\$ 9,950</u>	<u>\$ 3,240</u>	<u>\$ 10,387</u>	<u>\$ (1,785)</u>	<u>\$ (15,079)</u>	<u>\$ 262,770</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, 2014

	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	61,525	--	--	--
Interest earnings	97	357	--	--
Miscellaneous -				
Contributions	--	--	--	--
Other	--	--	--	--
Total revenues	<u>61,622</u>	<u>357</u>	<u>--</u>	<u>--</u>
<b>EXPENDITURES</b>				
Public works	--	--	--	--
Public safety	--	--	--	--
Cemetery	--	--	--	--
Housing development	--	--	--	--
Economic development	--	--	--	--
Debt service	--	--	--	--
Capital projects	--	--	--	516
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>	<u>516</u>
Excess (deficiency) of revenues over (under) expenditures	61,622	357	--	(516)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from long-term debt	--	--	--	--
Transfers in	24,297	122,393	--	--
Transfers out	--	(45,461)	--	(893)
Total other financing sources (uses)	<u>24,297</u>	<u>76,932</u>	<u>--</u>	<u>(893)</u>
Net change in fund balances	85,919	77,289	--	(1,409)
Fund balances - beginning	<u>113,460</u>	<u>337,455</u>	<u>(715,483)</u>	<u>1,409</u>
Fund balances - ending	<u>\$ 199,379</u>	<u>\$ 414,744</u>	<u>\$ (715,483)</u>	<u>\$ --</u>

Capital Projects Funds				
434	439	440	442	444
Highway 23 - E	Howe Avenue Reconstruction	Downtown Feed Mill Redevelopment	Airport Kastenbauer House	Crosswind
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	4,380	--	--	--
--	--	--	--	--
--	--	--	--	--
--	143	--	--	--
--	--	--	--	--
--	--	--	2,800	--
--	4,523	--	2,800	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	90	1,756	92,840
--	--	90	1,756	92,840
--	4,523	(90)	1,044	(92,840)
--	--	--	--	--
243,077	--	102,051	--	--
--	--	--	--	--
243,077	--	102,051	--	--
243,077	4,523	101,961	1,044	(92,840)
(332,640)	(94,842)	(131,651)	(182,588)	(34,257)
\$ (89,563)	\$ (90,319)	\$ (29,690)	\$ (181,544)	\$ (127,097)



Capital Projects Funds				
445	446	447	450	451
Spring Lake Trail	Parker	Trail Tunnel	Hwy 23 Commercial Lots	7th and Grove Street Improvement
\$ --	\$ --	\$ --	\$ --	\$ 28,698
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	28,698
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	28,698
--	--	--	--	--
80,329	--	23,593	950	--
--	--	--	--	--
80,329	--	23,593	950	--
80,329	--	23,593	950	28,698
(80,329)	(363,738)	(23,593)	(950)	(384,463)
\$ --	\$ (363,738)	\$ --	\$ --	\$ (355,765)

453 Grove & Wood St. Improvements		Total
\$	--	\$ 28,698
	--	--
	--	4,380
	--	--
	--	61,525
	--	597
	--	--
	--	2,800
	--	98,000
	--	--
	--	--
	--	--
	--	--
	--	--
	--	--
	41,100	136,302
	41,100	136,302
	(41,100)	(38,302)
	--	--
	--	596,690
	--	(46,354)
	--	550,336
	(41,100)	512,034
	--	(1,892,210)
\$	(41,100)	\$ (1,380,176)

City of Mora, Minnesota  
Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended December 31, 2014

	Debt Service		
	525	526	527
	Fire	Street	Maple
	Station	Construction	Avenue
	2003	2004	East
<b>REVENUES</b>			
Property taxes	\$ 44,627	\$ 14,499	\$ 36,752
Tax increments	--	--	--
Special assessments	--	--	30,108
Charges for services	--	--	--
Intergovernmental revenue	--	--	--
Interest earnings	207	1	43
Miscellaneous -			
Contributions	45,893	--	--
Other	--	--	--
Total revenues	<u>90,727</u>	<u>14,500</u>	<u>66,903</u>
<b>EXPENDITURES</b>			
Public works	--	--	--
Public safety	--	--	--
Cemetery	--	--	--
Housing development	--	--	--
Economic development	--	--	--
Debt service	--	16,100	84,425
Capital projects	--	--	--
Total expenditures	<u>--</u>	<u>16,100</u>	<u>84,425</u>
Excess (deficiency) of revenues over (under) expenditures	90,727	(1,600)	(17,522)
<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>--</u>	<u>10,000</u>
Net change in fund balances	90,727	(1,600)	(7,522)
Fund balances - beginning	<u>246,499</u>	<u>16,891</u>	<u>147,028</u>
Fund balances - ending	<u>\$ 337,226</u>	<u>\$ 15,291</u>	<u>\$ 139,506</u>

Debt Service			Total Nonmajor Governmental Funds
528 Street Construction 2006	530 2008-2010 Street Reconstruction	Total	
\$ 21,551	\$ 50,573	\$ 168,002	\$ 196,700
--	--	--	117,450
--	--	30,108	34,488
--	--	--	130,600
--	--	--	61,525
2	88	341	3,693
--	--	45,893	86,900
--	--	--	28,800
<u>21,553</u>	<u>50,661</u>	<u>244,344</u>	<u>660,156</u>
--	--	--	4,017
--	--	--	97,814
--	--	--	56,325
--	--	--	71,579
--	--	--	42,992
28,700	81,250	210,475	210,475
--	--	--	136,302
<u>28,700</u>	<u>81,250</u>	<u>210,475</u>	<u>619,504</u>
(7,147)	(30,589)	33,869	40,652
--	--	--	--
--	--	10,000	614,410
--	--	--	(61,354)
<u>--</u>	<u>--</u>	<u>10,000</u>	<u>553,056</u>
(7,147)	(30,589)	43,869	593,708
<u>30,401</u>	<u>186,627</u>	<u>627,446</u>	<u>(1,039,799)</u>
<u>\$ 23,254</u>	<u>\$ 156,038</u>	<u>\$ 671,315</u>	<u>(446,091)</u>

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

Special Revenue Funds  
December 31, 2014

This page intentionally left blank.

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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Storm water fees	\$ 36,700	\$ 36,656	\$ (44)
Investment earnings	500	34	(466)
Miscellaneous	--	--	--
Total revenues	<u>37,200</u>	<u>36,690</u>	<u>(510)</u>
<b>EXPENDITURES</b>			
Professional services	23,035	4,017	19,018
Miscellaneous	--	--	--
Capital outlay	--	--	--
Total expenditures	<u>23,035</u>	<u>4,017</u>	<u>19,018</u>
Excess (deficiency) of revenues over (under) expenditures	14,165	32,673	18,508
<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	4,165	22,673	18,508
Fund balances - beginning	<u>37,791</u>	<u>37,791</u>	<u>--</u>
Fund balances - ending	<u>\$ 41,956</u>	<u>\$ 60,464</u>	<u>\$ 18,508</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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Grants	\$ --	\$ --	\$ --
Charges for services	26,400	51,852	25,452
Contributions	41,185	41,007	(178)
Total revenues	<u>67,585</u>	<u>92,859</u>	<u>25,274</u>
<b>EXPENDITURES</b>			
Supplies	51,500	25,466	(26,034)
Salaries	50,888	38,044	(12,844)
Capital outlay	--	--	--
Miscellaneous	36,370	34,304	(2,066)
Total expenditures	<u>138,758</u>	<u>97,814</u>	<u>(40,944)</u>
Excess (deficiency) of revenues over (under) expenditures	(71,173)	(4,955)	66,218
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	20,000	--	(20,000)
Transfers out	--	--	--
Total other financing sources (uses)	<u>20,000</u>	<u>--</u>	<u>(20,000)</u>
Net change in fund balances	(51,173)	(4,955)	46,218
Fund balances - beginning	<u>15,342</u>	<u>15,342</u>	<u>--</u>
Fund balances - ending	<u>\$ (35,831)</u>	<u>\$ 10,387</u>	<u>\$ 46,218</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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Interments	\$ 21,100	\$ 20,950	\$ (150)
Perpetual care	3,200	4,400	1,200
Sale of lots	14,200	18,200	4,000
Miscellaneous	1,000	625	(375)
Investment earnings	1,500	379	(1,121)
Total revenues	<u>41,000</u>	<u>44,554</u>	<u>3,554</u>
<b>EXPENDITURES</b>			
Professional services	6,500	9,092	2,592
Salaries	19,996	31,837	11,841
Capital outlay	15,000	7,720	(7,280)
Miscellaneous	9,265	7,676	(1,589)
Total expenditures	<u>50,761</u>	<u>56,325</u>	<u>5,564</u>
Excess (deficiency) of revenues over (under) expenditures	(9,761)	(11,771)	(2,010)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	15,000	7,720	(7,280)
Transfers out	(5,000)	(5,000)	--
Total other financing sources (uses)	<u>10,000</u>	<u>2,720</u>	<u>(7,280)</u>
Net change in fund balances	239	(9,051)	(9,290)
Fund balances - beginning	<u>87,943</u>	<u>87,943</u>	<u>--</u>
Fund balances - ending	<u>\$ 88,182</u>	<u>\$ 78,892</u>	<u>\$ (9,290)</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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Miscellaneous	\$ --	\$ 25,000	\$ 25,000
Investment earnings	2,500	1,259	(1,241)
Total revenues	2,500	26,259	23,759
<b>EXPENDITURES</b>			
Professional services	--	--	--
Dues and subscriptions	--	--	--
Total expenditures	--	--	--
Net change in fund balances	2,500	26,259	23,759
Fund balances - beginning	90,442	90,442	--
Fund balances - ending	\$ 92,942	\$ 116,701	\$ 23,759

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, 2014

	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	--	53,527	53,527
Miscellaneous	--	35	35
Total expenditures	<u>--</u>	<u>56,455</u>	<u>56,455</u>
Net changes in fund balances	--	1,411	1,411
Fund balances - beginning	<u>8,539</u>	<u>8,539</u>	<u>--</u>
Fund balances - ending	<u><u>\$ 8,539</u></u>	<u><u>\$ 9,950</u></u>	<u><u>\$ 1,411</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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Tax increments	\$ --	\$ 16,810	\$ 16,810
Investment earnings	--	--	--
Total revenues	<u>--</u>	<u>16,810</u>	<u>16,810</u>
<b>EXPENDITURES</b>			
Professional services	--	3,443	3,443
Housing development	--	11,646	11,646
Miscellaneous	--	35	35
Total expenditures	<u>--</u>	<u>15,124</u>	<u>15,124</u>
Net change to fund balances	--	1,686	1,686
Fund balances - beginning	<u>1,554</u>	<u>1,554</u>	<u>--</u>
Fund balances - ending	<u>\$ 1,554</u>	<u>\$ 3,240</u>	<u>\$ 1,686</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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Tax increments	\$ --	\$ 42,774	\$ 42,774
Total revenues	<u>--</u>	<u>42,774</u>	<u>42,774</u>
<b>EXPENDITURES</b>			
Professional services	--	5,732	5,732
Economic development	--	37,085	37,085
Interest	--	--	--
Miscellaneous	--	175	175
Total expenditures	<u>--</u>	<u>42,992</u>	<u>42,992</u>
Net change to fund balances	--	(218)	(218)
Fund balances - beginning	<u>(1,567)</u>	<u>(1,567)</u>	<u>--</u>
Fund balances - ending	<u><u>\$ (1,567)</u></u>	<u><u>\$ (1,785)</u></u>	<u><u>\$ (218)</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, 2014

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

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

Capital Projects Funds  
December 31, 2014

This page intentionally left blank.



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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenues	\$ --	\$ 61,525	\$ 61,525
Contributions	--	--	--
Interest earnings	--	97	97
Total revenues	<u>--</u>	<u>61,622</u>	<u>61,622</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	--	--	--
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	--	61,622	61,622
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	--	24,297	24,297
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>24,297</u>	<u>24,297</u>
Net change in fund balances	--	85,919	85,919
Fund balances - beginning	<u>113,460</u>	<u>113,460</u>	<u>--</u>
Fund balances - ending	<u>\$ 113,460</u>	<u>\$ 199,379</u>	<u>\$ 85,919</u>

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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenues	\$ --	\$ --	\$ --
Interest earnings	--	357	357
Miscellaneous	--	--	--
Total revenues	<u>--</u>	<u>357</u>	<u>357</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	--	--	--
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	--	357	357
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	--	122,393	122,393
Transfers out	--	(45,461)	(45,461)
Total other financing sources (uses)	<u>--</u>	<u>76,932</u>	<u>76,932</u>
Net change in fund balances	--	77,289	77,289
Fund balances - beginning	<u>337,455</u>	<u>337,455</u>	<u>--</u>
Fund balances - ending	<u>\$ 337,455</u>	<u>\$ 414,744</u>	<u>\$ 77,289</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, 2014

	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	--	--	--
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	(715,483)	(715,483)	--
Fund balances - ending	\$ (715,483)	\$ (715,483)	\$ --

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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenues	\$ 30,676	\$ --	\$ (30,676)
Miscellaneous	1,374	--	(1,374)
Interest earnings	--	--	--
Total revenues	<u>32,050</u>	<u>--</u>	<u>(32,050)</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	874,019	--	(874,019)
Miscellaneous	--	516	516
Total expenditures	<u>874,019</u>	<u>516</u>	<u>(873,503)</u>
Excess (deficiency) of revenues over (under) expenditures	(841,969)	(516)	841,453
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	--	--	--
Transfers out	(701,686)	(893)	700,793
Total other financing sources (uses)	<u>(701,686)</u>	<u>(893)</u>	<u>700,793</u>
Net change in fund balances	(1,543,655)	(1,409)	1,542,246
Fund balances - beginning	<u>1,409</u>	<u>1,409</u>	<u>--</u>
Fund balances - ending	<u>\$ (1,542,246)</u>	<u>\$ --</u>	<u>\$ 1,542,246</u>

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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenues	\$ 475,183	\$ --	\$ (475,183)
Miscellaneous	25,000	--	(25,000)
Interest earnings	6,271	--	(6,271)
Total revenues	<u>506,454</u>	<u>--</u>	<u>(506,454)</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	839,094	--	(839,094)
Miscellaneous	--	--	--
Total expenditures	<u>839,094</u>	<u>--</u>	<u>(839,094)</u>
Excess (deficiency) of revenues over (under) expenditures	(332,640)	--	332,640
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	--	243,077	243,077
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>243,077</u>	<u>243,077</u>
Net change in fund balances	(332,640)	243,077	575,717
Fund balances - beginning	<u>(332,640)</u>	<u>(332,640)</u>	<u>--</u>
Fund balances - ending	<u>\$ (665,280)</u>	<u>\$ (89,563)</u>	<u>\$ 575,717</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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Special assessments	\$ 238,445	\$ 4,380	\$ (234,065)
Miscellaneous	--	--	--
Interest earnings	--	143	143
Total revenues	<u>238,445</u>	<u>4,523</u>	<u>(233,922)</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	320,287	--	(320,287)
Miscellaneous	--	--	--
Total expenditures	<u>320,287</u>	<u>--</u>	<u>(320,287)</u>
Excess (deficiency) of revenues over (under) expenditures	(81,842)	4,523	86,365
<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	(81,842)	4,523	86,365
Fund balances - beginning	<u>(94,842)</u>	<u>(94,842)</u>	<u>--</u>
Fund balances - ending	<u><u>\$ (176,684)</u></u>	<u><u>\$ (90,319)</u></u>	<u><u>\$ 86,365</u></u>

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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenues	\$ --	\$ --	\$ --
Miscellaneous	1,725	--	(1,725)
Contributions	--	--	--
Interest earnings	--	--	--
Total revenues	<u>1,725</u>	<u>--</u>	<u>(1,725)</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	173,376	90	(173,286)
Miscellaneous	--	--	--
Total expenditures	<u>173,376</u>	<u>90</u>	<u>(173,286)</u>
Excess (deficiency) of revenues over (under) expenditures	(171,651)	(90)	171,561
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	40,000	102,051	62,051
Transfers out	--	--	--
Total other financing sources (uses)	<u>40,000</u>	<u>102,051</u>	<u>62,051</u>
Net change in fund balances	(171,651)	101,961	233,612
Fund balances - beginning	<u>(131,651)</u>	<u>(131,651)</u>	<u>--</u>
Fund balances - ending	<u>\$ (303,302)</u>	<u>\$ (29,690)</u>	<u>\$ 233,612</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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenues	\$ --	\$ --	\$ --
Miscellaneous	25,000	2,800	(22,200)
Contributions	--	--	--
Interest earnings	--	--	--
Total revenues	<u>25,000</u>	<u>2,800</u>	<u>(22,200)</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	27,334	1,756	(25,578)
Miscellaneous	307	--	(307)
Total expenditures	<u>27,641</u>	<u>1,756</u>	<u>(25,885)</u>
Excess (deficiency) of revenues over (under) expenditures	(2,641)	1,044	3,685
<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	(2,641)	1,044	3,685
Fund balances - beginning	<u>(182,588)</u>	<u>(182,588)</u>	<u>--</u>
Fund balances - ending	<u>\$ (185,229)</u>	<u>\$ (181,544)</u>	<u>\$ 3,685</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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenues	\$ 89,176	\$ --	\$ (89,176)
Miscellaneous	--	--	--
Contributions	--	--	--
Interest earnings	--	--	--
Total revenues	<u>89,176</u>	<u>--</u>	<u>(89,176)</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	135,502	92,840	(42,662)
Miscellaneous	--	--	--
Total expenditures	<u>135,502</u>	<u>92,840</u>	<u>(42,662)</u>
Excess (deficiency) of revenues over (under) expenditures	(46,326)	(92,840)	(46,514)
<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	(46,326)	(92,840)	(46,514)
Fund balances - beginning	<u>(34,257)</u>	<u>(34,257)</u>	<u>--</u>
Fund balances - ending	<u>\$ (80,583)</u>	<u>\$ (127,097)</u>	<u>\$ (46,514)</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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenues	\$ 100,000	\$ --	\$ (100,000)
Miscellaneous	10,000	--	(10,000)
Contributions	4,000	--	(4,000)
Interest earnings	--	--	--
Total revenues	<u>114,000</u>	<u>--</u>	<u>(114,000)</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	321,417	--	(321,417)
Miscellaneous	--	--	--
Total expenditures	<u>321,417</u>	<u>--</u>	<u>(321,417)</u>
Excess (deficiency) of revenues over (under) expenditures	(207,417)	--	207,417
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	194,066	80,329	(113,737)
Transfers out	--	--	--
Total other financing sources (uses)	<u>194,066</u>	<u>80,329</u>	<u>(113,737)</u>
Net change in fund balances	(207,417)	80,329	93,680
Fund balances - beginning	<u>(80,329)</u>	<u>(80,329)</u>	<u>--</u>
Fund balances - ending	<u>\$ (287,746)</u>	<u>\$ --</u>	<u>\$ 93,680</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, 2014

	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	376,301	--	(376,301)
Miscellaneous	--	--	--
Total expenditures	<u>376,301</u>	<u>--</u>	<u>(376,301)</u>
Excess (deficiency) of revenues over (under) expenditures	(376,301)	--	376,301
<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	(376,301)	--	376,301
Fund balances - beginning	<u>(363,738)</u>	<u>(363,738)</u>	<u>--</u>
Fund balances - ending	<u>\$ (740,039)</u>	<u>\$ (363,738)</u>	<u>\$ 376,301</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, 2014

	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	47,187	--	(47,187)
Miscellaneous	--	--	--
Total expenditures	<u>47,187</u>	<u>--</u>	<u>(47,187)</u>
Excess (deficiency) of revenues over (under) expenditures	(47,187)	--	47,187
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	--	23,593	23,593
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>23,593</u>	<u>23,593</u>
Net change in fund balances	(47,187)	23,593	70,780
Fund balances - beginning	<u>(23,593)</u>	<u>(23,593)</u>	<u>--</u>
Fund balances - ending	<u>\$ (70,780)</u>	<u>\$ --</u>	<u>\$ 70,780</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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenues	\$ --	\$ --	\$ --
Miscellaneous	44,921	--	(44,921)
Contributions	--	--	--
Interest earnings	--	--	--
Total revenues	<u>44,921</u>	<u>--</u>	<u>(44,921)</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	45,872	--	(45,872)
Miscellaneous	--	--	--
Total expenditures	<u>45,872</u>	<u>--</u>	<u>(45,872)</u>
Excess (deficiency) of revenues over (under) expenditures	(951)	--	951
<b>OTHER FINANCING SOURCES (USES)</b>			
Sale of fixed assets	--	950	950
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>950</u>	<u>950</u>
Net change in fund balances	(951)	950	1,901
Fund balances - beginning	<u>(950)</u>	<u>(950)</u>	<u>--</u>
Fund balances - ending	<u>\$ (1,901)</u>	<u>\$ --</u>	<u>\$ 1,901</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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Taxes	\$ 42,000	\$ 28,698	\$ (13,302)
Miscellaneous	--	--	--
Contributions	--	--	--
Interest earnings	--	--	--
Total revenues	<u>42,000</u>	<u>28,698</u>	<u>(13,302)</u>
<b>EXPENDITURES</b>			
Professional services	--	--	--
Capital projects	412,513	--	(412,513)
Miscellaneous	--	--	--
Total expenditures	<u>412,513</u>	<u>--</u>	<u>(412,513)</u>
Excess (deficiency) of revenues over (under) expenditures	(370,513)	28,698	399,211
<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	(370,513)	28,698	399,211
Fund balances - beginning	<u>(384,463)</u>	<u>(384,463)</u>	<u>--</u>
Fund balances - ending	<u>\$ (754,976)</u>	<u>\$ (355,765)</u>	<u>\$ 399,211</u>

City of Mora, Minnesota  
 Grove & Wood St. Improvements - 453  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 For the Year Ended December 31, 2014

	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	--	41,100	41,100
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>41,100</u>	<u>41,100</u>
Excess (deficiency) of revenues over (under) expenditures	--	(41,100)	(41,100)
<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	--	(41,100)	(41,100)
Fund balances - beginning	<u>--</u>	<u>--</u>	<u>--</u>
Fund balances - ending	<u>\$ --</u>	<u>\$ (41,100)</u>	<u>\$ (41,100)</u>

This page intentionally left blank.



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

Debt Service Funds  
December 31, 2014

This page intentionally left blank.

City of Mora, Minnesota  
 Fire Station 2003 - 525  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 For the Year Ended December 31, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 59,608	\$ 44,627	\$ (14,981)
Interest earnings	--	207	207
Contributions	45,893	45,893	--
Total revenues	<u>105,501</u>	<u>90,727</u>	<u>(14,774)</u>
<b>EXPENDITURES</b>			
Principal	--	--	--
Interest	--	--	--
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	105,501	90,727	(14,774)
<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	105,501	90,727	(14,774)
Fund balances - beginning	<u>246,499</u>	<u>246,499</u>	<u>--</u>
Fund balances - ending	<u><u>\$ 352,000</u></u>	<u><u>\$ 337,226</u></u>	<u><u>\$ (14,774)</u></u>

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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 19,840	\$ 14,499	\$ (5,341)
Interest earnings	--	1	1
Total revenues	<u>19,840</u>	<u>14,500</u>	<u>(5,340)</u>
<b>EXPENDITURES</b>			
Principal	15,000	15,000	--
Interest	1,100	1,100	--
Miscellaneous	--	--	--
Total expenditures	<u>16,100</u>	<u>16,100</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	3,740	(1,600)	(5,340)
<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	3,740	(1,600)	(5,340)
Fund balances - beginning	<u>16,891</u>	<u>16,891</u>	<u>--</u>
Fund balances - ending	<u><u>\$ 20,631</u></u>	<u><u>\$ 15,291</u></u>	<u><u>\$ (5,340)</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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 49,496	\$ 36,752	\$ (12,744)
Special assessments	18,000	30,108	12,108
Interest earnings	--	43	43
Total revenues	<u>67,496</u>	<u>66,903</u>	<u>(593)</u>
<b>EXPENDITURES</b>			
Principal	50,000	50,000	--
Interest	34,000	34,000	--
Miscellaneous	350	425	75
Total expenditures	<u>84,350</u>	<u>84,425</u>	<u>75</u>
Excess (deficiency) of revenues over (under) expenditures	(16,854)	(17,522)	(668)
<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	(6,854)	(7,522)	(668)
Fund balances - beginning	<u>147,028</u>	<u>147,028</u>	<u>--</u>
Fund balances - ending	<u><u>\$ 140,174</u></u>	<u><u>\$ 139,506</u></u>	<u><u>\$ (668)</u></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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 29,610	\$ 21,551	\$ (8,059)
Interest earnings	--	2	2
Total revenues	<u>29,610</u>	<u>21,553</u>	<u>(8,057)</u>
<b>EXPENDITURES</b>			
Principal	25,000	25,000	--
Interest	3,700	3,700	--
Miscellaneous	--	--	--
Total expenditures	<u>28,700</u>	<u>28,700</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	910	(7,147)	(8,057)
<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	910	(7,147)	(8,057)
Fund balances - beginning	<u>30,401</u>	<u>30,401</u>	<u>--</u>
Fund balances - ending	<u>\$ 31,311</u>	<u>\$ 23,254</u>	<u>\$ (8,057)</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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 70,525	\$ 50,573	\$ (19,952)
Investment earnings	--	88	88
Total revenues	<u>70,525</u>	<u>50,661</u>	<u>(19,864)</u>
<b>EXPENDITURES</b>			
Loss on investment	--	--	--
Principal	65,000	65,000	--
Interest	15,100	15,100	--
Fiscal agent fees	425	1,150	725
Total expenditures	<u>80,525</u>	<u>81,250</u>	<u>725</u>
Excess (deficiency) of revenues over (under) expenditures	(10,000)	(30,589)	(20,589)
<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	(10,000)	(30,589)	(20,589)
Fund balances - beginning	<u>186,627</u>	<u>186,627</u>	<u>--</u>
Fund balances - ending	<u>\$ 176,627</u>	<u>\$ 156,038</u>	<u>\$ (20,589)</u>

This page intentionally left blank.



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

Enterprise Funds  
December 31, 2014

This page intentionally left blank.

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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Sales	\$ 3,167,600	\$ 2,881,620	\$ 285,980
Less cost of goods sold	(2,555,000)	(2,098,114)	(456,886)
Total Operating Revenues	<u>612,600</u>	<u>783,506</u>	<u>(170,906)</u>
Operating Expenses:			
Employee services	222,419	251,130	(28,711)
Supplies	23,200	22,098	1,102
Other services and charges	177,571	172,843	4,728
Depreciation	59,107	59,107	--
Total Operating Expenses	<u>482,297</u>	<u>505,178</u>	<u>(22,881)</u>
Operating Income (Loss)	130,303	278,328	148,025
Add: Non-Operating Revenues:			
Commissions	1,000	1,295	295
Interest earned	4,500	3,301	(1,199)
Miscellaneous	3,000	957	(2,043)
Total Non-Operating Revenues	<u>8,500</u>	<u>5,553</u>	<u>(2,947)</u>
Income before Transfers	138,803	283,881	145,078
Transfers:			
Transfers in (out)	(270,000)	(270,000)	--
Total Transfers	<u>(270,000)</u>	<u>(270,000)</u>	<u>--</u>
Net Income (Loss)	(131,197)	13,881	145,078
Net Position, January 1	<u>566,421</u>	<u>566,421</u>	<u>--</u>
Net Position, December 31	<u>\$ 435,224</u>	<u>\$ 580,302</u>	<u>\$ 145,078</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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Sales	\$ 4,865,000	\$ 4,805,727	\$ 59,273
Total Operating Revenues	<u>4,865,000</u>	<u>4,805,727</u>	<u>59,273</u>
Operating Expenses:			
Cost of sales	4,373,500	4,245,414	128,086
Employee services	370,439	355,947	14,492
Supplies	13,700	8,956	4,744
Other services & charges	335,021	345,770	(10,749)
Depreciation	<u>157,000</u>	<u>154,105</u>	<u>2,895</u>
Total Operating Expenses	<u>5,249,660</u>	<u>5,110,192</u>	<u>139,468</u>
Operating Income (Loss)	(384,660)	(304,465)	(80,195)
Add: Non-Operating Revenues and Expenses:			
Miscellaneous expenses	--	--	--
Commissions	--	--	--
Miscellaneous revenue	16,000	13,077	2,923
Interest earned	130,000	125,399	4,601
Gain on investments	--	39,222	(39,222)
Miscellaneous - wage & power plant reimbursement	<u>422,300</u>	<u>523,668</u>	<u>(101,368)</u>
Total Non-Operating Revenues	<u>568,300</u>	<u>701,366</u>	<u>(133,066)</u>
Income before Transfers	183,640	396,901	(213,261)
Transfers and other expenses:			
Transfers in (out)	<u>--</u>	<u>(460,001)</u>	<u>460,001</u>
Total Transfers	<u>--</u>	<u>(460,001)</u>	<u>460,001</u>
Net Income (Loss)	183,640	(63,100)	246,740
Net Position, January 1	<u>8,845,764</u>	<u>8,845,764</u>	<u>--</u>
Net Position, December 31	<u>\$ 9,029,404</u>	<u>\$ 8,782,664</u>	<u>\$ 246,740</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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Sales	\$ 575,900	\$ 591,249	\$ (15,349)
WAC fees	--	--	--
Total Operating Revenues	<u>575,900</u>	<u>591,249</u>	<u>(15,349)</u>
Operating Expenses:			
Cost of sales	--	--	--
Employee services	188,385	162,241	26,144
Supplies	78,375	113,086	(34,711)
Other services & charges	97,183	94,630	2,553
Depreciation	293,000	289,736	3,264
Total Operating Expenses	<u>656,943</u>	<u>659,693</u>	<u>(2,750)</u>
Operating Income (Loss)	(81,043)	(68,444)	(12,599)
Add: Non-Operating Revenues:			
Special assessments	2,100	1,189	911
Discounts earned	--	--	--
Interest earned	10,000	624	9,376
Gain on sale of fixed assets	--	--	--
Miscellaneous	16,550	32,987	(16,437)
Total Non-Operating Revenues	<u>28,650</u>	<u>34,800</u>	<u>(6,150)</u>
Income before Operating Transfers	(52,393)	(33,644)	(18,749)
Operating Transfers:			
Transfers in	--	--	--
Transfers (out)	--	--	--
Total Operating Transfers	<u>--</u>	<u>--</u>	<u>--</u>
Net Income (Loss)	(52,393)	(33,644)	(18,749)
Net Position, January 1	<u>3,446,229</u>	<u>3,446,229</u>	<u>--</u>
Net Position, December 31	<u>\$ 3,393,836</u>	<u>\$ 3,412,585</u>	<u>\$ (18,749)</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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Sales	\$ 766,800	\$ 772,986	\$ (6,186)
SAC fees	22,800	25,759	(2,959)
Total Operating Revenues	<u>789,600</u>	<u>798,745</u>	<u>(9,145)</u>
Operating Expenses:			
Employee services	243,196	252,371	(9,175)
Supplies	101,025	78,199	22,826
Other services and charges	143,163	124,187	18,976
Depreciation	286,000	275,850	10,150
Total Operating Expenses	<u>773,384</u>	<u>730,607</u>	<u>42,777</u>
Operating Income (Loss)	16,216	68,138	(51,922)
Add: Non-Operating Revenues:			
Special assessments	5,500	1,335	4,165
Discounts earned	--	--	--
Interest earned	9,400	8,478	922
Gain on sale of fixed assets	--	16,000	(16,000)
Miscellaneous	3,910	13,374	(9,464)
Total Non-Operating Revenues	<u>18,810</u>	<u>39,187</u>	<u>(20,377)</u>
Income before Operating Transfers	35,026	107,325	(72,299)
Operating Transfers:			
Transfers in	--	--	--
Transfers (out)	--	--	--
Total Operating Transfers	<u>--</u>	<u>--</u>	<u>--</u>
Net Income (Loss)	35,026	107,325	(72,299)
Net Position, January 1	<u>3,830,383</u>	<u>3,830,383</u>	<u>--</u>
Net Position, December 31	<u>\$ 3,865,409</u>	<u>\$ 3,937,708</u>	<u>\$ (72,299)</u>

CITY OF MORA, MINNESOTA  
ANNUAL FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2014

FINANCIAL SECTION (CONTINUED)

SCHEDULES

SUPPLEMENTARY FINANCIAL INFORMATION

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

This page intentionally left blank.



## 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>
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
2014	2,881,620	283,881	270,000	580,302

## 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
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
2014	1,805,727	396,901	--	460,001	8,782,664

## City of Mora, Minnesota

Electric Utility Fund  
 Schedule of Services, Billing, KWH, and Revenues per KWH  
 For the Year Ended December 31, 2014

	Service	Amount	KWH	Revenues KWH
City Residential	1,444	\$ 1,064,534	10,086,423	0.1055
Rural Residential	103	129,303	1,251,903	0.1033
Small Commercial	220	676,778	6,970,676	0.0971
Large Commercial	22	702,863	11,837,430	0.0594
Industrial	6	1,173,285	22,499,400	0.0521
Government	12	40,914	691,405	0.0592
Street Lights	N/A	70,063	825,699	0.0849
Security Lights	N/A	18,353	76,320	0.2405
Renewable Energy Credits	--	302	6,480	0.0466
Total Retail Sales	1,807	\$ 3,876,395	54,245,736	0.0715
Cost of Power:				
Purchased Power		\$ 4,076,186		
Cost per KWH Sold		0.075100		
Total KWH Purchased		56,525,822		
Less: Station Power		<u>(372,407)</u>		
Net KWH to Feeders		56,153,415		
Less: Total Retail Sales		<u>(54,245,736)</u>		
Line Loss	3.40%	<u><u>\$ 1,907,679</u></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
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
2014	591,249	(33,644)	--	--	3,412,585

## 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
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
2014	798,745	107,325	--	--	3,937,708

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

This page intentionally left blank.

CITY OF MORA, MINNESOTA  
ANNUAL FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2014

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.

This page intentionally left blank.



## **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 Nine Fiscal Years

	Fiscal Year*			
	2014	2013	2012	2011
Governmental Activities				
Invested in capital assets, net of related debt	\$ 9,888,253	\$ 9,531,383	\$ 9,920,486	\$ 9,077,983
Restricted	927,431	605,922	1,123,326	746,871
Unrestricted	(227,352)	(495,696)	(1,307,923)	213,740
Total governmental activities net position	10,588,332	9,641,609	9,735,889	10,038,594
Business-type activities				
Invested in capital assets, net of related debt	8,458,679	8,335,737	8,657,456	7,569,240
Restricted	661,206	660,481	664,161	2,067,870
Unrestricted	7,593,374	7,692,579	6,845,866	6,156,251
Total business-type activities net position	16,713,259	16,688,797	16,167,483	15,793,361
Total Primary Government	\$ 27,301,591	\$ 26,330,406	\$ 25,903,372	\$ 25,831,955

\* Previous years data not available.

	Fiscal Year*			
2010	2009	2008	2007	2006
\$ 9,599,168	\$ 9,194,864	\$ 8,457,166	\$ 9,049,016	\$ 5,587,118
589,192	243,525	434,461	387,763	693,843
(64,312)	399,933	799,883	923,873	1,092,618
10,124,048	9,838,322	9,691,510	10,360,652	7,373,579
5,878,027	7,473,809	7,022,525	8,349,640	8,636,906
2,067,870	2,005,897	2,023,921	--	--
7,760,194	5,935,424	5,900,544	6,112,701	6,206,235
15,706,091	15,415,130	14,946,990	14,462,341	14,843,141
\$ 25,830,139	\$ 25,253,452	\$ 24,638,500	\$ 24,822,993	\$ 22,216,720

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

	Fiscal Year*			
	2014	2013	2012	2011
<b>Governmental Activities</b>				
General government	\$ 666,550	\$ 572,569	\$ 477,547	\$ 514,691
Public safety	963,669	1,053,981	531,449	1,340,101
Public works	897,477	853,953	864,140	899,165
Cemetery	72,779	50,104	46,395	58,501
Culture and recreation	321,358	261,623	262,476	327,637
Housing and economic development	125,539	131,300	(482,493)	(56,110)
Capital projects	136,302	173,267	462,702	111,995
Miscellaneous	--	--	--	--
Interest on long term debt	80,859	89,537	853,015	827,341
Total governmental activities expenditures	3,264,533	3,186,334	3,015,231	4,023,321
<b>Business-type activities</b>				
Liquor	2,603,292	2,542,384	2,598,991	2,475,319
Electric	5,110,192	5,177,296	5,147,945	5,166,409
Water	659,693	582,613	619,188	606,161
Wastewater	730,607	732,007	738,245	807,184
Total business-type activities expenses	9,103,784	9,034,300	9,104,369	9,055,073
Total primary government expenses	12,368,317	12,220,634	12,119,600	13,078,394
<b>Program Revenues</b>				
Governmental activities				
Charges for services:				
General government	456,628	434,079	169,056	673,684
Public safety	178,886	45,266	28,626	64,149
Public works	48,019	62,077	37,230	--
Cemetery	44,175	39,500	45,260	--
Culture and recreation	155,458	112,515	109,367	--
Housing & economic development	--	--	--	--
Operating grants and contributions	1,057,562	1,051,443	1,115,154	1,305,081
Capital grants and contributions	--	--	--	--
Total governmental activities program revenues	1,940,728	1,744,880	1,504,693	2,042,914
<b>Business-type activities</b>				
Charges for services				
Liquor	2,883,872	2,805,744	2,853,810	2,645,500
Electric	5,381,694	5,416,970	4,764,417	5,267,408
Water	625,425	581,412	555,809	547,318
Wastewater	829,454	912,171	734,175	757,228
Total business-type activities program revenues	9,720,445	9,716,297	8,908,211	9,217,454
Total primary government program revenues	11,661,173	11,461,177	10,412,904	11,260,368
<b>Net Revenue (Expense)</b>				
Governmental activities	(1,323,805)	(1,441,454)	(1,510,538)	(1,980,407)
Business-type activities	616,661	681,997	(196,158)	162,381
Total primary government net expense	\$ (707,144)	\$ (759,457)	\$ (1,706,696)	\$ (1,818,026)

\* Previous years data not available.

Table 2

		Fiscal Year*				
2010		2009	2008	2007	2006	
\$	482,961	\$ 521,710	\$ 509,568	\$ 495,842	\$	428,118
	885,754	993,186	968,290	880,843		368,624
	880,659	1,005,869	726,335	649,551		37,276
	54,568	66,702	72,685	48,595		19,715
	247,197	224,822	326,874	279,803		205,117
	64,152	183,266	228,581	189,464		239,505
	(122,296)	(206,895)	1,280,120	(1,029)		336,546
	--	--	--	--		--
	138,026	124,586	125,864	103,365		132,833
	2,631,021	2,913,246	4,238,317	2,646,434		1,767,734
	2,324,242	2,153,910	2,046,371	1,977,770		1,985,734
	5,168,762	4,881,937	5,031,885	5,397,147		4,551,322
	552,514	528,492	558,998	496,699		459,607
	787,295	790,109	717,145	656,818		615,184
	8,832,813	8,354,448	8,354,399	8,528,434		7,611,847
	11,463,834	11,267,694	12,592,716	11,174,868		9,379,581
	427,318	670,879	798,197	942,471		1,117,369
	179,246	97,331	--	--		--
	46,846	45,952	--	--		--
	33,475	42,440	73,929	--		--
	126,918	104,203	116,962	--		--
	33,729	50	--	--		--
	939,449	1,007,007	1,520,293	2,828,888		1,169,152
	42,385	--	--	--		--
	1,829,366	1,967,862	2,509,381	3,771,359		2,286,521
	2,509,291	2,390,937	2,271,548	2,230,868		2,239,951
	5,288,455	5,026,367	5,283,769	5,367,985		5,094,489
	557,885	541,726	489,423	481,330		475,504
	833,067	826,516	814,478	844,683		762,235
	9,188,698	8,785,546	8,859,218	8,924,866		8,572,179
	11,018,064	10,753,408	11,368,599	12,696,225		10,858,700
	(801,655)	(945,384)	(1,728,936)	1,124,925		518,787
	355,885	431,098	504,819	396,432		960,332
\$	(445,770)	\$ (514,286)	\$ (1,224,117)	\$ 1,521,357	\$	1,479,119

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

	Fiscal Year*			
	2014	2013	2012	2011
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities				
Taxes				
Property taxes	\$ 625,105	\$ 605,942	\$ 615,824	\$ 576,629
Franchise taxes				
Tax increments	131,854	121,599	131,818	174,918
Gain on sale of capital assets	1,200	780	12,695	163,858
Unrestricted grants and contributions				
Payments in lieu of taxes				
Investment earnings	53,802	82,746	73,077	41,750
Miscellaneous	738,566	266,107	104,419	667,798
Transfers	720,001	270,000	270,000	270,000
Total governmental activities	2,270,528	1,347,174	1,207,833	1,894,953
Business-type activities				
Investment earnings	137,802	109,317	840,280	196,135
Miscellaneous	--	--	--	--
Transfers	(730,001)	(270,000)	(270,000)	(270,000)
Total business-type activities	(592,199)	(160,683)	570,280	(73,865)
Total primary government	1,678,329	1,186,491	1,778,113	1,821,088
<b>Changes in Net Position</b>				
Governmental activities	2,270,528	1,347,174	1,207,833	1,894,953
Business-type activities	(592,199)	(160,683)	570,280	(73,865)
Prior period adjustment	--	--	--	--
Total primary government	\$ 1,678,329	\$ 1,186,491	\$ 1,778,113	\$ 1,821,088

\* Previous years data not available.

Table 2  
(Continued)

	Fiscal Year*				
	2010	2009	2008	2007	2006
\$	535,245	\$ 592,363	\$ 545,600	\$ 504,338	\$ 479,292
	191,721	169,466	135,418	133,876	135,836
	1,439	2,320	1,270	2,665	23,000
	88,976	81,049	116,099	124,755	47,997
	--	(20,000)	--	--	--
	270,000	270,000	290,000	(86,486)	984,152
	1,087,381	1,095,198	1,088,387	679,148	1,670,277
	235,076	337,042	269,830	321,282	227,299
	(30,000)	(30,000)	--	--	--
	(270,000)	(270,000)	(290,000)	86,486	(984,152)
	(64,924)	37,042	(20,170)	407,768	(756,853)
	1,022,457	1,132,240	1,068,217	1,086,916	913,424
	1,087,381	1,095,198	1,088,387	679,148	2,795,202
	(64,924)	37,042	(20,170)	407,768	(360,421)
	--	--	--	--	--
\$	1,022,457	\$ 1,132,240	\$ 1,068,217	\$ 1,086,916	\$ 2,434,781

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

	Fiscal Year*			
	2014	2013	2012	2011
General Fund				
Nonspendable	\$ 37,227	\$ 31,684	\$ 48,547	\$ 48,911
Unassigned	1,115,324	1,144,303	1,065,516	1,006,954
Total general fund	1,152,551	1,175,987	1,114,063	1,055,865
All Other Governmental Funds				
Nonspendable	10,226	10,366	796	778
Restricted	671,315	380,947	712,259	652,354
Committed	--	--	--	--
Assigned	46,890	304,790	109,329	94,517
Unassigned	(1,184,176)	(1,715,355)	(2,007,356)	(981,685)
Total all other governmental funds	(455,745)	(1,019,252)	(1,184,972)	(234,036)
Total all governmental funds	\$ 696,806	\$ 156,735	\$ (70,909)	\$ 821,829

\* Previous years data not available.



Table 3

Fiscal Year*				
2010	2009	2008	2007	2006
\$ 49,680	\$ 52,965	\$ 45,820	\$ 44,222	\$ 46,603
965,593	934,208	884,927	854,860	713,185
1,015,273	987,173	930,747	899,082	759,788
781	786	685	687	47,721
482,488	139,611	334,147	293,229	599,519
--	--	--	--	--
--	140,397	178,429	138,808	168,355
(976,677)	(490,467)	(685)	95,847	295,317
(493,408)	(209,673)	512,576	528,571	1,110,912
\$ 521,865	\$ 777,500	\$ 1,443,323	\$ 1,427,653	\$ 1,870,700

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

	Fiscal Year*			
	2014	2013	2012	2011
<b>Revenues</b>				
Property taxes	\$ 625,105	\$ 605,942	\$ 615,824	\$ 561,906
Tax increments	131,854	121,599	131,818	174,919
Licenses & permits	31,748	40,788	39,180	42,635
Special assessments	45,594	(12,939)	3,997	16,850
Intergovernmental	1,056,661	1,051,443	1,115,154	1,334,430
Charges for services	664,426	693,437	346,362	333,956
Fines	18,488	23,208	23,080	21,514
Investment earnings	53,802	38,246	73,077	101,245
Other revenues	162,255	215,830	384,284	412,403
Total revenues	2,789,933	2,777,554	2,732,776	2,999,858
<b>Expenditures</b>				
General government	484,267	439,181	638,779	551,344
Public safety	859,463	942,906	923,748	1,280,949
Public works	519,045	450,577	433,104	597,855
Cemetery	56,325	44,258	40,549	53,437
Culture and recreation	315,873	244,085	284,573	291,450
Housing and economic development	114,571	119,608	115,732	184,188
Capital projects	136,302	173,267	422,030	359,507
Miscellaneous	192,447	159,185	--	--
Debt service				
Principal	259,475	195,500	910,500	200,500
Interest & other expenditures	32,095	95,843	126,499	118,461
Total expenditures	2,969,863	2,864,410	3,895,514	3,637,691
Excess of revenues over (under) expenditures	(179,930)	(86,856)	(1,162,738)	(637,833)
<b>Other Financing Sources (Uses)</b>				
Proceeds from borrowing	--	44,500	--	667,798
Miscellaneous	--	--	--	--
Transfers in	1,372,153	489,275	1,197,121	1,275,208
Transfers out	(652,152)	(219,275)	(927,121)	(1,005,208)
Total other financing sources (uses)	720,001	314,500	270,000	937,798
Net change in fund balances	\$ 540,071	\$ 227,644	\$ (892,738)	\$ 299,965
Debt service as a percentage of non-capital expenditures	10.3%	10.8%	29.9%	9.7%

\* Previous years data not available.

Table 4

Fiscal Year*				
2010	2009	2008	2007	2006
\$ 535,245	\$ 592,363	\$ 545,600	\$ 504,338	\$ 479,292
191,721	169,466	135,418	133,876	135,836
29,949	53,097	80,946	73,975	65,810
84,052	(43,299)	172,510	77,964	110,450
966,409	945,504	1,347,783	2,828,888	1,169,152
341,153	620,280	732,639	448,959	331,094
21,943	33,709	58,541	47,854	40,614
123,334	81,049	116,099	124,755	47,997
352,940	357,891	118,232	296,384	274,490
2,646,746	2,810,060	3,307,768	4,536,993	2,654,735
505,796	475,954	484,113	463,645	521,072
870,618	848,291	887,682	804,374	688,003
457,389	479,673	433,600	371,848	398,490
48,790	43,824	59,957	36,521	36,523
252,742	217,196	322,631	275,778	255,546
172,578	168,014	219,971	189,464	239,505
527,375	1,111,316	1,237,951	2,476,495	1,135,542
--	58,525	1,008,374	62,914	46,057
212,833	195,500	140,000	135,000	437,982
124,265	127,590	97,235	77,515	49,851
3,172,386	3,725,883	4,891,514	4,893,554	3,808,571
(525,640)	(915,823)	(1,583,746)	(356,561)	(1,153,836)
--	--	1,337,249	--	1,787,911
--	(20,000)	--	--	--
421,724	391,408	1,103,716	438,823	391,408
(151,724)	(121,408)	(810,957)	(525,309)	(121,408)
270,000	250,000	1,630,008	(86,486)	2,057,911
\$ (255,640)	\$ (665,823)	\$ 46,262	\$ (443,047)	\$ 904,075
12.7%	12.4%	6.5%	8.8%	18.3%

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
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
2014	105,824,200	31,227,500	8,648,600	4,288,341	149,988,641

Figures from Kanabec County Assessor - Fall Mini Abstract

Total Tax Capacity of Taxable Property	Total Direct Tax Rate
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%
1,572,709	39.054%

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		County
			Rate	School	
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
2014	23.861	15.193	39.054	19.697	111.355

Figures from Kanabec County Auditor.

Region (ECRDC)	Total Tax Rate
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
0.257	170.363

Table 7

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

Taxpayer	2014			2005		
	Net Tax Capacity	Rank	Percentage of Total City Tax Capacity	Net Tax Capacity	Rank	Percentage of Total City Tax Capacity
Engineered Polymers	\$ 77,400	1	4.92%	\$ 58,190	1	3.12%
Kanabec State Bank	49,065	2	3.12%			
Gorham Housing Partners	39,931	3	2.54%	41,561	3	2.23%
Greater MN Credit Union	35,666	4	2.27%			
Coborn's, Inc.	30,672	5	1.95%	32,578	5	1.75%
Minmor, LLC	30,576	6	1.94%			
Living Services Foundation	19,335	7	1.23%			
Vasu & Dilip Motel LLP	17,378	8	1.10%			
Living Solutions II Corp.	15,201	9	0.97%			
Daniel Kamin (Shopko)	15,134	10	0.96%			
Kanabec County				44,243	2	2.37%
Jonathan S. Miner				33,489	4	1.79%
Total	\$ 330,358		21.00%	\$ 210,061		11.26%
Total Net Tax Capacity	\$ 1,571,709			\$ 1,865,812		

Figures from the Kanabec County Assessor



This page intentionally left blank.

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
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%
2014	298,775	287,802	586,577	575,120	98.05%

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
25,902	410,340	100.00%	--
18,681	470,407	99.98%	108
15,957	500,606	99.98%	110
30,378	544,864	99.40%	3,286
31,988	578,075	99.36%	3,712
35,700	579,500	99.61%	2,287
36,072	579,872	99.67%	1,915
17,842	593,962	99.47%	3,169
19,889	593,040	99.37%	3,763
--	575,120	98.05%	11,457

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
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	--
2014	665,000	2,085,000	--	--	1,292,000	--

NA-not available

	Total Primary Government	Percentage of Personal Income	Per Capita
	4,380,000	4.9%	1,230
	5,860,000	6.4%	1,642
	5,470,000	5.4%	1,533
	6,457,000	6.0%	1,746
	5,973,000	NA	1,615
	7,110,300	NA	1,991
	6,466,500	NA	1,811
	4,649,920	NA	1,302
	4,351,000	NA	1,218
	4,042,000	NA	1,132

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
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
2014	665,000	149,988,641	0.44%	3523	189

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

This page intentionally left blank.

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	\$ --	\$ 11,435,000	\$ 11,435,000	\$ 10,102,939
Independent School District 332	--	690,000	690,000	6,654,289
Subtotal		12,125,000	12,125,000	
City of Mora	2,750,000	--	2,750,000	1,572,709
Total	\$ 2,750,000	\$ 12,125,000	\$ 14,875,000	

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
\$ 1,572,709	15.57%	\$ 1,780,069
1,572,709	23.63%	163,078
		1,943,147
1,572,709	100.00%	2,750,000
		\$ 4,693,147

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
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%
2014	149,988,641	4,499,659	665,000	3,834,659	14.78%

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

This page intentionally left blank.

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
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%
2014	626,049	659,693	--	88,186	38,536	0%

Wastewater Revenue Bonds					
Utility Service	Less:	Net Available			
Charges	Operating Expenses	Revenue	Principal	Interest	Coverage
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%
836,366	730,607	105,759	16,814	11,268	377%

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)
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	27216	NA	NA	NA
2008	3,681	108,247,536	29407	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
2014	3,523	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)
1,862	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%
1,651	7.70%

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

Employer	2014			2010		
	Employees	Rank	% of Total	Employees	Rank	% of Total
FirstLight Health System	408	1	22.4	318	1	18.2
Mora Public Schools	325	2	17.8	315	2	18.1
Kanabec County	224	3	12.3	208	3	11.9
Imperial Plastics	212	4	11.6	169	4	9.7
Coborn's, Inc.	162	5	8.9	152	6	8.7
St. Clare Living Community	135	6	7.4	157	5	9.0
Lakes & Pines Community Action Council	109	7	6.0	152	7	8.7
Olympak	108	8	5.9	130	8	7.5
City of Mora	85	9	4.7	83	9	4.8
RJ Mechanical Industries, Inc.	54	10	3.0	60	10	3.4
	<u>1,822</u>		<u>100.0</u>	<u>1,744</u>		<u>100.0</u>

Source: City Survey of Employers, Annually in April



This page intentionally left blank.

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

Function/Program	Full-time Employees as of June 30				
	2014	2013	2012	2011	2010
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	0
Civilians	0	0	0	0	0
Streets & Parks	6	6	7	7	7
Aquatic Center	1	1	1	1	1
Electric	3	3	3	3	4
Water/Wastewater	5	5	5	6	6
Liquor Store	2	2	2	2	2
Total	24	24	25	26	27

Data from city payroll records.

Full-time Employees as of June 30				
2009	2008	2007	2006	2005
2	2	2	2	2
3	3	3	3	3
1	1	1	1	1
1	1	1	1	1
6	6	6	6	6
1	1	1	1	1
7	7	7	6	6
1	1	1	1	1
5	5	7	7	6
5	5	5	5	5
2	2	2	2	2
34	34	36	35	34

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

Function/Program	Fiscal Year *			
	2014	2013	2012	2011
Police - contracted with the sheriff starting March 1, 2010				
Physical arrests	54	1,252	745	908
Parking violations	287	165	165	158
Traffic violations	1,303	1,293	913	1,359
Fire				
Emergency responses	70	54	92	75
Fires extinguished	29	36	56	43
Inspections	9	13	8	7
Public Works				
Street resurfacing (miles)	0	0	.25	.49
Potholes repaired	270	297	135	167
Library				
Visits	37,693	41,619	47,117	49,403
Volumes in collection	38,814	32,000	30,000	30,000
Total volumes borrowed	56,153	58,486	67,313	87,000
Computer use	6,699	5,866	6,170	8,614
Water				
Total connections	1,168	1,172	1,173	1,179
Water-main breaks	4	--	--	--

NA-not available

\* Previous years data not available.

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

Data from City of Mora department heads.

Table 17

		Fiscal Year *		
2010	2009	2008	2007	2006
594	246	319	285	294
105	77	175	246	57
604	262	1,025	753	537
69	56	75	97	87
31	29	23	46	43
8	8	8	10	7
1.28	1.22	None	.84	1.38
319	213	189	225	209
30,000	30,000	30,000	21,000	20,000
89,800	92,000	89,919	89,924	N/A
1,178	1,177	1,160	1,151	1,150
3	2	3	1	2

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

	Fiscal Year*				
Function/Program	2014	2013	2012	2011	2010
Police **					
Stations	1	1	1	1	1
Patrol units	5	5	5	5	5
Fire Stations	1	1	1	1	1
Other Public Works					
Streets (miles)	24	24	24.16	24.16	24.16
Street lights	458	458	458	458	458
Parks and recreation					
Acreage	28	28	28.44	28.44	28.44
Playgrounds	4	4	4	4	4
Baseball/softball fields	3	3	3	3	3
Walking/biking trails(miles)	5.00	4.80	4.80	4.80	4.80
Water					
Water mains (miles)	18.00	18.00	18.00	18.00	18.00
Fire hydrants	281	281	281	281	281
Storage capacity (gallons)	700,000	700,000	700,000	700,000	700,000
Wastewater					
Sanitary sewers (miles)	16.00	16.00	16.00	16.00	16.00
Storm sewers (miles)	6.87	6.87	6.87	6.87	6.87
Treatment capacity (gallons/day)	800,000	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

This page intentionally left blank.



CITY OF MORA, MINNESOTA  
ANNUAL FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2014

AUDITOR'S REPORT SECTION

This page intentionally left blank.

# Althoff and Nordquist, LLC

CERTIFIED PUBLIC ACCOUNTANTS

[www.althoffandnordquist.com](http://www.althoffandnordquist.com)

505 - SECOND STREET SE  
PINE CITY, MINNESOTA 55063  
TELEPHONE: 320-629-6185

124 EAST FOREST AVE.  
MORA, MINNESOTA 55051  
TELEPHONE: 320-679-4846

CARL D. NORDQUIST, JR., C.P.A.  
ROBERT R. ALTHOFF, C.P.A.

MEMBERS  
AMERICAN INSTITUTE OF C.P.A.'S  
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, 2014, 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 29, 2015. 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 29, 2015

This page intentionally left blank.