

COMPREHENSIVE ANNUAL
FINANCIAL REPORT
OF THE
CITY OF MORA, MINNESOTA
FOR THE
FISCAL YEAR ENDED
December 31, 2018

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

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City of Mora, Minnesota

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City of Mora, Minnesota
INTRODUCTORY SECTION
December 31, 2018



CITY OF MORA MORA MUNICIPAL UTILITIES

101 Lake Street South
Mora, MN 55051-1588

ci.mora.mn.us



320.679.1511

Fax 320.679.3862

320.679.1451

June 18, 2019

To the Honorable Mayor, Members of the City Council, Members of the Public Utilities Commission, and Citizens of the City of Mora:

Minnesota statutes require that each city issue an annual report on its financial position and activity prepared in conjunction with generally accepted accounting principles (GAAP). The comprehensive annual financial report (CAFR) of the City of Mora, Kanabec County, Minnesota and Mora Municipal Utilities for the fiscal year ended December 31, 2018 is hereby submitted.

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 biennial elections of a mayor and four council members to staggered four-year terms. The city council appoints the three-member public utilities commission to staggered three-year terms. The council and the public utilities commission hire a city administrator/public utilities general manager to handle the day-to-day affairs of the city and utility. The administrator/general manager 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 5.47 square miles.

Local Economy

In 2018, 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 is decreasing at 6.90% in December 2018 and is the lowest for that period in the last ten years.

A very good indicator of the improving economy is the new construction of seven (7) single-family homes, one (1) multi-unit apartment, and five (5) new or updated commercial buildings in 2018. Overall, with a valuation of building permits estimated at \$7,120,000 in 2018, it is safe to say that the economy in Mora is improving.

A new wellness center was opened in 2018, and a large addition continued on FirstLight Health System's facility in Mora. A large addition was finished at RJ Mechanical, and a new addition was started at Recovering Hope Treatment Center. Four (4) new large detached garages were constructed during the year at various residential properties.

First-year property tax delinquency continues to be lower than the ten-year average by approximately 2.00%. Tax capacity values increased by an impressive 14.17%.

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 Truth-in-Taxation requirements allowed public input on the budget and levy to be taken during a regular city council meeting. The council formally accepted public input regarding the 2018 budget at its meeting on December 5, 2017.

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 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

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 8 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:

	2018	2017	2016	2015	2014
General Fund	\$442,988	\$336,815	\$322,514	\$339,794	\$298,775
Debt Service Funds	\$320,801	\$344,722	\$338,000	\$276,112	\$287,802
Total Levy	\$763,789	\$681,537	\$660,514	\$615,906	\$586,577

Special Revenue Funds

Cemetery Fund

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 created in 1995 to account for a \$500,000 grant from the MN Economic Recovery Grant program. The city loaned the funds to EPC for equipment and machinery purchases, and 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. Then in 2015, the city received a \$440,000 grant from the MN Investment Fund Program. The city then loaned these funds to Northland Process Piping for building renovations. The first \$100,000 of loan principal that will be repaid to the City will be used to continue the revolving loan fund. The purpose of the revolving loan fund is to further economic development and to create jobs for low to 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. 1-11

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.

Tax Increment Fund No. 1-15

TIF 1-15 was created to account for a TIF revenue note of \$240,400 issued December 4, 2018. The revenue note is a Pay-As-You-Go note, and will be reimbursed to the Mora Housing and Redevelopment Authority for eligible costs of construction and site improvements at its Mysa House. The note is payable solely from tax increments received from the Mysa House apartment building.

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

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 2017, Standard & Poor's (S&P) completed its regular review of our rating, and affirmed the City's rating of A+/Stable. S&P cited the City's strong budgetary performance, very strong liquidity, adequate management, and weak economy as support for the rating. Under state law, the general obligation debt is subject to a legal limitation as shown in the statistical section. The 2017 S&P rating is still active, and no new bond ratings were issued in 2018.

Long-Term Financial Planning

The city council periodically reviews and 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 2018. The auditor's opinion is included in this report.

Acknowledgments

The finance department staff contributed significantly to this report. I wish to thank Wendy Akkerman, Kelly Erickson, Sara King, Jackie Ness, and Mandi Yoder 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.

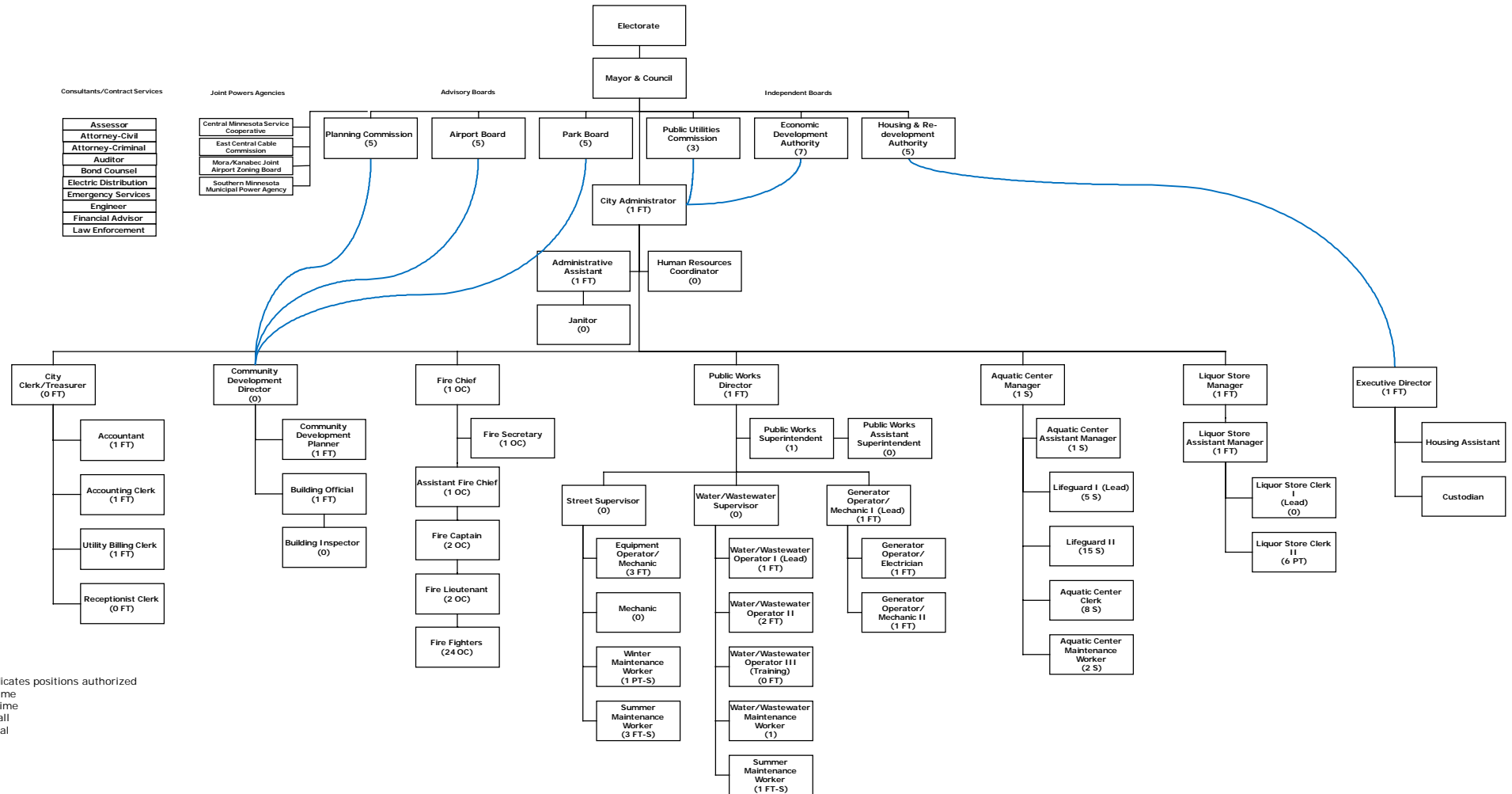
Respectfully submitted,

CITY OF MORA

Lindy Crawford
City Administrator and Public Utilities General Manager

CITY OF MORA, KANABEC COUNTY, MINNESOTA
Staff Organizational Chart
February 2016

ver. 7.0



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

CITY OF MORA, MINNESOTA
ELECTED AND APPOINTED OFFICIALS
For the Year Ended December 31, 2018

	<u>TERM EXPIRES</u>
MAYOR: Jack L'Heureux	December 31, 2018
COUNCIL MEMBERS: Jody Anderson Bob Bollenbeck Alan Skramstad Sara Treiber	December 31, 2020 December 31, 2018 December 31, 2020 December 31, 2020
CITY ADMINISTRATOR: Lindy Crawford	Appointed
PUBLIC UTILITIES COMMISSION CHAIR: George Baldwin	December 31, 2019
PUBLIC UTILITIES COMMISSIONERS: Greg Ardner Joe Heggernes	December 31, 2021 December 31, 2020
PUBLIC UTILITIES GENERAL MANAGER: Lindy Crawford	Appointed
PUBLIC WORKS DIRECTOR: Joseph Kohlgraf	Appointed
CITY ATTORNEY (civil): Joel Jamnik, Campbell Knutson	Appointed
CITY ATTORNEY (prosecution): Barb McFadden, Kanabec County	Appointed

City of Mora, Minnesota
FINANCIAL SECTION
December 31, 2018

Althoff and Nordquist, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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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, 2018, and the related notes to the financial statements, which collectively comprise the City of Mora, Minnesota'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 conducted our audit in accordance with 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. 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, 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 unit, each major fund, and the aggregate remaining fund information of the City of Mora, Minnesota, as of December 31, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.



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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 15 through 30 and 45 through 46 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 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 the 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 audit of the basic 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, the combining and individual nonmajor

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.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 17, 2019, on our consideration of the City of Mora, Minnesota's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City of Mora, Minnesota's internal control over financial reporting and compliance.



Althoff & Nordquist, LLC
Pine City, Minnesota
June 17, 2019

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City of Mora, Minnesota
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED
December 31, 2018

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, 2018. 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 \$33,983,528 (net position). Of this amount, \$8,584,146 (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 \$487,084 in 2018.
- * At the close of the fiscal year, governmental fund balances totaled \$1,234,175.
- * As of December 31, 2018, the unreserved fund balance of the General Fund was \$1,126,538. This amount was 43.72% of the General Fund's total expenditures in 2018.

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 was \$33,983,528. This was a \$487,084 increase over last year's net position of \$33,496,444. 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	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 2,578,057	\$ 3,017,708	\$ 12,826,085	\$ 12,405,135	\$ 15,404,142	\$ 15,422,843
Capital assets (net)	15,565,574	15,722,089	15,894,887	16,100,113	31,460,461	31,822,202
Total Assets	18,143,631	18,739,797	28,720,972	28,505,248	46,864,603	47,245,045
Other liabilities	1,511,621	1,851,543	2,061,001	2,367,331	3,572,622	4,218,874
Long-term liabilities	4,422,753	5,218,264	4,885,700	4,311,463	9,308,453	9,529,727
Total Liabilities	5,934,374	7,069,807	6,946,701	6,678,794	12,881,075	13,748,601
Net Position:						
Net investment						
in Capital Assets	11,611,079	11,556,594	11,589,424	11,515,650	23,200,503	23,072,244
Restricted	841,797	764,168	1,357,082	1,356,930	2,198,879	2,121,098
Unrestricted	(243,619)	(650,772)	8,827,765	8,953,874	8,584,146	8,303,102
Total Net Position	\$ 12,209,257	\$ 11,669,990	\$ 21,774,271	\$ 21,826,454	\$ 33,983,528	\$ 33,496,444

The city reported positive balances in net position for both governmental and business-type activities. Net position increased \$539,267 for governmental activities and decreased by \$52,183 for business-type activities. The city's overall financial position improved during 2018 primarily due to the city keeping expenditures under control and successfully following the budget as much as possible.

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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	
	2018	2017	2018	2017
Revenues:				
Program revenues				
Charge for services	\$ 933,949	\$ 972,675	\$ 10,872,164	\$ 10,552,863
Operating grants and contributions	1,276,675	1,557,087	--	--
Capital grants and contributions	34,024	805,216	--	--
General revenues				
Property taxes	815,950	697,963	--	--
Tax increment	114,454	112,999	--	--
Special assessments	144,541	376,534	--	--
Investment earnings	31,411	30,113	146,893	137,745
Other revenue	747,168	137,927	--	--
Total Revenue	<u>4,098,172</u>	<u>4,690,514</u>	<u>11,019,057</u>	<u>10,690,608</u>
Program Expenses:				
General government	573,960	549,250	--	--
Public safety	868,520	679,097	--	--
Public works	1,218,149	647,172	--	--
Cemetery	47,538	39,845	--	--
Culture and recreation	325,858	364,861	--	--
Housing & ED	267,417	500,669	--	--
Capital projects	449,426	811,872	--	--
Miscellaneous	--	--	--	--
Interest on long-term debt	112,847	115,890	--	--
Liquor	--	--	3,098,021	2,848,151
Electric	--	--	5,730,054	5,380,104
Water	--	--	749,392	610,671
Wastewater	--	--	1,139,110	979,108
Total Expenses	<u>3,863,715</u>	<u>3,708,656</u>	<u>10,716,577</u>	<u>9,818,034</u>
Increase in net position before transfers	234,457	981,858	302,480	872,574
Miscellaneous	--	--	--	--
Transfers	304,810	230,686	(354,663)	(275,565)
Change in net position	539,267	1,212,544	(52,183)	597,009
Prior Period Adjustment	--	--	--	--
Beginning net position	11,669,990	10,457,446	21,826,454	21,229,445
Ending net position	<u>\$ 12,209,257</u>	<u>\$ 11,669,990</u>	<u>\$ 21,774,271</u>	<u>\$ 21,826,454</u>

Totals	
2018	2017
\$ 11,806,113	\$ 11,525,538
1,276,675	1,557,087
	--
34,024	805,216
--	--
815,950	697,963
114,454	112,999
144,541	376,534
178,304	167,858
747,168	137,927
15,117,229	15,381,122
573,960	549,250
868,520	679,097
1,218,149	647,172
47,538	39,845
325,858	364,861
267,417	500,669
449,426	811,872
--	--
112,847	115,890
3,098,021	2,848,151
5,730,054	5,380,104
749,392	610,671
1,139,110	979,108
14,580,292	13,526,690
536,937	1,854,432
--	--
(49,853)	(44,879)
487,084	1,809,553
--	--
33,496,444	31,686,891
\$ 33,983,528	\$ 33,496,444

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 change significantly in 2018, due mainly to net profits achieved in the enterprise funds.

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

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

General Fund

Revenues

- Airport fuel sales exceeded budgeted amounts by \$11,500, due to an increase in customers during the June to September flying season.
- Tax increment earnings were up \$2,100 from expected, mainly due to a larger tax capacities for properties within Tax Increment Financing (TIF) districts.
- Revenue from liquor license fees exceeded the budget by \$4,200, due primarily to the change of ownership of some retail establishments.
- Airport Other State Grants & Aids fell short of the budgeted amount by \$90,500, due to the delay in reimbursement from the Minnesota Department of Commerce, Petrofund division.

Expenditures

- General expenditures were less than budgeted amounts by a total of \$66,400.
- The law enforcement department was \$28,200 under budget, due mostly to budgeted squad car that was not purchased in 2018.
- Street department expenditures came under budget by \$79,900, due to postponed street maintenance.
- The new soil vapor extraction system was installed and remediation continued, as a result of a fuel leak, at the Municipal Airport. Expenditures for the department as a whole came in over budgeted amounts by \$156,100.
- Aquatic center expenditures were \$65,300 below budget, due primarily to the postponing of a capital project.

As a result of these budget variances and numerous less significant variances, the General Fund actual revenues varied from the amended budget by \$92,700 and expenditures varied by \$66,400. The fund balance increased by approximately \$11,400.

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 Enterprise Funds:

Liquor Fund

- Sales were lower than expected by \$224,300 and correspondingly the cost of goods sold was \$142,200 lower than budgeted.
- Wage and salary expenses were \$4,600 higher than budgeted, and dividends were \$2,500 lower than expected.

The resulting change in net position was a negative \$112,267 after a \$298,942 transfer to the General Fund.

Electric Fund

- Sales were lower than budgeted by \$94,000, and, coincidentally, the cost of sales was \$312,100 lower than budgeted.
- CIP Reimbursements were approximately \$109,200 higher than expected, due to a larger-than-expected energy conservation rebate program.
- Expenditures for generation and power supply were \$423,700 lower than budgeted. This savings was due primarily to lower maintenance expenses of \$74,500, fuel oil savings of \$49,900, and purchased power savings of \$312,100.

The resulting change in net position was a positive \$66,922.

Water Fund

- Water sales were higher than budgeted by a total of \$17,500.
- Interest Earnings were higher than budgeted by \$2,500, and Water Access Charges (WAC fees) were higher than budgeted by \$1,500.
- Expenditures were approximately \$58,000 lower than budgeted, due, in part, to a savings in lab supplies of \$4,000, repair and maintenance of \$9,100 and interest expense of \$1,100.

The resulting change in net position was a positive \$23,182.

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 Enterprise Funds: (Continued)

Sewer Fund

- Sewer Charges were higher than budgeted amounts by \$31,000, and Sewer Access Charges (SAC fees) were higher than budgeted by \$2,400.
- Expenditures were approximately \$82,800 lower than budgeted, due, in part, to savings realized in chemicals of \$10,100, miscellaneous professional services of \$18,000, and small tools and equipment expenses of \$13,100.

The resulting change in net position was a negative \$30,020.

Schedules comparing the amended budgeted amounts to actual activity for major funds are included in a later section of this report.

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

Capital Assets and Debt Administration

Capital Assets . As of December 31, 2018, the city had invested \$31,460,462 in capital assets, including buildings, facilities, vehicles, and equipment. This amount represents a net increase prior to depreciation of \$1,315,403 from last year. Total depreciation expense for the year was \$1,677,143. The following table provides a summary of the city's capital assets for the year ended:

	Capital Assets			
	Net of Accumulated Depreciation			
	Governmental Activities		Business-type Activities	
	2018	2017	2018	2017
Non-Depreciable Assets:				
Land	\$ 1,455,973	\$ 1,455,973	\$ 356,036	\$ 356,036
Construction in progress	--	--	--	--
Depreciable Assets:				
Buildings	1,966,176	1,998,207	8,014,742	8,392,095
Infrastructure	7,567,808	7,589,833	--	--
Improvements	3,991,239	4,077,390	7,044,816	6,767,743
Machinery, equipment, vehicles	584,378	600,686	479,294	584,239
Total	<u>\$ 15,565,574</u>	<u>\$ 15,722,089</u>	<u>\$ 15,894,888</u>	<u>\$ 16,100,113</u>

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

Debt administration . At year end, the city had \$8,259,958 in general obligation bonds and other long-term debt outstanding, of which \$539,000 is due within one year. The following table presents a summary of the city's outstanding long-term debt for the year ended.

	Outstanding Bonds			
	Governmental Activities		Business-type Activities	
	2018	2017	2018	2017
General obligation bonds	\$ 3,954,495	\$ 4,165,495	\$ --	\$ --
Revenue bonds	--	--	4,305,463	4,584,463
Total	<u>\$ 3,954,495</u>	<u>\$ 4,165,495</u>	<u>\$ 4,305,463</u>	<u>\$ 4,584,463</u>

For further information please refer to Note 3: F Long-term Debt, pages 73-77.

Totals	
2018	2017
\$ 1,812,009	\$ 1,812,009
--	--
9,980,918	10,390,302
7,567,808	7,589,833
11,036,055	10,845,133
1,063,672	1,184,925
<u>\$ 31,460,462</u>	<u>\$ 31,822,202</u>

Total	
2018	2017
3,954,495	4,165,495
4,305,463	4,584,463
<u>\$ 8,259,958</u>	<u>\$ 8,749,958</u>

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

Capital Assets and Debt Administration (Continued)

The City of Mora maintains an A3 bond rating from Moody's Investors Services, as well as an A+/Stable rating from Standards & Poor's.

Factors Bearing on the City's Future

City Council

- Significant work began in the creation of an updated flood plain ordinance. This is still at the planning commission level, but will go to Council in the upcoming months.
- City staff was directed to create a social media account to improve relations and transparency with city residents and business owners.
- The street project on 9th Street and Wood Street was finalized in 2018.
- There were seven (7) building permits issued for new homes to be constructed, all within the Fox Run development.
- A new solar ordinance was enacted to update the zoning code pertaining to the regulation of solar energy systems.
- Planning for a new community festival began in 2018. The first annual Fall Fest is scheduled for its inaugural event in September 2019.
- The Crosswind Runway project at the Mora Municipal Airport was completed.
- Work began, with City Engineering firm S.E.H., to update the Airport Master Plan and Capital Improvement Plan (CIP).
- Liquor sales continue to increase, when compared to prior year sales figures.
- The North Country Bottle Shop launched a new website.
- Work will begin in 2019 to update the City's Comprehensive Plan. A large committee was created to gather input from many community stakeholders.
- In November, City Council accepted a storm water analysis proposal from AE2S, an engineering firm that specializes in storm water systems. The analysis will continue into 2019.
- Work will begin in 2019 to update the City's Capital Improvement Plan (CIP).
- Reimbursement has been delayed from the Minnesota Department of Commerce, Petrofund division for the fuel leak that occurred sometime in late 2013 or early 2014. City staff remain hopeful that a positive resolution will be coming soon.
- The Tax Increment Financing (TIF) plan and revenue note for the Mora Housing and Redevelopment Authority's Maysa House were finalized in 2018. The receipt of first increment is expected for 2020.

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

Factors Bearing on the City's Future (continued)

Public Utilities Commission

- New state regulations will multiply the City's reporting requirements for solar systems installed.
- The Kanabec County Economic Development Authority (KCEDA) is looking at creating a program to provide assistance to those interested in installing clean energy components, thus named the Property Assessed Clean Energy (PACE) Program.
- City staff looked into the possibility of adding electric vehicle charging stations in the downtown area. There will be more to come on this in coming years.
- Staff evaluated current utility billing practices to look for ways to make the process more efficient and
- Light bulbs in various street lights were upgraded to new LED bulbs in an effort to make the fixtures more energy-efficient.
- Problems were encountered with the SMMPA-owned landfill generator. The entire generator was rebuilt and is now operating properly.
- The water tower rehabilitation project was completed during the summer of 2018. No new debt was incurred for the project, and staff expects the improvements to benefit the City for years to come.
- The reed beds at the new Wastewater Treatment Plant are not establishing properly. The project remains open until the contractor(s) can find a proper solution for the establishment of the reeds.
- Work will begin in 2019 to update the City's and Utility's Capital Improvement Plan (CIP).

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

Factors Bearing on the City's Future (continued)

Economic Development Authority

- The City accepted an offer from NorthStar Real Estate for the sale of a 6.31 acre lot in the Industrial Park. The property was sold to NorthStar Real Estate for the construction of a new manufacturing facility, NorthStar Pontoons.
- The final plat was approved for the construction of a new Kwik Trip store at the site of the former elementary school on McLean Street. Kwik Trip plans to construct the store in the spring of 2019 and open in July.
- The Industrial Park received “shovel ready” status from the Minnesota Department of Employment and Economic Development in 2018.
- The Mora Housing and Redevelopment Authority’s (Mora HRA) newest housing project, the Maysa House, received its Certificate of Occupancy and opened its doors in 2018.

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, 2018

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City of Mora, Minnesota
Statement of Net Position
December 31, 2018

	Governmental Activities	Business - Type Activities	2018 Total	Component Units	
				EDA	HRA
ASSETS					
Cash and investments	\$ 2,361,358	\$ 9,161,118	\$ 11,522,476	\$ 50,334	\$ 635,306
Accounts receivable	102,225	667,842	770,067	551	119,447
Inventory	--	635,226	635,226	--	--
Advance to other funds	71,047	2,271,147	2,342,194	--	--
Prepaid items	--	--	--	--	23,410
Special assessments	18,530	22,819	41,349	--	--
Restricted Assets:					
Temporarily restricted:					
Cash and investments	--	37,082	37,082	--	276,481
Other assets	--	--	--	--	--
Capital assets,					
Land, building, machinery, equip.	28,544,264	28,923,259	57,467,523	--	7,648,783
Accumulated depreciation	(12,978,690)	(13,028,372)	(26,007,062)	--	(3,856,326)
Total assets	<u>18,118,734</u>	<u>28,690,121</u>	<u>46,808,855</u>	<u>50,885</u>	<u>4,847,101</u>
Deferred Outflow of Resources					
Related to Pension	<u>24,897</u>	<u>30,851</u>	<u>55,748</u>	<u>--</u>	<u>--</u>
Total Assets and Deferred					
Outflow of Resources	<u>\$ 18,143,631</u>	<u>\$ 28,720,972</u>	<u>\$ 46,864,603</u>	<u>\$ 50,885</u>	<u>\$ 4,847,101</u>
LIABILITIES					
Accounts payable	\$ 353,634	\$ 354,282	\$ 707,916	\$ 1,396	\$ 212,752
Other payables	14,459	126,311	140,770	--	74,809
Accrued interest	112,847	--	112,847	--	--
Advance from other funds	929,660	1,412,534	2,342,194	--	--
Customer meter deposits	23,944	56,100	80,044	--	--
Unearned revenue	--	16,264	16,264	--	--
Noncurrent liabilities:					
Net pension liability	468,258	580,237	1,048,495	--	--
Due within one year	262,000	277,000	539,000	--	82,199
Due in more than one year	3,692,495	4,028,463	7,720,958	--	4,023,418
Total liabilities	<u>5,857,297</u>	<u>6,851,191</u>	<u>12,708,488</u>	<u>1,396</u>	<u>4,393,178</u>
Deferred Inflow of Resources					
Related to Pensions	<u>77,077</u>	<u>95,510</u>	<u>172,587</u>	<u>--</u>	<u>--</u>
Total Liabilities and Deferred					
Inflow of Resources	<u>\$ 5,934,374</u>	<u>\$ 6,946,701</u>	<u>\$ 12,881,075</u>	<u>\$ 1,396</u>	<u>\$ 4,393,178</u>
NET POSITION					
Net investment in capital assets	\$ 11,611,079	\$ 11,589,424	\$ 23,200,503	\$ --	\$ (313,159)
Restricted for:					
Debt service	717,266	--	717,266	--	--
Special revenue	124,531	--	124,531	--	276,481
Future operations:					
Electric Utility	--	1,000,000	1,000,000	--	--
Water Utility	--	137,082	137,082	--	--
Sewer Utility	--	220,000	220,000	--	--
Unrestricted:					
Unrestricted	<u>(243,619)</u>	<u>8,827,765</u>	<u>8,584,146</u>	<u>49,489</u>	<u>490,601</u>
Total net position	<u>\$ 12,209,257</u>	<u>\$ 21,774,271</u>	<u>\$ 33,983,528</u>	<u>\$ 49,489</u>	<u>\$ 453,923</u>

See notes to financial statements.

City of Mora, Minnesota
Statement of Activities
For the Year Ended December 31, 2018

Functions/Programs	Expenses	Charges for Services	Program Revenues	
			Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ (573,960)	\$ 329,748	\$ 931,621	\$ --
Public safety	(868,520)	246,978	143,224	--
Public works	(1,218,149)	145,707	35,169	34,024
Cemetery	(47,538)	56,655	--	--
Culture and recreation	(325,858)	154,861	--	--
Housing & economic development	(267,417)	--	116,646	--
Capital projects	(449,426)	--	50,015	--
Interest on long-term debt	(112,847)	--	--	--
Total governmental activities	<u>(3,863,715)</u>	<u>933,949</u>	<u>1,276,675</u>	<u>34,024</u>
Business - type - activities:				
Liquor	(3,098,021)	3,283,903	--	--
Electric	(5,730,054)	5,719,120	--	--
Water	(749,392)	768,010	--	--
Wastewater	(1,139,110)	1,101,131	--	--
Total business - type activities	<u>(10,716,577)</u>	<u>10,872,164</u>	<u>--</u>	<u>--</u>
Total Primary Government	<u><u>\$ (14,580,292)</u></u>	<u><u>\$ 11,806,113</u></u>	<u><u>\$ 1,276,675</u></u>	<u><u>\$ 34,024</u></u>
Component Unit				
Economic Development Authority	(38,497)	--	1,527	--
Housing and Redevelopment Authority	(2,517,011)	1,687,499	620,412	29,550
Total Component Unit	<u><u>\$ (2,555,508)</u></u>	<u><u>\$ 1,687,499</u></u>	<u><u>\$ 621,939</u></u>	<u><u>\$ 29,550</u></u>
General revenues and expenses:				
Property taxes				
Tax increment				
Special assessments				
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
\$ 687,409	\$ --	\$ 687,409	\$ --	\$ --
(478,318)	--	(478,318)	--	--
(1,003,249)	--	(1,003,249)	--	--
9,117	--	9,117	--	--
(170,997)	--	(170,997)	--	--
(150,771)	--	(150,771)	--	--
(399,411)	--	(399,411)	--	--
(112,847)	--	(112,847)	--	--
<u>(1,619,067)</u>	<u>--</u>	<u>(1,619,067)</u>	<u>--</u>	<u>--</u>
--	185,882	185,882	--	--
--	(10,934)	(10,934)	--	--
--	18,618	18,618	--	--
--	(37,979)	(37,979)	--	--
<u>--</u>	<u>155,587</u>	<u>155,587</u>	<u>--</u>	<u>--</u>
<u>(1,619,067)</u>	<u>155,587</u>	<u>(1,463,480)</u>	<u>--</u>	<u>--</u>
--	--	--	(36,970)	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(179,550)</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>(36,970)</u>	<u>(179,550)</u>
815,950	--	815,950	--	--
114,454	--	114,454	--	--
144,541	--	144,541	--	--
31,411	146,893	178,304	77	1,134
9,500	--	9,500	--	(21,049)
737,668	--	737,668	--	--
304,810	(354,663)	(49,853)	49,853	--
<u>2,158,334</u>	<u>(207,770)</u>	<u>1,950,564</u>	<u>49,930</u>	<u>(19,915)</u>
539,267	(52,183)	487,084	12,960	(199,465)
--	--	--	--	--
11,669,990	21,826,454	33,496,444	36,529	653,388
<u>\$ 12,209,257</u>	<u>\$ 21,774,271</u>	<u>\$ 33,983,528</u>	<u>\$ 49,489</u>	<u>\$ 453,923</u>

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CITY OF MORA, MINNESOTA
FUND FINANCIAL STATEMENTS
December 31, 2018

City of Mora, Minnesota
Governmental Funds
Balance Sheet
December 31, 2018

	General Fund	453 Grove & Wood St. Improvements	Other Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 1,052,013	\$ 147,042	\$ 1,162,303	\$ 2,361,358
Taxes receivable - delinquent	8,244	--	6,023	14,267
Accounts receivable	65,669	--	36,556	102,225
Advance to other funds	71,047	--	--	71,047
Special assessment receivables -				
Delinquent	18,530	--	--	18,530
Deferred	--	319,573	663,840	983,413
Due from other governmental units	--	--	--	--
Due from other funds	--	--	1,123,437	1,123,437
Note receivable	--	--	--	--
Prepaid insurance	--	--	--	--
Cash restricted	--	--	--	--
Total assets	<u>\$ 1,215,503</u>	<u>\$ 466,615</u>	<u>\$ 2,992,159</u>	<u>\$ 4,674,277</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Due to other funds	\$ --	\$ --	\$ 1,123,437	\$ 1,123,437
Accounts payable	42,318	--	311,316	353,634
Advance from other funds	--	556,583	373,077	929,660
Other payables	14,459	--	--	14,459
Deposits from developers	23,944	--	--	23,944
Unearned revenues	8,244	319,573	667,151	994,968
Total liabilities	<u>88,965</u>	<u>876,156</u>	<u>2,474,981</u>	<u>3,440,102</u>
Fund Balances:				
Nonspendable	--	--	--	--
Restricted	--	--	717,266	717,266
Committed	--	--	--	--
Assigned	--	--	124,531	124,531
Unassigned	1,126,538	(409,541)	(324,619)	392,378
Total fund balances	<u>1,126,538</u>	<u>(409,541)</u>	<u>517,178</u>	<u>1,234,175</u>
Total liabilities and fund balances	<u>\$ 1,215,503</u>	<u>\$ 466,615</u>	<u>\$ 2,992,159</u>	<u>\$ 4,674,277</u>

See notes to financial statements.

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, 2018

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

	2018	2017
Total governmental fund balances	\$ 1,234,175	\$ 1,135,218
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Governmental capital assets	28,544,264	28,021,925
Less: accumulated depreciation	(12,978,690)	(12,299,836)
	15,565,574	15,722,089
Other long-term assets are not available to pay for current - personal expenditures and, therefore, are deferred with funds.		
Delinquent property taxes	(14,267)	(11,322)
Deferred special assessments	(983,413)	(1,108,276)
Deferred revenues	994,968	1,119,153
Interest on long-term debt is not accrued in governmental funds but rather recognized as an expenditure when due	(112,847)	(115,890)
Pension Related Items for GASB#68:		
Deferred outflow of resources	24,897	482,678
Deferred inflow of resources	(77,077)	(117,762)
Net pension liability	(468,258)	(1,270,403)
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	(3,954,495)	(4,165,495)
Net position of governmental activities (page 32)	<u>\$ 12,209,257</u>	<u>\$ 11,669,990</u>

See notes to financial statements.

City of Mora, Minnesota
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2018

	General Fund	453 Grove & Wood St. Improvements	Other Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	\$ 499,551	\$ --	\$ 328,524	\$ 828,075
Tax increments	--	--	102,328	102,328
Licenses and permits	75,527	--	--	75,527
Special assessments	--	58,329	85,295	143,624
Intergovernmental	1,131,396	--	95,569	1,226,965
Charges for services	558,295	--	154,921	713,216
Fines	15,121	--	--	15,121
Investment earnings	10,227	379	8,142	18,748
Sale of assets	9,500	--	--	9,500
Miscellaneous	29,317	--	223,367	252,684
Total revenues	<u>2,328,934</u>	<u>58,708</u>	<u>998,146</u>	<u>3,385,788</u>
EXPENDITURES				
Current:				
General government	530,517	--	--	530,517
Public safety	798,588	--	140,950	939,538
Public works	928,119	--	130,383	1,058,502
Cemetery	--	--	27,172	27,172
Culture and recreation	319,069	--	--	319,069
Housing and economic development	--	--	154,570	154,570
Capital projects	--	--	224,871	224,871
Miscellaneous	--	5,798	--	5,798
Debt Service:				
Principal	--	--	211,000	211,000
Interest and other charges	--	--	120,604	120,604
Total expenditures	<u>2,576,293</u>	<u>5,798</u>	<u>1,009,550</u>	<u>3,591,641</u>
Excess (deficiency) of revenues over (under) expenditures	(247,359)	52,910	(11,404)	(205,853)
OTHER FINANCING SOURCES (USES)				
Issuance of long-term debt	--	--	--	--
Miscellaneous income (expense)	--	--	--	--
Transfers in	377,682	--	365,750	743,432
Transfers out	(118,903)	--	(319,719)	(438,622)
Total other financing sources (uses)	<u>258,779</u>	<u>--</u>	<u>46,031</u>	<u>304,810</u>
Net change in fund balances	11,420	52,910	34,627	98,957
Fund balances - beginning	1,115,118	(462,451)	482,551	1,135,218
Fund balances - ending	<u>\$ 1,126,538</u>	<u>\$ (409,541)</u>	<u>\$ 517,178</u>	<u>\$ 1,234,175</u>

See notes to financial statements.

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, 2018

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

	2018	2017
Net changes in fund balances - total governmental funds	\$ 98,957	\$ 184,077

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	522,339	2,603,429
Depreciation Expense	(678,854)	(662,931)
	(156,515)	1,940,498
Other miscellaneous items	(1,822)	(172)
Change in deferred assets not recognized	(445)	29,112
Pension Related items for GASB# 68:		
Pension expense	385,049	185,713
Change in accrued interest payable	3,043	(32,684)
Long-term debt issuance for current year	--	(1,325,000)
Long-term debt payments for current year	211,000	231,000
Changes in net position of governmental activities (page 35)	\$ 539,267	\$ 1,212,544

See notes to financial statements.

City of Mora, Minnesota
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2018

	Budgeted Amounts		Actual	Variance with
	Original	Amended	Amounts	Amended Budget Positive (Negative)
REVENUES				
Property taxes	\$ 485,988	\$ 485,988	\$ 499,551	\$ 13,563
Licenses and permits	97,149	97,149	75,527	(21,622)
Intergovernmental	1,220,062	1,220,062	1,131,396	(88,666)
Charges for services	518,554	518,554	558,295	39,741
Fines	20,000	20,000	15,121	(4,879)
Investment earnings	32,530	32,530	10,227	(22,303)
Sale of assets	1,500	1,500	9,500	8,000
Miscellaneous	12,900	12,900	29,317	16,417
Total revenues	<u>2,388,683</u>	<u>2,388,683</u>	<u>2,328,934</u>	<u>(59,749)</u>
EXPENDITURES				
Current:				
General government:				
General	13,356	13,356	21,123	(7,767)
Council	34,164	34,164	28,300	5,864
Administration	112,257	112,257	93,128	19,129
Elections	4,510	4,510	3,825	685
Finance	112,099	112,099	120,016	(7,917)
Legal	34,984	34,984	38,025	(3,041)
Personnel	26,510	26,510	28,431	(1,921)
Planning and zoning	104,716	104,716	99,505	5,211
City hall building	45,480	45,480	71,672	(26,192)
Library building	22,966	22,966	26,492	(3,526)
Total general government	<u>511,042</u>	<u>511,042</u>	<u>530,517</u>	<u>(19,475)</u>
Public safety:				
Building inspection	72,156	72,156	67,984	4,172
Police protection	701,309	701,309	673,126	28,183
Fire protection	55,000	55,000	57,478	(2,478)
Total public safety	<u>828,465</u>	<u>828,465</u>	<u>798,588</u>	<u>29,877</u>
Public works:				
Street department	511,712	511,712	448,403	63,309
Street lighting	30,000	30,000	27,555	2,445
Airport	258,245	258,245	414,339	(156,094)
Garage	31,864	31,864	37,822	(5,958)
Total public works	<u>831,821</u>	<u>831,821</u>	<u>928,119</u>	<u>(96,298)</u>
Culture and recreation:				
Swimming pool	270,087	270,087	204,766	65,321
Park areas	147,233	147,233	114,303	32,930
Total Culture and recreation	<u>417,320</u>	<u>417,320</u>	<u>319,069</u>	<u>98,251</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, 2018

	Budgeted Amounts		Actual	Variance with
	Original	Amended	Amounts	Amended Budget Positive (Negative)
Total expenditures	<u>2,588,648</u>	<u>2,588,648</u>	<u>2,576,293</u>	<u>12,355</u>
Excess (deficiency) of revenues over (under) expenditures	(199,965)	(199,965)	(247,359)	(47,394)
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 410,677	\$ 410,677	\$ 377,682	\$ (32,995)
Transfers out	<u>(172,903)</u>	<u>(172,903)</u>	<u>(118,903)</u>	<u>54,000</u>
Total other financing sources (uses)	<u>237,774</u>	<u>237,774</u>	<u>258,779</u>	<u>21,005</u>
Net change in fund balances	37,809	37,809	11,420	(26,389)
Fund balances - beginning	<u>1,115,118</u>	<u>1,115,118</u>	<u>1,115,118</u>	<u>--</u>
Fund balances - ending	<u><u>\$ 1,152,927</u></u>	<u><u>\$ 1,152,927</u></u>	<u><u>\$ 1,126,538</u></u>	<u><u>\$ (26,389)</u></u>

See notes to financial statements.

City of Mora, Minnesota
Proprietary Funds
Statement of Net Position
December 31, 2018

	Business - Type Activities - Enterprise Funds		
	Municipal Liquor Fund	Electric Utility Fund	Water Utility Fund
ASSETS			
Current assets:			
Cash and investments	\$ 86,225	\$ 5,742,813	\$ 810,299
Accounts receivable	18,811	448,505	107,798
Advance to other funds	--	2,271,147	--
Inventory	502,688	123,990	8,548
Special assessments	--	--	21,980
Total current assets	<u>607,724</u>	<u>8,586,455</u>	<u>948,625</u>
Noncurrent assets:			
Restricted cash and investments	--	--	37,082
Total restricted assets	<u>--</u>	<u>--</u>	<u>37,082</u>
Capital assets:			
Plant in service	1,848,629	5,690,619	7,727,516
Less: accumulated depreciation	<u>(512,902)</u>	<u>(3,759,294)</u>	<u>(3,645,600)</u>
Total Capital assets			
(net of accumulated depreciation)	<u>1,335,727</u>	<u>1,931,325</u>	<u>4,081,916</u>
Total noncurrent assets	<u>1,335,727</u>	<u>1,931,325</u>	<u>4,118,998</u>
Deferred outflow of resources related to pension	<u>7,409</u>	<u>11,166</u>	<u>4,750</u>
Total Assets and Deferred Outflow of Resources	<u>\$ 1,950,860</u>	<u>\$ 10,528,946</u>	<u>\$ 5,072,373</u>
LIABILITIES			
Current liabilities:			
Accounts payable	8,877	319,811	10,893
Accrued payables	45,080	41,039	16,130
Advance from other funds	1,100,000	--	159,396
Revenue bonds payable	--	--	97,182
Total current liabilities	<u>1,153,957</u>	<u>360,850</u>	<u>283,601</u>
Noncurrent liabilities:			
Customer meter deposits	--	56,000	100
Net pension liability	139,345	210,014	89,332
Revenue bonds payable	--	--	1,129,854
Unearned revenue	<u>--</u>	<u>15,175</u>	<u>250</u>
Total noncurrent liabilities	<u>139,345</u>	<u>281,189</u>	<u>1,219,536</u>
Total liabilities	<u>1,293,302</u>	<u>642,039</u>	<u>1,503,137</u>
Deferred Inflow of Resources Related to Pensions	<u>22,937</u>	<u>34,569</u>	<u>14,704</u>
Total Liabilities and Deferred Inflow of Resources	<u>\$ 1,316,239</u>	<u>\$ 676,608</u>	<u>\$ 1,517,841</u>
NET POSITION			
Net investment in capital assets	\$ 1,335,727	\$ 1,931,325	\$ 2,854,880
Restricted:			
Future operations	--	--	37,082
Capital Projects	--	1,000,000	100,000
Non spendable	502,688	123,990	8,548
Unrestricted:			
Unreserved	<u>(1,203,794)</u>	<u>6,797,023</u>	<u>554,022</u>
Total net position	<u>\$ 634,621</u>	<u>\$ 9,852,338</u>	<u>\$ 3,554,532</u>

See notes to financial statements.

Wastewater Utility Fund	Total
\$ 2,521,781	\$ 9,161,118
92,728	667,842
--	2,271,147
--	635,226
839	22,819
<u>2,615,348</u>	<u>12,758,152</u>
<u>--</u>	<u>37,082</u>
<u>--</u>	<u>37,082</u>
13,656,495	28,923,259
(5,110,576)	(13,028,372)
<u>8,545,919</u>	<u>15,894,887</u>
<u>8,545,919</u>	<u>15,931,969</u>
<u>7,526</u>	<u>30,851</u>
<u>\$ 11,168,793</u>	<u>\$ 28,720,972</u>
\$ 14,701	\$ 354,282
24,062	126,311
153,138	1,412,534
179,818	277,000
<u>371,719</u>	<u>2,170,127</u>
--	56,100
141,546	580,237
2,898,609	4,028,463
839	16,264
<u>3,040,994</u>	<u>4,681,064</u>
<u>3,412,713</u>	<u>6,851,191</u>
<u>23,300</u>	<u>95,510</u>
<u>3,436,013</u>	<u>6,946,701</u>
\$ 5,467,492	\$ 11,589,424
--	37,082
220,000	1,320,000
--	635,226
<u>2,045,288</u>	<u>8,192,539</u>
<u>\$ 7,732,780</u>	<u>\$ 21,774,271</u>

City of Mora, Minnesota
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Assets
For the Year Ended December 31, 2018

	Business- Type Activities - Enterprise Funds		
	Municipal Liquor Fund	Electric Utility Fund	Water Utility Fund
Operating revenues:			
Sales and charges for services	\$ 3,277,996	\$ 5,066,004	\$ 665,722
Less cost of goods sold	(2,410,902)	(4,187,871)	--
Miscellaneous	--	653,116	10,500
Total operating revenues	<u>867,094</u>	<u>1,531,249</u>	<u>676,222</u>
Operating expenses:			
Employee service	270,050	441,841	190,838
Supplies	34,998	10,898	74,011
Interest expense	39,000	547	26,837
Utilities expense	24,472	15,824	24,179
Other service charges	102,369	624,782	35,709
Depreciation	61,357	164,038	298,532
Total operating expenses	<u>532,246</u>	<u>1,257,930</u>	<u>650,106</u>
Operating income	<u>334,848</u>	<u>273,319</u>	<u>26,116</u>
Nonoperating revenues (expenses):			
Interest earnings	793	132,797	4,954
Change in pension	(154,873)	(233,417)	(99,286)
Miscellaneous	5,907	(50,836)	91,788
Total nonoperating revenues (expenses)	<u>(148,173)</u>	<u>(151,456)</u>	<u>(2,544)</u>
Income (loss) before transfers	<u>186,675</u>	<u>121,863</u>	<u>23,572</u>
Transfers in	--	10,573	750
Transfers out	<u>(298,942)</u>	<u>(65,514)</u>	<u>(1,140)</u>
Changes in net position	<u>(112,267)</u>	<u>66,922</u>	<u>23,182</u>
Total net position - beginning	<u>746,888</u>	<u>9,785,416</u>	<u>3,531,350</u>
Total net position - ending	<u>\$ 634,621</u>	<u>\$ 9,852,338</u>	<u>\$ 3,554,532</u>

See notes to financial statements.

Wastewater Utility Fund	Total
\$ 988,661	\$ 9,998,383
--	(6,598,773)
16,800	680,416
<u>1,005,461</u>	<u>4,080,026</u>
292,524	1,195,253
75,705	195,612
36,167	102,551
61,835	126,310
41,197	804,057
474,362	998,289
<u>981,790</u>	<u>3,422,072</u>
<u>23,671</u>	<u>657,954</u>
8,349	146,893
(157,320)	(644,896)
95,720	142,579
<u>(53,251)</u>	<u>(355,424)</u>
(29,580)	302,530
750	12,073
(1,140)	(366,736)
<u>(29,970)</u>	<u>(52,133)</u>
7,762,800	21,826,454
<u>\$ 7,732,830</u>	<u>\$ 21,774,321</u>

City of Mora Minnesota
Proprietary Funds
Statement of Cash Flows
For the Year Ended December 31, 2018

	Business - Type Activities - Enterprise Funds		
	Municipal Liquor Fund	Electric Utility Fund	Water Utility Fund
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 3,297,531	\$ 5,024,947	\$ 681,507
Cash payments for interest expense	(39,000)	(547)	(26,837)
Cash payments to suppliers	(2,572,815)	(4,198,018)	(12,058)
Cash payments to employees	(270,050)	(441,841)	(190,838)
Net cash provided by operating activities	<u>415,666</u>	<u>384,541</u>	<u>451,774</u>
CASH FLOWS FROM NONCAPITAL FINANCING:			
Miscellaneous revenue	5,907	(50,836)	91,788
Transfers in (out)	(298,942)	(54,941)	(390)
Net cash provided by (used in) negotiated activities	<u>(293,035)</u>	<u>(105,777)</u>	<u>91,398</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Bond principal payments	--	--	(97,822)
Acquisition of capital assets	--	(31,133)	(752,071)
Advance to other funds	(100,000)	238,695	(8,843)
Net cash provided (used in) capital and related financing activities	<u>(100,000)</u>	<u>207,562</u>	<u>(858,736)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	<u>793</u>	<u>132,797</u>	<u>4,954</u>
Net increase (decrease) in cash and cash equivalents	23,424	619,123	(310,610)
Cash at Beginning of Year, including restricted cash	62,801	5,123,690	1,157,991
Cash at End of Year, including restricted cash	<u>\$ 86,225</u>	<u>\$ 5,742,813</u>	<u>\$ 847,381</u>

See notes to financial statements.

Wastewater Utility Fund	Total Current Year
\$ --	\$ 9,003,985
--	(66,384)
--	(6,782,891)
503,148	(399,581)
<u>503,148</u>	<u>1,755,129</u>
95,720	142,579
<u>(390)</u>	<u>(354,663)</u>
<u>95,330</u>	<u>(212,084)</u>
(181,178)	(279,000)
(9,861)	(793,065)
<u>(8,496)</u>	<u>121,356</u>
<u>(199,535)</u>	<u>(950,709)</u>
8,349	146,893
407,292	739,229
2,114,489	8,458,971
<u>\$ 2,521,781</u>	<u>\$ 9,198,200</u>

City of Mora, Minnesota
Proprietary Funds
Statement of Cash Flows
For the Year Ended December 31, 2018

	Business - Type Activities - Enterprise Funds		
	Municipal Liquor Fund	Electric Utility Fund	Water Utility Fund
Reconciliation of operating income to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 334,848	\$ 273,319	\$ 26,116
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	61,357	164,038	298,532
(Increase) decrease in interest receivable	--	--	--
(Increase) decrease in accounts receivable	19,535	(41,057)	5,285
(Increase) decrease in other receivables	--	--	--
(Increase) decrease in special assessments	--	6,653	128,411
(Increase) decrease in inventory	(2,839)	(10,627)	(296)
(Increase) decrease in prepaid insurance	--	--	--
Increase (decrease) in accounts payable	1,493	(11,936)	(861)
Increase (decrease) in accrued payables	1,272	1,908	(4,673)
Increase (decrease) in other liabilities	--	2,243	(740)
Total adjustments	80,818	111,222	425,658
Net cash provided (used) by operating activities	<u>\$ 415,666</u>	<u>\$ 384,541</u>	<u>\$ 451,774</u>
Noncash capital and related financing activities:			
Change in Pension	\$ (154,873)	\$ (233,417)	\$ (99,286)

See notes to financial statements.

<u>Wastewater Utility Fund</u>	<u>Total Current Year</u>
<u>\$ 23,621</u>	<u>\$ 657,904</u>
474,362	998,289
--	--
5,370	(10,867)
--	--
--	135,064
--	(13,762)
--	--
(781)	(12,085)
576	(917)
--	1,503
<u>479,527</u>	<u>1,097,225</u>
<u><u>\$ 503,148</u></u>	<u><u>\$ 1,755,129</u></u>
 \$ (157,320)	 \$ (644,896)

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CITY OF MORA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

City of Mora, Minnesota
Notes to Financial Statements
December 31, 2018

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.

Component Units:

The Economic Development Authority (EDA) - is responsible for improving the community's 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 two seats reserved for a members of the City Council. The EDA provides services exclusively or almost exclusively within the city limits, 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 HRA manages 43 units of low rent public housing, 24 units of elderly Sec. 515 housing, 22 units of elderly 202 PRAC housing, 24 units of affordable senior housing with optional services, 81 section-8 vouchers, 25 Bridges rental assistance vouchers, 30 assisted living/memory care units, a senior community center and of which, for financial purposes, includes all of the activities relevant to its operations.

City of Mora, Minnesota
Notes to Financial Statements
December 31, 2018

NOTE 1: Summary of Significant Accounting Policies (Continued)

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 on 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.

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.

City of Mora, Minnesota
Notes to Financial Statements
December 31, 2018

NOTE 1: Summary of Significant Accounting Policies (Continued)

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

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 payment is due.

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.

Capital Project Funds:

Fund 453 the Grove & Wood Street Improvement

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, 2018

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, 2018

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 4% 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, 2018

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.

Assets	Useful Life in Years
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, 2018

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 \$125,754 in 2017 to \$121,686 in 2018.

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 issuance costs are considered 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, 2018

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, 2018

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, 2018 are as follows:

Neighborhood National Bank - Checking	\$ 2,189,428
First Citizens Bank - HiFi	3,834,145
Wells Fargo	2,048,260
Morgan Stanley & Smith Barney	3,538,059
Total Deposits	<u>\$ 11,609,892</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, 2018

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) General obligations of the Minnesota housing finance agency which is a moral obligation of the State of Minnesota and is rated "A" or better by a national bond rating agency.
- (i) Any security which is an obligation of a School District with an original maturity not exceeding 13 months and (i) rated in the highest category by a national bond rating service or (ii) enrolled in the credit enhancement program pursuant to section 126C.55.
- (j) The City's investment policy restricts the terms of investments.

City of Mora, Minnesota
Notes to Financial Statements
December 31, 2018

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	Grove & Wood St.	Municipal Liquor	Electric Utility
Receivables:				
Interest	\$ --	\$ --	\$ --	\$ --
Taxes-delinquent	8,244	--	--	--
Accounts	65,669	--	18,811	448,505
Special assessments	18,530	319,573	--	--
Intergovernmental	--	--	--	--
Advances to others	71,047	--	--	2,271,147
Gross receivables	163,490	319,573	18,811	2,719,652
Less: Allowance for Uncollectible*	--	--	--	--
Net total receivables	<u>\$ 163,490</u>	<u>\$ 319,573</u>	<u>\$ 18,811</u>	<u>\$ 2,719,652</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.

<u>Water Utility</u>	<u>Wastewater Utility</u>	<u>Nonmajor and other Funds</u>	<u>Total</u>
\$ --	\$ --	\$ --	\$ --
--	--	6,023	14,267
107,798	92,758	36,556	770,097
21,980	839	663,840	1,024,762
--	--	--	--
--	--	--	2,342,194
129,778	93,597	706,419	4,151,320
--	--	--	--
<u>\$ 129,778</u>	<u>\$ 93,597</u>	<u>\$ 706,419</u>	<u>\$ 4,151,320</u>

City of Mora, Minnesota
Notes to Financial Statements
December 31, 2018

NOTE 3: Detailed Notes on All Funds(Continued)

D. Capital Assets

Capital assets activity for the year ended December 31, 2018 was as follows:

Governmental Activities	Beginning Balances	Increase	Decrease*	Ending Balances
Capital assets, not being depreciated:				
Land	\$ 1,455,973	\$ --	\$ --	\$ 1,455,973
Construction in progress	--	--	--	--
Total capital assets, not being depreciated	<u>1,455,973</u>	<u>--</u>	<u>--</u>	<u>1,455,973</u>
Capital assets, being depreciated:				
Land Improvements	7,263,436	76,280	--	7,339,716
Buildings	3,364,483	32,332	--	3,396,815
Infrastructure	12,494,597	316,100	--	12,810,697
Machinery, Equipment, Vehicles	3,443,436	97,627	--	3,541,063
Total capital assets, being depreciated	<u>26,565,952</u>	<u>522,339</u>	<u>--</u>	<u>27,088,291</u>
Less: accumulated depreciation for:				
Land Improvements	3,186,046	162,431	--	3,348,477
Buildings	1,366,276	64,363	--	1,430,639
Infrastructure	4,904,764	338,125	--	5,242,889
Machinery, Equipment, Vehicles	2,842,750	113,935	--	2,956,685
Total accumulated depreciation	<u>12,299,836</u>	<u>678,854</u>	<u>--</u>	<u>12,978,690</u>
Total capital assets, being depreciated, net	<u>14,266,116</u>	<u>(156,515)</u>	<u>--</u>	<u>14,109,601</u>
Governmental activities capital assets, net	<u>\$ 15,722,089</u>	<u>\$ (156,515)</u>	<u>\$ --</u>	<u>\$ 15,565,574</u>

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

City of Mora, Minnesota
Notes to Financial Statements
December 31, 2018

NOTE 3: Detailed Notes on All Funds (Continued)

D. Capital Assets (Continued)

Business - Type Activities	Beginning Balances	Increase	Decrease*	Ending Balances
Capital assets, not being depreciated:				
Land	\$ 356,036	\$ --	\$ --	\$ 356,036
Construction in progress	--	--	--	--
Total capital assets, not being depreciated	<u>356,036</u>	<u>--</u>	<u>--</u>	<u>356,036</u>
Capital assets, being depreciated:				
Buildings	10,982,823	9,860	--	10,992,683
Other Improvements	13,918,691	783,204	--	14,701,895
Equipment and fixtures	2,872,645	--	--	2,872,645
Total capital assets, being depreciated	<u>27,774,159</u>	<u>793,064</u>	<u>--</u>	<u>28,567,223</u>
Less: accumulated depreciation for:				
Buildings	2,590,728	387,213	--	2,977,941
Other Improvements	7,150,948	506,131	--	7,657,079
Equipment and fixtures	2,288,406	104,945	--	2,393,351
Total accumulated depreciation	<u>12,030,082</u>	<u>998,289</u>	<u>--</u>	<u>13,028,371</u>
Total capital assets being depreciated, net	<u>15,744,077</u>	<u>(205,225)</u>	<u>--</u>	<u>15,538,852</u>
Business - type activities capital assets, net	<u>\$ 16,100,113</u>	<u>\$ (205,225)</u>	<u>\$ --</u>	<u>\$ 15,894,888</u>

Depreciation expense was charged to functions/programs as follows:

<u>Governmental Activities</u>	
General government	\$ 40,731
Public safety	128,982
Public works	481,986
Culture and recreation	20,366
Cemetery	6,789
Miscellaneous	--
Total depreciation expense - governmental activities	<u>\$ 678,854</u>
<u>Business - Type Activities</u>	
Electric utility	\$ 164,038
Water utility	298,532
Wastewater utility	474,362
Liquor	61,357
Total depreciation expense - business - type activities	<u>\$ 998,289</u>

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

City of Mora, Minnesota
Notes to Financial Statements
December 31, 2018

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, 2018.

	Due To	Due From
Special Revenue Funds:		
Storm Water Utility	\$ 90,708	\$ --
Fire Fund	26,284	--
Cemetery Fund	35,085	--
MIC Loan Fund	--	90,708
TIF 1-11 KSB	--	61,369
Capital Projects Fund:		
Future Fire Equipment	--	487,098
Future Improvements	--	402,769
Howe Avenue	60,240	--
Downtown Feed Mill	30,092	--
Airport Kastenbauer House	97,389	--
Crosswind	180,695	--
Parker	289,008	--
7th and Grove Street	313,936	--
Debt Service Fund:		
Fire Station 2003	--	81,493
	<u>\$ 1,123,437</u>	<u>\$ 1,123,437</u>

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

The following are the balances of Advances to and from other funds at December 31, 2018.

	Advance To	Advance From
General Fund	\$ 71,047	\$ --
Capital Project Funds:		
Fire Station	--	82,464
Grove & Wood St	--	556,583
Special Revenue Funds:		
TIF 1-11 KSB	--	290,613
Enterprise Funds:		
Liquor Store	--	1,100,000
Electric Utility	2,271,147	--
Water Utility	--	159,396
Wastewater Utility	--	153,138
	<u>\$ 2,342,194</u>	<u>\$ 2,342,194</u>

The above amounts were used to fund various projects for the City.

City of Mora, Minnesota
Notes to Financial Statements
December 31, 2018

NOTE 3: Detailed Notes on All Funds (Continued)

E. Interfund Receivables, Payables, and Transfers (Continued)

Interfund transfers out:

General Fund	\$ 118,903
Other governmental funds	319,866
Enterprise	<u>366,736</u>
Total transfers out	<u><u>\$ 805,505</u></u>

Interfund transfers in:

General Fund	\$ 377,682
Other governmental funds	415,750
Enterprise	<u>12,073</u>
Total transfers out	<u><u>\$ 805,505</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, 2018

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	1.3 - 4%	300,000
Governmental Activities	2.5-3%	1,290,000
Governmental Activities	1.7 - 3.2%	1,039,495
Governmental Activities	3.0 - 3.1%	1,325,000
Total governmental activities		<u>3,954,495</u>
Business-Type Activities	2.5-3%	1,004,000
Business-Type Activities	1.000%	405,505
Business-Type Activities	1.862%	2,895,958
Total business-type activities		<u>\$ 4,305,463</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>
2019	262,000	112,847	277,000	58,916
2020	292,000	105,705	280,000	54,922
2021	297,000	97,951	282,000	50,892
2022	305,500	89,748	287,500	46,815
2023	230,500	82,484	290,500	42,668
2024-2028	1,152,495	314,106	1,515,505	146,648
2029-2033	735,000	177,124	1,102,000	51,870
2034-2038	680,000	49,419	270,958	10,000
Total	<u>\$ 3,954,495</u>	<u>\$ 1,029,384</u>	<u>\$4,305,463</u>	<u>\$ 462,731</u>

Revenue Bonds

The government has issued 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 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 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 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	3.000%	\$1,004,000
2.	Water & Sewer	1.000%	405,505
3.	Sewer	1.000%	2,895,958
			<u>\$4,305,463</u>

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City of Mora, Minnesota
Notes to Financial Statements
December 31, 2018

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, 2018:

	Beginning Balance	Additions	Reductions
GOVERNMENTAL ACTIVITIES			
General obligation bonds:			
G.O. Street, Series 2011A	\$ 370,000	\$ --	\$ 70,000
G.O. Bond Series 2015 B	1,345,000	--	55,000
G.O. Bond Series 2015C	1,125,495	--	86,000
G.O. Improvement, Series 2017A	1,325,000	--	--
Total general obligation bonds-			
Governmental activities long-term			
liabilities	<u>\$ 4,165,495</u>	<u>\$ --</u>	<u>\$ 211,000</u>
BUSINESS - TYPE ACTIVITIES			
G.O. Water Rev. Note 2010	\$ 1,078,000	\$ --	\$ 74,000
G.O. Bond Series 2015C	449,505	--	44,000
G.O. Sewer Rev. Note 2015	3,056,958	--	161,000
Total bonds payable Business -			
type activities long-term liabilities	<u>\$ 4,584,463</u>	<u>\$ --</u>	<u>\$ 279,000</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, 2018 and descriptions are as follows:

<u>Enterprise Funds - Restricted</u>	
Electric Utility	1,000,000
Water Utility	137,082
Wastewater Utility	220,000
Total	<u>\$ 1,357,082</u>

Ending Balance	Amounts Due Within One Year
\$ 300,000	\$ 70,000
1,290,000	60,000
1,039,495	97,000
<u>1,325,000</u>	<u>35,000</u>
<u>\$ 3,954,495</u>	<u>\$ 262,000</u>
\$ 1,004,000	\$ 76,000
405,505	38,000
<u>2,895,958</u>	<u>163,000</u>
<u>\$ 4,305,463</u>	<u>\$ 277,000</u>

City of Mora, Minnesota
Notes to the Financial Statements
December 31, 2018

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 District No. 2-2; Redevelopment District No. 1-15, and Tax Increment Financing Districts No. 1-11.

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 - 2018	\$ 49,528
Current Net Tax Capacity	46,654
Base Net Tax Capacity	3,082
Captured Net Tax Capacity	43,571
Captured Net Tax Capacity shared with other taxing jurisdictions	--
Captured Tax Capacity retained by authority	43,571
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 - 2018	\$ 52,800
Current Net Tax Capacity	36,501
Base Net Tax Capacity	750
Captured Net Tax Capacity	35,751
Captured Net Tax Capacity shared with other taxing jurisdictions	--
Captured Tax Capacity retained by authority	35,751
Financial Obligations:	
Limited Revenue Note – Original Obligation	772,000

City of Mora, Minnesota
Notes to Financial Statements
December 31, 2018

NOTE 3: Detailed Notes on All Funds (Continued)

H. Tax Increment Financing (Continued)

3. Redevelopment District 1-15 (HRA Maysa House)

Redevelopment District No. 1-15 was established in 2017 within Development District No. 1 under the authority of Minnesota Statutes 273.73, Subdivision 10, paragraph (a) (1).

Certification Request Date	06/07/17
Year First Increment Received	TBD
Date of Required Decertification	TBD
Tax Increment Revenue - 2017	\$ --
Current Net Tax Capacity	--
Base Net Tax Capacity	--
Captured Net Tax Capacity	--
Captured Net Tax Capacity shared with other taxing jurisdictions	--
Captured Tax Capacity retained by authority	--
Financial Obligations:	
Limited Revenue Note - Original Obligation	--

I. Tax Abatements

The City enters into property tax abatement agreements with local businesses under the State of Minnesota Statutes 469. Under the Statutes, localities may grant property tax abatements of up to 10 percent of the net tax capacity of the City for the purpose of attracting or retaining businesses within their jurisdictions. The abatements may be granted to any business located within or promising to relocate to the City.

For the fiscal year ended December 31, 2018, the City abated property taxes totaling \$69,568 under this program, including the following tax abatement agreements:

- A tax abatement agreement with a local business to encourage job creation. The agreement is to abate ninety percent of city-related property taxes, and the amount abated was \$2,034.
- A tax abatement agreement with a local business to encourage residential dwelling. The agreement is to abate \$100 per dwelling of city-related property taxes, and the amount abated was \$1,134.
- A tax increment agreement with a local business for site improvements. The agreement is to abate 75% of city-related property taxes, and the amount abated was \$16,420.
- A tax increment agreement with a local business for site improvements. The agreement is to abate 95% of city-related property taxes, and the amount abated was \$50,160.

City of Mora, Minnesota
Notes to Financial Statements
December 31, 2018

NOTE 3: Detailed Notes on All Funds (Continued)

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, 2018

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, 2018 as follows:

	<u>Expenditures</u>	<u>Appropriations</u>	<u>Over</u>
Special Revenue Funds:			
Storm Water Utility	\$ 130,383	\$ 64,605	\$ 65,778
Fire Fund	140,950	133,976	6,974
EDA Revolving Loan	23,498	19,025	4,473
Capital Projects:			
Fire Station	2,865	--	2,865
Hwy 23 East	13,053	--	13,053
Downtown Feed Mill	115	--	115
Crosswind	91,341	--	91,341
9th and Wood Improvements	120,362	2,270	118,092
Debt Service:			
2015B Wood & Grove	95,475	80,055	15,420
2017A Refunding	37,965	35,894	2,071

O. Defined Benefit Pension Plan -Statewide

1. Plan Description

The City participates in the following cost-sharing multiple-employer defined benefit plans administered by the Public Employers Retirement Association of Minnesota (PERA). PERA's defined benefit pension plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356. PERA's defined pension plans are tax qualified plans under Section 401 (a) of the Internal Revenue Code.

General Employees Retirement Plan: All full-time and certain part-time employees of the City of Mora are covered by the General Employees Plan. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

City of Mora, Minnesota
Notes to Financial Statements
December 31, 2018

- Note 3: Detailed Notes on All Funds (Continued)
A. Defined Benefit Pension Plan - Statewide (Continued)
1. Plan Description (Continued)

Benefits Provide

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state legislature. 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 terminated their public service.

General Employees Plan Benefits

General Employees Plan benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.2 percent of average salary for each of the first 10 years of service and 1.7 percent of average salary for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7 percent of average salary for all years of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

Benefit increases are provided to benefit recipients each January. Increases are related to the funding ratio of the plan. If the General Employees Plan is at least 90 percent funded for two consecutive years, benefit recipient are given a 2.5 percent increase. If the plan has not exceeded 90 percent funded, or have fallen below 80 percent, benefit recipients are given a one percent increase. A benefit recipient who has been receiving a benefit for at least 12 full months as of June 30, will receive a full increase. Members receiving benefits for at least one month but less than 12 full months as of June 30, will receive a pro rata increase.

City of Mora, Minnesota
Notes to Financial Statements
December 31, 2018

Note 3: Detailed Notes on All Funds (Continued)
A. Defined Benefit Pension Plan - Statewide(Continued)

1. Plan Description (Continued)

2. Contributions

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the state legislature.

General Employees Fund Contributions

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2018 and the City was required to contribute 7.50 percent for Coordinated Plan members. The City's contributions to the General Employees Fund for the year ended December 31, 2018, were \$102,603. The City's contributions were equal to the required contributions as set by state statute.

3. Pensions Costs

At December 31, 2018, the City of Mora reported a liability of \$1,048,495 for its proportionate share of the General Employees Fund's net pension liability. The City of Mora's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million to the fund in 2018. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the City of Mora totaled \$34,357. The net pension liability was measured as of June 30, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City of Mora's proportion of the net pension liability was based on the City of Mora's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2017, through June 30, 2018, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2018, the City of Mora's proportion share was 0.0189 percent which was a decrease of 0.0010 percent from its proportionate share measured as of June 30, 2017.

City's proportionate share of net pension liability	\$ 1,048,495
State of Minnesota's proportionate share of the net pension liability associated with the City	<u>34,357</u>
Total	<u><u>\$ 1,082,852</u></u>

For the year ended December 31, 2018, the City of Mora recognized pension expense of \$259,847 for its proportionate share of the General Employees Plan's pension expense. In addition, the City of Mora recognized an additional \$8,012 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

City of Mora, Minnesota
Notes to Financial Statements
December 31, 2018

Note 3: Detailed Notes on All Funds (Continued)

A. Defined Benefit Pension Plan - Statewide(Continued)

3. Pension Costs (Continued)

At December 31, 2018, the City of Mora reported its proportionate share of the General Employees Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following source

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	1,242	--
Changes in actuarial assumptions	--	37,171
Difference between projected and actual investments earnings	--	87,536
Change in Proportions	--	47,880
Contribution paid to PERA subsequent to the measurement date	54,506	--
Total	\$ 55,748	\$ 172,587

\$55,748 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	Pension Expense Amount
2019	15,583
2020	15,583
2021	15,583
2022	15,584

4. Actuarial Assumptions

The total pension liability in the June 30, 2018, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50 % per year
Active Member Payroll Growth	3.25% per year
Investment Rate of Return	7.50%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors and disabilitants were based on RP-2014 tables for males or females, as appropriate, with slight adjustments to fit PERA's experience. Cost of living benefit increases for retirees are assumed to be 1.25 percent per year for the General Employees Plan.

Actuarial assumptions used in the June 30, 2018, valuation were based on the results of actuarial experience studies. The most recent six-year experience study in the General Employees Plan was completed in 2015. Economic assumptions were updated in 2017 based on a review of inflation and investment return assumptions.

City of Mora, Minnesota
Notes to Financial Statements
December 31, 2018

Note 3: Detailed Notes on All Funds (Continued)

A. Defined Benefit Pension Plan - Statewide (Continued)

4. Actuarial Assumptions (Continued)

The following changes in actuarial assumptions occurred in 2018:

General Employees Fund

The mortality projection scale was changed from MP-2015 to MP-2017. The assumed post-retirement benefit increase was changed from 1.0 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year.

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Stocks	36%	5.10%
International Stocks	17%	5.30%
Bonds	20%	0.75%
Alternative Assets	25%	5.90%
Cash	2%	0.00%

5. Discount Rate

The discount rate used to measure the total pension liability in 2018 was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net positions of the General Employees Fund were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

6. Pension Liability Sensitivity

The following presents the City of Mora's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City of Mora's proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

City of Mora, Minnesota
Notes to Financial Statements
December 31, 2018

Note 3: Detailed Notes on All Funds (Continued)

A. Defined Benefit Pension Plan - Statewide(Continued)

6. Pension Liability Sensitivity(Continued)

	1% Decrease in Discount Rate (6.5%)	Discount Rate (7.5%)	1% Increase in Discount Rate (8.5%)
City's proportionate share of the GERF net pension liability:	\$1,703,938	\$1,048,495	\$507,445

7. Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org.

8. 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, 2018

NOTE 3: Detailed Notes on All Funds (Continued)

8. Mora Firefighters Relief Association (Continued)

b. Related Party Transactions

During 2018, and as of December 2018, the Association held no securities by the city or other related parties.

c. Contributions

The total lump sum benefit for the members as of December 31, 2018. 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, 2018:

Special Revenue Funds:

Storm Water Utility	\$ (87,109)
Cemetery Fund	(35,605)
TIF 1-11 KSB	(221,653)

Capital Project Funds:

Fire Station	(82,464)
Howe Avenue Reconstruction	(59,974)
Downtown Feed Mill Redevelopment	(30,092)
Airport Kastenbauer House	(97,389)
Crosswind/Yank Property	(180,695)
Parker Project	(289,008)
7th and Grove Street	(313,936)

City of Mora, Minnesota
Notes to Financial Statements
December 31, 2018

NOTE: 5 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, 2018

City of Mora
Mora, Minnesota
Required Supplementary Information
Schedule of City's Proportionate Share of Net Pension Liability and City's Contributions
PERA General Employees Retirement Fund
December 31, 2018

Schedule of City's Proportionate Share of Net Pension Liability

Fiscal Year Ending December 31,	Proportion (Percentage) of the Net Pension Liability (Asset)	Proportionate Share (Amount) of the Net Pension Liability (Assets) (a)	Covered Payroll (b)	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll (a/b)	Plan Fiduciary Net Position of the Total Pension Liability
2018	0.0189%	\$ 1,048,495	\$ 1,375,660	76.2%	79.5%
2017	0.0199%	\$ 1,270,403	\$ 1,260,486	100.8%	75.9%
2016	0.0199%	\$ 1,615,781	\$ 1,245,081	129.8%	63.8%
2015	0.0205%	\$ 1,062,416	\$ 1,243,504	85.4%	78.7%

Note: This schedule is intended to report ten-year trends. Additional years will be reported when they are available.

Schedule of City's Contributions

Fiscal Year Ending December 31,	Statutory Required Contribution (a)	Contributions in Relation to the Statutorily Required Contributions (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (d)	Contributions as a Percentage of Covered Payroll (b/d)
2018	\$ 102,603	\$ 102,603	\$ --	\$ 1,375,660	7.50%
2017	\$ 94,439	\$ 94,439	\$ --	\$ 1,260,486	7.49%
2016	\$ 93,128	\$ 93,128	\$ --	\$ 1,245,081	7.48%
2015	\$ 93,262	\$ 93,262	\$ --	\$ 1,243,504	7.50%

Note: This schedule is intended to report ten-year trends. Additional years will be reported when they are available.

City of Mora, Minnesota
 Grove and Wood Street Improvements - Capital Projects Fund - 453
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended December 31, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Property taxes	\$ --	\$ --	\$ --
Special assessments	--	58,329	58,329
Interest earnings	--	379	379
Miscellaneous	--	--	--
Total revenues	<u>--</u>	<u>58,708</u>	<u>58,708</u>
EXPENDITURES			
Capital outlay	--	--	--
Professional services	--	--	--
Miscellaneous	--	5,798	5,798
Total expenditures	<u>--</u>	<u>5,798</u>	<u>5,798</u>
Excess (deficiency) of revenues over (under) expenditures	--	52,910	52,910
OTHER FINANCING SOURCES (USES)			
Proceeds from bond sale	--	--	--
Transfers in (out)	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	--	52,910	52,910
Fund balances - beginning	<u>(462,451)</u>	<u>(462,451)</u>	<u>--</u>
Fund balances - ending	<u>\$ (462,451)</u>	<u>\$ (409,541)</u>	<u>\$ 52,910</u>

City of Mora, Minnesota
 Component Unit - Economic Development Authority - 227
 Balance Sheet
 December 31, 2018

	<u>EDA</u>
ASSETS	
Cash and Investments	\$ 50,334
Accounts receivable	551
Prepaid Insurance	<u>-</u>
Total Assets	<u><u>\$ 50,885</u></u>
 LIABILITIES AND FUND BALANCE	
Liabilities:	
Accrued Expenses	\$ 1,396
Total Liabilities	<u>1,396</u>
Fund Balance:	
Unreserved	<u>49,489</u>
Total Fund Balance	<u>49,489</u>
Total Liabilities and Fund Balance	<u><u>\$ 50,885</u></u>

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, 2018

	Original and Amended Budgeted Amounts	EDA
REVENUES		
State grants and aids	\$ --	\$ --
Contributions	1,365	1,527
Investment earnings	100	77
Total revenues	<u>1,465</u>	<u>1,604</u>
EXPENDITURES		
Salaries	24,052	21,148
Professional services	200	5,734
Supplies	100	64
Capital outlay	--	--
Miscellaneous	12,007	11,551
Total expenditures	<u>36,359</u>	<u>38,497</u>
Excess (deficiency) of revenues over (under) expenditures	(34,894)	(36,893)
OTHER FINANCING SOURCES (USES)		
Transfer in	50,000	50,000
Transfer (out)	(136)	(147)
Total other financing sources (uses)	<u>49,864</u>	<u>49,853</u>
Net change in fund balance	14,970	12,960
Fund balances - beginning	<u>36,529</u>	<u>36,529</u>
Fund balances - ending	<u>\$ 51,499</u>	<u>\$ 49,489</u>

See notes to financial statements.

City of Mora, Minnesota
 Component Unit - Housing and Redevelopment Authority
 Balance Sheet
 For the Year Ended December 31, 2018

	<u>HRA</u>
ASSETS	
Cash and Investments	\$ 635,306
Restricted cash	276,481
Accounts receivable	119,447
Prepaid Insurance	23,410
Capital assets (net of accumulated depreciation)	<u>3,792,457</u>
Total Assets	<u><u>\$ 4,847,101</u></u>
 LIABILITIES AND NET POSITION	
Liabilities:	
Accounts payable	\$ 212,752
Accrued liabilities	69,350
Compensated absences	5,459
Noted payable	<u>4,105,617</u>
Total Liabilities	<u><u>4,393,178</u></u>
Net Position:	
Net investment in capital assets	(313,159)
Restricted	276,481
Unrestricted	<u>490,601</u>
Total Net Position	<u><u>453,923</u></u>
Total Liabilities and Net Position	<u><u>\$ 4,847,101</u></u>

See notes to financial statements.

City of Mora, Minnesota
 Component Unit - Housing and Redevelopment Authority
 Schedule of Revenues, Expenditures, and Changes in Net Position
 For the Year Ended December 31, 2018

	Budget	HRA
OPERATING REVENUES:		
Tenant revenue	\$ --	\$ 1,530,803
Program grants - subsidies	--	449,844
Other government grants	--	170,568
Other income	--	156,696
Total operating revenues	<u>--</u>	<u>2,307,911</u>
OPERATING EXPENDITURES:		
Administration	--	501,765
Tenant services	--	642,427
Utilities	--	102,278
Maintenance	--	192,545
General	--	133,545
Housing assistance payments	--	486,366
Depreciation	--	274,706
Total operating expenditures	<u>--</u>	<u>2,333,632</u>
OPERATING INCOME	--	(25,721)
NONOPERATING REVENUES AND (EXPENSES):		
Interest income	--	1,134
Interest expense	--	(183,379)
Loss on sale of capital assets	--	(21,049)
Capital grant contributions	--	29,550
Total nonoperating revenue and (expenses)	<u>--</u>	<u>(173,744)</u>
Net change in position	--	(199,465)
Net Position - beginning	<u>--</u>	<u>653,388</u>
Net Position - ending	<u><u>\$ --</u></u>	<u><u>\$ 453,923</u></u>

See notes to financial statements.

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City of Mora, Minnesota
COMBINING AND INDIVIDUAL
FUND STATEMENTS AND SCHEDULES
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2018

Special Revenue Funds

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

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

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.

MIC Loan Fund - To account for funds acquired and loaned to local business 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 1-11 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.

Small Cities Development Program - To account for the revenue and expenses associated with the City Development Program.

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.

Highway 23 East Fund - To account for revenue and expenditures related to Highway 23 East construction 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.

Crosswind/Yank Property - To account for revenues and expenses related to the runway project.

Parker Capital Project - To account for revenues and expenses related to the Parker Project.

2012 7th and Grove Street Improvement - To account for revenues and expenses related to improvements.

9th & Wood St. Improvements - To account for revenues and expenses related to the 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.

2008-2011 Street Reconstruction Fund - To account for revenues and expenditures, including tax collections and bond payments for the 2008-2010 Street Reconstruction bonds.

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

2015B Wood & Grove - To account for revenues and expenditures, including tax collections and bond payments for Wood & Grove.

2015C Refunding - To account for revenues and expenditures, including tax collections and bond payments for the refunding.

2017A Refunding - To account for revenues and expenditures, including tax collections and bond payments for the refunding.

Permanent Fund

Perpetual Care Fund - To care for the ongoing operations of the City Cemetery.

City of Mora, Minnesota
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2018

	Special Revenue Funds			
	220	222	225	230
	Storm	Fire	Cemetery	EDA
	Water	Fund	Fund	Revolving
	Utility			Loan
ASSETS				
Cash and investments	\$ --	\$ --	\$ --	\$ 52,902
Accounts receivable	4,856	25,439	184	--
Interest receivable	--	--	--	--
Taxes receivable - delinquent	--	--	--	--
Special assessments receivable - Deferred	--	2,712	--	--
Due from other funds	--	--	--	--
Due from other governments	--	--	--	--
Note receivable	--	--	--	--
Prepaid insurance	--	--	--	--
Total Current Assets	<u>4,856</u>	<u>28,151</u>	<u>184</u>	<u>52,902</u>
Restricted Assets:				
Cash and investments	--	--	--	--
Total Restricted Assets	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Assets	<u>\$ 4,856</u>	<u>\$ 28,151</u>	<u>\$ 184</u>	<u>\$ 52,902</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,257	\$ --	\$ 704	\$ --
Due to other funds	90,708	26,284	35,085	--
Advance from other funds	--	--	--	--
Deferred revenue	--	--	--	--
Total liabilities	<u>91,965</u>	<u>26,284</u>	<u>35,789</u>	<u>--</u>
Fund Balances:				
Nonspendable	--	--	--	--
Restricted	--	--	--	--
Committed	--	--	--	--
Assigned	--	--	--	--
Unassigned	<u>(87,109)</u>	<u>1,867</u>	<u>(35,605)</u>	<u>52,902</u>
Total fund balances	<u>(87,109)</u>	<u>1,867</u>	<u>(35,605)</u>	<u>52,902</u>
Total liabilities and fund balances	<u>\$ 4,856</u>	<u>\$ 28,151</u>	<u>\$ 184</u>	<u>\$ 52,902</u>

Special Revenue Funds				
232	237	248	270	Total
MIC Loan Fund	TIF 2-2 Intrepid	TIF 1-11 KSB	Small Cities Development Program	Special Revenue Funds
\$ 3,285	\$ 9,796	\$ 7,591	\$ 9,745	\$ 83,319
--	--	--	--	30,479
--	--	--	--	--
--	--	--	--	--
--	--	--	--	2,712
90,708	--	61,369	--	152,077
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>93,993</u>	<u>9,796</u>	<u>68,960</u>	<u>9,745</u>	<u>268,587</u>
--	--	--	--	--
--	--	--	--	--
<u>\$ 93,993</u>	<u>\$ 9,796</u>	<u>\$ 68,960</u>	<u>\$ 9,745</u>	<u>\$ 268,587</u>
\$ --	\$ --	\$ --	\$ --	\$ 1,961
--	--	--	--	152,077
--	--	290,613	--	290,613
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>290,613</u>	<u>--</u>	<u>444,651</u>
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
93,993	9,796	(221,653)	9,745	(176,064)
<u>93,993</u>	<u>9,796</u>	<u>(221,653)</u>	<u>9,745</u>	<u>(176,064)</u>
<u>\$ 93,993</u>	<u>\$ 9,796</u>	<u>\$ 68,960</u>	<u>\$ 9,745</u>	<u>\$ 268,587</u>

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City of Mora, Minnesota
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2018

	Capital Projects Funds			
	407	409	425	434
	Future Fire Equipment	Future Improvements	Fire Station 2003	Hwy 23 East
ASSETS				
Cash and investments	\$ --	\$ --	\$ --	\$ --
Accounts receivable	--	--	--	--
Interest receivable	--	--	--	--
Taxes receivable - delinquent	--	--	--	--
Special assessments receivable - Deferred	--	--	--	--
Due from other funds	487,098	402,769	--	--
Due from other governments	--	--	--	--
Note receivable	--	--	--	--
Prepaid insurance	--	--	--	--
Total Current Assets	<u>487,098</u>	<u>402,769</u>	<u>--</u>	<u>--</u>
Restricted Assets:				
Cash and investments	--	--	--	--
Total Restricted Assets	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total assets	<u>\$ 487,098</u>	<u>\$ 402,769</u>	<u>\$ --</u>	<u>\$ --</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ --	\$ --	\$ --	\$ --
Due to other funds	--	--	--	--
Advance from other funds	--	--	82,464	--
Deferred revenue	--	--	--	--
Total liabilities	<u>--</u>	<u>--</u>	<u>82,464</u>	<u>--</u>
Fund Balances:				
Nonspendable	--	--	--	--
Restricted	--	--	--	--
Committed	--	--	--	--
Assigned	--	--	--	--
Unassigned	487,098	402,769	(82,464)	--
Total fund balances	<u>487,098</u>	<u>402,769</u>	<u>(82,464)</u>	<u>--</u>
Total liabilities and fund balances	<u>\$ 487,098</u>	<u>\$ 402,769</u>	<u>\$ --</u>	<u>\$ --</u>

	Capital Projects Funds			
	439	440	442	444
	Howe	Downtown	Airport	Crosswind/
	Avenue	Feed Mill	Kastenbauer	Yank
	Reconstruction	Redevelopment	House	Property
ASSETS				
Cash and investments	\$ --	\$ --	\$ --	\$ --
Accounts receivable	266	--	--	--
Interest receivable	--	--	--	--
Taxes receivable - delinquent	--	--	--	--
Special assessments receivable - Deferred	148,506	--	--	--
Due from other funds	--	--	--	--
Due from other governments	--	--	--	--
Note receivable	--	--	--	--
Prepaid insurance	--	--	--	--
Total Current Assets	<u>148,772</u>	<u>--</u>	<u>--</u>	<u>--</u>
Restricted Assets:				
Cash and investments	--	--	--	--
Total Restricted Assets	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total assets	<u>\$ 148,772</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ --	\$ --	\$ --	\$ --
Due to other funds	60,240	30,092	97,389	180,695
Advance from other funds	--	--	--	--
Deferred revenue	148,506	--	--	--
Total liabilities	<u>208,746</u>	<u>30,092</u>	<u>97,389</u>	<u>180,695</u>
Fund Balances:				
Nonspendable	--	--	--	--
Restricted	--	--	--	--
Committed	--	--	--	--
Assigned	--	--	--	--
Unassigned	<u>(59,974)</u>	<u>(30,092)</u>	<u>(97,389)</u>	<u>(180,695)</u>
Total fund balances	<u>(59,974)</u>	<u>(30,092)</u>	<u>(97,389)</u>	<u>(180,695)</u>
Total liabilities and fund balances	<u>\$ 148,772</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

446 Parker Capital Project	451 2012 7th and Grove St. Improvements	455 9th & Wood St. Improvements	Total Capital Projects Funds
\$ --	\$ --	\$ 15,136	\$ 15,136
--	--	--	266
--	--	--	--
--	--	--	--
57,778	--	--	206,284
--	--	--	889,867
--	--	--	--
--	--	--	--
--	--	--	--
<u>57,778</u>	<u>--</u>	<u>15,136</u>	<u>1,111,553</u>
--	--	--	--
--	--	--	--
<u>\$ 57,778</u>	<u>\$ --</u>	<u>\$ 15,136</u>	<u>\$ 1,111,553</u>
\$ --	\$ --	\$ --	\$ --
289,008	313,936	--	971,360
--	--	--	82,464
57,778	--	--	206,284
<u>346,786</u>	<u>313,936</u>	<u>--</u>	<u>1,260,108</u>
--	--	--	--
--	--	--	--
--	--	--	--
--	--	--	--
(289,008)	(313,936)	15,136	(148,555)
<u>(289,008)</u>	<u>(313,936)</u>	<u>15,136</u>	<u>(148,555)</u>
<u>\$ 57,778</u>	<u>\$ --</u>	<u>\$ 15,136</u>	<u>\$ 1,111,553</u>

City of Mora, Minnesota
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2018

	Debt Service			
	525	530	531	532
	Fire	2008-2011	HRA	2015B
	Station	Street	Eastwood	Wood &
	2003	Reconstruction		Grove
ASSETS				
Cash and investments	\$ 52,101	\$ 157,828	\$ 318,123	\$ 51,914
Accounts receivable	971	1,219	--	1,160
Interest receivable	--	--	--	--
Taxes receivable - delinquent	1,253	1,551	--	1,197
Special assessments receivable - Deferred	--	--	--	--
Due from other funds	81,493	--	--	--
Due from other governments	--	--	--	--
Note receivable	--	--	--	--
Prepaid insurance	--	--	--	--
Total Current Assets	<u>135,818</u>	<u>160,598</u>	<u>318,123</u>	<u>54,271</u>
Restricted Assets:				
Cash and investments	--	--	--	--
Total Restricted Assets	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total assets	<u><u>\$ 135,818</u></u>	<u><u>\$ 160,598</u></u>	<u><u>\$ 318,123</u></u>	<u><u>\$ 54,271</u></u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ --	\$ --	\$ 309,313	\$ --
Due to other funds	--	--	--	--
Advance from other funds	--	--	--	--
Deferred revenue	1,253	1,551	--	1,197
Total liabilities	<u>1,253</u>	<u>1,551</u>	<u>309,313</u>	<u>1,197</u>
Fund Balances:				
Nonspendable	--	--	--	--
Restricted	134,565	159,047	8,810	53,074
Committed	--	--	--	--
Assigned	--	--	--	--
Unassigned	--	--	--	--
Total fund balances	<u>134,565</u>	<u>159,047</u>	<u>8,810</u>	<u>53,074</u>
Total liabilities and fund balances	<u><u>\$ 135,818</u></u>	<u><u>\$ 160,598</u></u>	<u><u>\$ 318,123</u></u>	<u><u>\$ 54,271</u></u>

533	535	Total Debt Service Funds	Permanent Fund		Total Nonmajor Governmental Funds
			301	Total Permanent Fund	
2015C Refunding	2017A Refunding		Perpetual Care		
\$ 207,753	\$ 151,598	\$ 939,317	\$ 124,531	\$ 124,531	\$ 1,162,303
1,105	1,356	5,811	--	--	36,556
--	--	--	--	--	--
1,813	209	6,023	--	--	6,023
318,006	136,838	454,844	--	--	663,840
--	--	81,493	--	--	1,123,437
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
<u>528,677</u>	<u>290,001</u>	<u>1,487,488</u>	<u>124,531</u>	<u>124,531</u>	<u>2,992,159</u>
--	--	--	--	--	--
--	--	--	--	--	--
<u>\$ 528,677</u>	<u>\$ 290,001</u>	<u>\$ 1,487,488</u>	<u>\$ 124,531</u>	<u>\$ 124,531</u>	<u>\$ 2,992,159</u>
\$ --	\$ 42	\$ 309,355	\$ --	\$ --	\$ 311,316
--	--	--	--	--	1,123,437
--	--	--	--	--	373,077
319,819	137,047	460,867	--	--	667,151
<u>319,819</u>	<u>137,089</u>	<u>770,222</u>	<u>--</u>	<u>--</u>	<u>2,474,981</u>
--	--	--	--	--	--
208,858	152,912	717,266	--	--	717,266
--	--	--	--	--	--
--	--	--	124,531	124,531	124,531
--	--	--	--	--	(324,619)
<u>208,858</u>	<u>152,912</u>	<u>717,266</u>	<u>124,531</u>	<u>124,531</u>	<u>517,178</u>
<u>\$ 528,677</u>	<u>\$ 290,001</u>	<u>\$ 1,487,488</u>	<u>\$ 124,531</u>	<u>\$ 124,531</u>	<u>\$ 2,992,159</u>

City of Mora, Minnesota
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2018

	Special Revenue Funds			
	220	222	225	230
	Storm Water Utility	Fire Fund	Cemetery Fund	EDA Revolving Loan
REVENUES				
Property taxes	\$ --	\$ --	\$ --	\$ --
Tax increments	--	--	--	--
Special assessments	--	--	--	--
Charges for services	63,578	36,758	54,585	--
Intergovernmental revenue	--	6,270	--	--
Interest earnings	144	1,080	54	523
Miscellaneous -				
Contributions	--	89,868	--	--
Other	883	--	2,070	18,502
Total revenues	<u>64,605</u>	<u>133,976</u>	<u>56,709</u>	<u>19,025</u>
EXPENDITURES				
Public works	130,383	--	--	--
Public safety	--	140,950	--	--
Cemetery	--	--	27,172	--
Housing development	--	--	--	--
Economic development	--	--	--	23,498
Debt service	--	--	--	--
Capital projects	--	--	--	--
Total expenditures	<u>130,383</u>	<u>140,950</u>	<u>27,172</u>	<u>23,498</u>
Excess (deficiency) of revenues over (under) expenditures	(65,778)	(6,974)	29,537	(4,473)
OTHER FINANCING SOURCES (USES)				
Sale of fixed assets	--	--	--	--
Transfers in	--	44,802	--	--
Transfers out	(53,827)	(29,121)	(10,256)	(93,993)
Total other financing sources (uses)	<u>(53,827)</u>	<u>15,681</u>	<u>(10,256)</u>	<u>(93,993)</u>
Net change in fund balances	(119,605)	8,707	19,281	(98,466)
Fund balances - beginning	<u>32,496</u>	<u>(6,840)</u>	<u>(54,886)</u>	<u>151,368</u>
Fund balances - ending	<u>\$ (87,109)</u>	<u>\$ 1,867</u>	<u>\$ (35,605)</u>	<u>\$ 52,902</u>

Special Revenue Funds				
232	237	248	270	Total
MIC Loan Fund	TIF 2-2 Intrepid	TIF 1-11 KSB	Small Cities Development Program	Special Revenue Funds
\$ --	\$ --	\$ --	\$ --	\$ --
--	52,800	49,528	--	102,328
--	--	--	--	--
--	--	--	--	154,921
--	--	--	89,299	95,569
--	--	--	--	1,801
--	--	--	--	89,868
--	--	--	8,845	30,300
--	52,800	49,528	\$ 98,144	474,787
--	--	--	--	130,383
--	--	--	--	140,950
--	--	--	--	27,172
--	50,169	--	--	50,169
--	--	16,429	64,474	104,401
--	--	--	--	--
--	--	--	--	--
--	50,169	16,429	64,474	453,075
--	2,631	33,099	33,670	21,712
--	--	--	--	--
93,993	--	--	--	138,795
--	(2,640)	(16,961)	--	(206,798)
93,993	(2,640)	(16,961)	--	(68,003)
93,993	(9)	16,138	33,670	(46,291)
--	9,805	(237,791)	(23,925)	(129,773)
\$ 93,993	\$ 9,796	\$ (221,653)	\$ 9,745	\$ (176,064)

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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, 2018

	Capital Project Funds			
	407	409	425	434
	Future Fire Equipment	Future Improvements	Fire Station 2003	Hwy 23 East
REVENUES				
Property taxes	\$ --	\$ --	\$ --	\$ --
Tax increments	--	--	--	--
Special assessments	--	--	--	--
Charges for services	--	--	--	--
Intergovernmental revenue	--	--	--	--
Interest earnings	1,490	2,480	--	--
Miscellaneous -				
Contributions	50,015	--	--	--
Other	--	--	--	--
Total revenues	<u>51,505</u>	<u>2,480</u>	<u>--</u>	<u>--</u>
EXPENDITURES				
Public works	--	--	--	--
Public safety	--	--	--	--
Cemetery	--	--	--	--
Housing development	--	--	--	--
Economic development	--	--	--	--
Debt service	--	--	2,865	--
Capital projects	--	--	--	13,053
Total expenditures	<u>--</u>	<u>--</u>	<u>2,865</u>	<u>13,053</u>
Excess (deficiency) of revenues over (under) expenditures	51,505	2,480	(2,865)	(13,053)
OTHER FINANCING SOURCES (USES)				
Sale of fixed assets	--	--	--	--
Transfers in	34,991	45,484	83,703	13,053
Transfers out	(12,324)	(16,894)	--	--
Total other financing sources (uses)	<u>22,667</u>	<u>28,590</u>	<u>83,703</u>	<u>13,053</u>
Net change in fund balances	74,172	31,070	80,838	--
Fund balances - beginning	<u>412,926</u>	<u>371,699</u>	<u>(163,302)</u>	<u>--</u>
Fund balances - ending	<u>\$ 487,098</u>	<u>\$ 402,769</u>	<u>\$ (82,464)</u>	<u>\$ --</u>

	Capital Projects Funds			
	439	440	442	444
	Howe	Downtown	Airport	Crosswind/
	Avenue	Feed Mill	Kastenbauer	Yank
	Reconstruction	Redevelopment	House	Property
REVENUES				
Property taxes	\$ --	\$ --	\$ --	\$ --
Tax increments	--	--	--	--
Special assessments	11,902	--	--	--
Charges for services	--	--	--	--
Intergovernmental revenue	--	--	--	--
Interest earnings	--	--	--	--
Miscellaneous -				
Contributions	--	--	--	--
Other	--	--	--	--
Total revenues	<u>11,902</u>	<u>--</u>	<u>--</u>	<u>--</u>
EXPENDITURES				
Public works	--	--	--	--
Public safety	--	--	--	--
Cemetery	--	--	--	--
Housing development	--	--	--	--
Economic development	--	--	--	--
Debt service	--	--	--	--
Capital projects	--	115	--	91,341
Total expenditures	<u>--</u>	<u>115</u>	<u>--</u>	<u>91,341</u>
Excess (deficiency) of revenues over (under) expenditures	11,902	(115)	--	(91,341)
OTHER FINANCING SOURCES (USES)				
Sale of fixed assets	--	--	--	--
Transfers in	--	--	--	--
Transfers out	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	11,902	(115)	--	(91,341)
Fund balances - beginning	<u>(71,876)</u>	<u>(29,977)</u>	<u>(97,389)</u>	<u>(89,354)</u>
Fund balances - ending	<u>\$ (59,974)</u>	<u>\$ (30,092)</u>	<u>\$ (97,389)</u>	<u>\$ (180,695)</u>

446 Parker Capital Project	451 2012 7th and Grove St. Improvements	455 9th & Wood St. Improvements	Total Capital Project Funds
\$ --	\$ 50	\$ --	\$ 50
--	--	--	--
9,805	--	--	21,707
--	--	--	--
--	--	--	--
--	--	114	4,084
--	--	--	50,015
--	--	2,156	2,156
<u>9,805</u>	<u>50</u>	<u>2,270</u>	<u>78,012</u>
--	--	--	--
--	--	--	--
--	--	--	--
--	--	--	--
--	--	--	2,865
--	--	120,362	224,871
<u>--</u>	<u>--</u>	<u>120,362</u>	<u>227,736</u>
9,805	50	(118,092)	(149,724)
--	--	--	--
--	5,000	--	182,231
--	--	--	(29,218)
<u>--</u>	<u>5,000</u>	<u>--</u>	<u>153,013</u>
9,805	5,050	(118,092)	3,289
<u>(298,813)</u>	<u>(318,986)</u>	<u>133,228</u>	<u>(151,844)</u>
<u>\$ (289,008)</u>	<u>\$ (313,936)</u>	<u>\$ 15,136</u>	<u>\$ (148,555)</u>

City of Mora, Minnesota
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2018

	Debt Service			
	525 Fire Station 2003	530 2008-2011 Street Reconstruction	531 HRA Eastwood	532 2015B Wood & Grove
REVENUES				
Property taxes	\$ 67,463	\$ 84,651	\$ --	\$ 80,055
Tax increments	--	--	--	--
Special assessments	--	--	--	--
Charges for services	--	--	--	--
Intergovernmental revenue	--	--	--	--
Interest earnings	--	--	1,758	--
Miscellaneous -				
Contributions	51,028	--	--	--
Other	--	--	--	--
Total revenues	<u>118,491</u>	<u>84,651</u>	<u>1,758</u>	<u>80,055</u>
EXPENDITURES				
Public works	--	--	--	--
Public safety	--	--	--	--
Cemetery	--	--	--	--
Housing development	--	--	--	--
Economic development	--	--	--	--
Debt service	--	80,487	--	95,475
Capital projects	--	--	--	--
Total expenditures	<u>--</u>	<u>80,487</u>	<u>--</u>	<u>95,475</u>
Excess (deficiency) of revenues over (under) expenditures	118,491	4,164	1,758	(15,420)
OTHER FINANCING SOURCES (USES)				
Sale of fixed assets	--	--	--	--
Transfers in	--	--	--	19,083
Transfers out	(83,703)	--	--	--
Total other financing sources (uses)	<u>(83,703)</u>	<u>--</u>	<u>--</u>	<u>19,083</u>
Net change in fund balances	34,788	4,164	1,758	3,663
Fund balances - beginning	<u>99,777</u>	<u>154,883</u>	<u>7,052</u>	<u>49,411</u>
Fund balances - ending	<u>\$ 134,565</u>	<u>\$ 159,047</u>	<u>\$ 8,810</u>	<u>\$ 53,074</u>

533	535	Total Debt Service Funds	Permanent Fund		Total Nonmajor Governmental Funds
			301	Total Permanent Fund	
2015C Refunding	2017A Refunding		Perpetual Care		
\$ 77,925	\$ 18,380	\$ 328,474	\$ --	\$ --	\$ 328,524
--	--	--	--	--	102,328
46,074	17,514	63,588	--	--	85,295
--	--	--	--	--	154,921
--	--	--	--	--	95,569
--	--	1,758	499	499	8,142
--	--	51,028	--	--	190,911
--	--	--	--	--	32,456
<u>123,999</u>	<u>35,894</u>	<u>444,848</u>	<u>499</u>	<u>499</u>	<u>998,146</u>
--	--	--	--	--	130,383
--	--	--	--	--	140,950
--	--	--	--	--	27,172
--	--	--	--	--	50,169
--	--	--	--	--	104,401
114,812	37,965	328,739	--	--	331,604
--	--	--	--	--	224,871
<u>114,812</u>	<u>37,965</u>	<u>328,739</u>	<u>--</u>	<u>--</u>	<u>1,009,550</u>
9,187	(2,071)	116,109	499	499	(11,404)
--	--	--	--	--	--
10,000	15,641	44,724	--	--	365,750
--	--	(83,703)	--	--	(319,719)
<u>10,000</u>	<u>15,641</u>	<u>(38,979)</u>	<u>--</u>	<u>--</u>	<u>46,031</u>
19,187	13,570	77,130	499	499	34,627
<u>189,671</u>	<u>139,342</u>	<u>640,136</u>	<u>124,032</u>	<u>124,032</u>	<u>482,551</u>
<u>\$ 208,858</u>	<u>\$ 152,912</u>	<u>\$ 717,266</u>	<u>\$ 124,531</u>	<u>\$ 124,531</u>	<u>\$ 517,178</u>

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

Special Revenue Funds
December 31, 2018

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, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Storm water fees	\$ 63,800	\$ 63,578	\$ (222)
Investment earnings	160	144	(16)
Miscellaneous	600	883	283
Total revenues	<u>64,560</u>	<u>64,605</u>	<u>45</u>
EXPENDITURES			
Professional services	50	400	(350)
Miscellaneous	30,850	129,983	(99,133)
Capital outlay	--	--	--
Total expenditures	<u>30,900</u>	<u>130,383</u>	<u>(99,483)</u>
Excess (deficiency) of revenues over (under) expenditures	33,660	(65,778)	(99,438)
OTHER FINANCING SOURCES (USES)			
Transfers in	--	--	--
Transfers out	(58,819)	(53,827)	(4,992)
Total other financing sources (uses)	<u>(58,819)</u>	<u>(53,827)</u>	<u>(4,992)</u>
Net change in fund balances	(25,159)	(119,605)	(94,446)
Fund balances - beginning	<u>32,496</u>	<u>32,496</u>	<u>--</u>
Fund balances - ending	<u>\$ 7,337</u>	<u>\$ (87,109)</u>	<u>\$ (94,446)</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, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Grants	\$ --	\$ 6,270	\$ 6,270
Charges for services	35,000	36,758	1,758
Interest	1,430	1,080	(350)
Contributions	81,218	89,868	8,650
Total revenues	<u>117,648</u>	<u>133,976</u>	<u>16,328</u>
EXPENDITURES			
Supplies	16,400	6,765	(9,635)
Salaries	52,496	63,767	11,271
Capital outlay	--	14,300	14,300
Miscellaneous	65,701	56,118	(9,583)
Total expenditures	<u>134,597</u>	<u>140,950</u>	<u>6,353</u>
Excess (deficiency) of revenues over (under) expenditures	(16,949)	(6,974)	9,975
OTHER FINANCING SOURCES (USES)			
Transfers in	47,501	44,802	(2,699)
Transfers out	<u>(28,440)</u>	<u>(29,121)</u>	<u>(681)</u>
Total other financing sources (uses)	<u>19,061</u>	<u>15,681</u>	<u>(3,380)</u>
Net change in fund balances	2,112	8,707	6,595
Fund balances - beginning	<u>(6,840)</u>	<u>(6,840)</u>	<u>--</u>
Fund balances - ending	<u>\$ (4,728)</u>	<u>\$ 1,867</u>	<u>\$ 6,595</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, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Interments	\$ 39,325	\$ 39,775	\$ 450
Perpetual care	--	--	--
Sale of lots	26,250	14,810	(11,440)
Miscellaneous	1,675	2,070	395
Investment earnings	390	54	(336)
Total revenues	<u>67,640</u>	<u>56,709</u>	<u>(10,931)</u>
EXPENDITURES			
Professional services	1,000	73	(927)
Salaries	19,987	20,496	509
Capital outlay	250	--	(250)
Miscellaneous	11,079	6,603	(4,476)
Total expenditures	<u>32,316</u>	<u>27,172</u>	<u>(5,144)</u>
Excess (deficiency) of revenues over (under) expenditures	35,324	29,537	(5,787)
OTHER FINANCING SOURCES (USES)			
Transfers in	--	--	--
Transfers out	(10,241)	(10,256)	(15)
Total other financing sources (uses)	<u>(10,241)</u>	<u>(10,256)</u>	<u>(15)</u>
Net change in fund balances	25,083	19,281	(5,802)
Fund balances - beginning	<u>(54,886)</u>	<u>(54,886)</u>	<u>--</u>
Fund balances - ending	<u>\$ (29,803)</u>	<u>\$ (35,605)</u>	<u>\$ (5,802)</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, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Miscellaneous	\$ 18,500	\$ 18,502	\$ 2
Investment earnings	320	523	203
Total revenues	18,820	19,025	205
EXPENDITURES			
Miscellaneous	--	23,498	23,498
Pass Through Grant	--	--	--
Total expenditures	--	23,498	23,498
Excess (deficiency) of revenues over (under) expenditures	18,820	(4,473)	(23,293)
OTHER FINANCING SOURCES (USES)			
Transfers in	--	--	--
Transfers out	--	(93,993)	(93,993)
Total other financing sources (uses)	--	(93,993)	(93,993)
Net change in fund balances	18,820	(98,466)	(117,286)
Fund balances - beginning	151,368	151,368	--
Fund balances - ending	\$ 170,188	\$ 52,902	\$ (117,286)

City of Mora, Minnesota
 MIC Loan Fund - Special Revenue Fund - 232
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended December 31, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Miscellaneous	\$ --	\$ --	\$ --
Investment earnings	--	--	--
Total revenues	--	--	--
EXPENDITURES			
Miscellaneous	--	--	--
Pass Through Grant	--	--	--
Total expenditures	--	--	--
Excess (deficiency) of revenues over (under) expenditures	--	--	--
OTHER FINANCING SOURCES (USES)			
Transfers in	--	93,993	93,993
Transfers out	--	--	--
Total other financing sources (uses)	--	93,993	93,993
Net change in fund balances	--	93,993	93,993
Fund balances - beginning	--	--	--
Fund balances - ending	\$ --	\$ 93,993	\$ 93,993

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, 2018

	Original and Amended Budget Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Tax increments	\$ --	\$ 52,800	\$ 52,800
Investment earnings	--	--	--
Total revenues	<u>--</u>	<u>52,800</u>	<u>52,800</u>
EXPENDITURES			
Professional services	--	--	--
Housing development	--	50,160	50,160
Miscellaneous	--	9	9
Total expenditures	<u>--</u>	<u>50,169</u>	<u>50,169</u>
Excess (deficiency) of revenues over (under) expenditures	--	2,631	2,631
OTHER FINANCING SOURCES (USES)			
Transfers in	--	--	--
Transfers out	--	(2,640)	(2,640)
Total other financing sources (uses)	<u>--</u>	<u>(2,640)</u>	<u>(2,640)</u>
Net changes in fund balances	--	(9)	(9)
Fund balances - beginning	<u>9,805</u>	<u>9,805</u>	<u>--</u>
Fund balances - ending	<u>\$ 9,805</u>	<u>\$ 9,796</u>	<u>\$ (9)</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, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Tax increments	\$ --	\$ 49,528	\$ 49,528
Total revenues	--	49,528	49,528
EXPENDITURES			
Professional services	--	--	--
Economic development	--	16,420	16,420
Interest	--	--	--
Miscellaneous	--	9	9
Total expenditures	--	16,429	16,429
Excess (deficiency) of revenues over (under) expenditures	--	33,099	33,099
OTHER FINANCING SOURCES (USES)			
Transfers in	--	--	--
Transfers out	--	(16,961)	(16,961)
Total other financing sources (uses)	--	(16,961)	(16,961)
Net change to fund balances	--	16,138	16,138
Fund balances - beginning	(237,791)	(237,791)	--
Fund balances - ending	\$ (237,791)	\$ (221,653)	\$ 16,138

City of Mora, Minnesota
 Small Cities Development Program - Special Revenue Fund - 270
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended December 31, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Grants	\$ --	\$ 89,299	\$ 89,299
Miscellaneous	--	8,845	8,845
Investment earnings	--	--	--
Total revenues	<u>--</u>	<u>98,144</u>	<u>98,144</u>
EXPENDITURES			
Professional services	--	64,382	64,382
Capital outlay	--	--	--
Miscellaneous	--	92	92
Total expenditures	<u>--</u>	<u>64,474</u>	<u>64,474</u>
Excess (deficiency) of revenues over (under) expenditures	--	33,670	33,670
OTHER FINANCING SOURCES (USES)			
Transfers in	--	--	--
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	--	33,670	33,670
Fund balances - beginning	<u>(23,925)</u>	<u>(23,925)</u>	<u>--</u>
Fund balances - ending	<u>\$ (23,925)</u>	<u>\$ 9,745</u>	<u>\$ 33,670</u>

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

Capital Projects Funds
December 31, 2018

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, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Intergovernmental revenues	\$ --	\$ --	\$ --
Contributions	50,015	50,015	--
Interest earnings	920	1,490	570
Total revenues	<u>50,935</u>	<u>51,505</u>	<u>570</u>
EXPENDITURES			
Professional services	--	--	--
Capital projects	--	--	--
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	50,935	51,505	570
OTHER FINANCING SOURCES (USES)			
Transfers in	19,991	34,991	15,000
Transfers out	(15,000)	(12,324)	2,676
Total other financing sources (uses)	<u>4,991</u>	<u>22,667</u>	<u>17,676</u>
Net change in fund balances	55,926	74,172	18,246
Fund balances - beginning	<u>412,926</u>	<u>412,926</u>	<u>--</u>
Fund balances - ending	<u>\$ 468,852</u>	<u>\$ 487,098</u>	<u>\$ 18,246</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, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Intergovernmental revenues	\$ --	\$ --	\$ --
Interest earnings	1,580	2,480	900
Miscellaneous	--	--	--
Total revenues	<u>1,580</u>	<u>2,480</u>	<u>900</u>
EXPENDITURES			
Professional services	--	--	--
Capital projects	--	--	--
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	1,580	2,480	900
OTHER FINANCING SOURCES (USES)			
Transfers in	45,484	45,484	--
Transfers out	(30,500)	(16,894)	13,606
Total other financing sources (uses)	<u>14,984</u>	<u>28,590</u>	<u>13,606</u>
Net change in fund balances	16,564	31,070	14,506
Fund balances - beginning	<u>371,699</u>	<u>371,699</u>	<u>--</u>
Fund balances - ending	<u>\$ 388,263</u>	<u>\$ 402,769</u>	<u>\$ 14,506</u>

City of Mora, Minnesota
 Fire Station 2003- Capital Projects Fund - 425
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended December 31, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Intergovernmental revenues	\$ --	\$ --	\$ --
Interest earnings	--	--	--
Miscellaneous	--	--	--
Total revenues	<u>--</u>	<u>--</u>	<u>--</u>
EXPENDITURES			
Professional services	--	--	--
Capital projects	--	--	--
Debt Service (Int. Exp.)	--	2,865	2,865
Total expenditures	<u>--</u>	<u>2,865</u>	<u>2,865</u>
Excess (deficiency) of revenues over (under) expenditures	--	(2,865)	(2,865)
OTHER FINANCING SOURCES (USES)			
Transfers in	--	83,703	83,703
Proceeds from bond sale	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>83,703</u>	<u>83,703</u>
Net change in fund balances	--	80,838	80,838
Fund balances - beginning	<u>(163,302)</u>	<u>(163,302)</u>	<u>--</u>
Fund balances - ending	<u>\$ (163,302)</u>	<u>\$ (82,464)</u>	<u>\$ 80,838</u>

City of Mora, Minnesota
Hwy 23 East - Capital Projects Fund - 434
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Intergovernmental revenues	\$ --	\$ --	\$ --
Interest earnings	--	--	--
Miscellaneous	--	--	--
Total revenues	<u>--</u>	<u>--</u>	<u>--</u>
EXPENDITURES			
Professional services	--	--	--
Capital projects	--	13,053	13,053
Debt Service (Int. Exp.)	--	--	--
Total expenditures	<u>--</u>	<u>13,053</u>	<u>13,053</u>
Excess (deficiency) of revenues over (under) expenditures	--	(13,053)	(13,053)
OTHER FINANCING SOURCES (USES)			
Transfers in	--	13,053	13,053
Proceeds from bond sale	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>13,053</u>	<u>13,053</u>
Net change in fund balances	--	--	--
Fund balances - beginning	<u>--</u>	<u>--</u>	<u>--</u>
Fund balances - ending	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

City of Mora, Minnesota
 Howe Avenue Reconstruction - Capital Project Fund - 439
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended December 31, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Special assessments	\$ --	\$ 11,902	\$ 11,902
Miscellaneous	--	--	--
Interest earnings	--	--	--
Total revenues	<u>--</u>	<u>11,902</u>	<u>11,902</u>
EXPENDITURES			
Professional services	--	--	--
Capital projects	--	--	--
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	--	11,902	11,902
OTHER FINANCING SOURCES (USES)			
Transfers in	--	--	--
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	--	11,902	11,902
Fund balances - beginning	<u>(71,876)</u>	<u>(71,876)</u>	<u>--</u>
Fund balances - ending	<u>\$ (71,876)</u>	<u>\$ (59,974)</u>	<u>\$ 11,902</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, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive Negative (Negative)
REVENUES			
Intergovernmental revenues	\$ --	\$ --	\$ --
Miscellaneous	--	--	--
Contributions	--	--	--
Interest earnings	--	--	--
Total revenues	<u>--</u>	<u>--</u>	<u>--</u>
EXPENDITURES			
Professional services	--	--	--
Capital projects	--	115	115
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>115</u>	<u>115</u>
Excess (deficiency) of revenues over (under) expenditures	--	(115)	(115)
OTHER FINANCING SOURCES (USES)			
Transfers in	--	--	--
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	--	(115)	(115)
Fund balances - beginning	<u>(29,977)</u>	<u>(29,977)</u>	<u>--</u>
Fund balances - ending	<u><u>\$ (29,977)</u></u>	<u><u>\$ (30,092)</u></u>	<u><u>\$ (115)</u></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, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Intergovernmental revenues	\$ --	\$ --	\$ --
Miscellaneous	--	--	--
Contributions	--	--	--
Interest earnings	--	--	--
Total revenues	<u>--</u>	<u>--</u>	<u>--</u>
EXPENDITURES			
Professional services	--	--	--
Capital projects	--	--	--
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	--	--	--
OTHER FINANCING SOURCES (USES)			
Sale of fixed assets	--	--	--
Transfers in	--	--	--
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	--	--	--
Fund balances - beginning	<u>(97,389)</u>	<u>(97,389)</u>	<u>--</u>
Fund balances - ending	<u><u>\$ (97,389)</u></u>	<u><u>\$ (97,389)</u></u>	<u><u>\$ --</u></u>

City of Mora, Minnesota
 Crosswind Rnwy/Yank Property - Capital Project Fund - 444
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended December 31, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Intergovernmental revenues	\$ --	\$ --	\$ --
Miscellaneous	--	--	--
Contributions	--	--	--
Interest earnings	--	--	--
Total revenues	<u>--</u>	<u>--</u>	<u>--</u>
EXPENDITURES			
Professional services	--	15,050	15,050
Capital projects	--	76,291	76,291
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>91,341</u>	<u>91,341</u>
Excess (deficiency) of revenues over (under) expenditures	--	(91,341)	(91,341)
OTHER FINANCING SOURCES (USES)			
Sale of fixed assets	--	--	--
Transfers in	--	--	--
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	--	(91,341)	(91,341)
Fund balances - beginning	<u>(89,354)</u>	<u>(89,354)</u>	<u>--</u>
Fund balances - ending	<u><u>\$ (89,354)</u></u>	<u><u>\$ (180,695)</u></u>	<u><u>\$ (91,341)</u></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, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Special Assessments	\$ --	\$ 9,805	\$ 9,805
Miscellaneous	--	--	--
Contributions	--	--	--
Interest earnings	--	--	--
Total revenues	<u>--</u>	<u>9,805</u>	<u>9,805</u>
EXPENDITURES			
Professional services	--	--	--
Capital projects	--	--	--
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	--	9,805	9,805
OTHER FINANCING SOURCES (USES)			
Transfers in	--	--	--
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	--	9,805	9,805
Fund balances - beginning	<u>(298,813)</u>	<u>(298,813)</u>	<u>--</u>
Fund balances - ending	<u>\$ (298,813)</u>	<u>\$ (289,008)</u>	<u>\$ 9,805</u>

City of Mora, Minnesota
 2012 7th and Grove St Improvement - Capital Project Fund - 451
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended December 31, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Taxes	\$ --	\$ 50	\$ 50
Miscellaneous	--	--	--
Contributions	--	--	--
Interest earnings	--	--	--
Total revenues	<u>--</u>	<u>50</u>	<u>50</u>
EXPENDITURES			
Professional services	--	--	--
Capital projects	--	--	--
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	--	50	50
OTHER FINANCING SOURCES (USES)			
Transfers in	--	5,000	5,000
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>5,000</u>	<u>5,000</u>
Net change in fund balances	--	5,050	5,050
Fund balances - beginning	<u>(318,986)</u>	<u>(318,986)</u>	<u>--</u>
Fund balances - ending	<u>\$ (318,986)</u>	<u>\$ (313,936)</u>	<u>\$ 5,050</u>

City of Mora, Minnesota
 9th & Wood St. Improvements - Capital Project Fund - 455
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended December 31, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Taxes	\$ --	\$ --	\$ --
Miscellaneous	--	2,156	2,156
Contributions	--	--	--
Interest earnings	--	114	114
Total revenues	<u>--</u>	<u>2,270</u>	<u>2,270</u>
EXPENDITURES			
Professional services	--	--	--
Capital projects	--	120,362	120,362
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>120,362</u>	<u>120,362</u>
Excess (deficiency) of revenues over (under) expenditures	--	(118,092)	(118,092)
OTHER FINANCING SOURCES (USES)			
Transfers in	--	--	--
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	--	(118,092)	(118,092)
Fund balances - beginning	<u>133,228</u>	<u>133,228</u>	<u>--</u>
Fund balances - ending	<u>\$ 133,228</u>	<u>\$ 15,136</u>	<u>\$ (118,092)</u>

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

Debt Service Funds
December 31, 2018

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, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Property taxes	\$ 66,286	\$ 67,463	\$ 1,177
Interest earnings	--	--	--
Fire Protection Services	51,014	51,028	14
Total revenues	<u>117,300</u>	<u>118,491</u>	<u>1,191</u>
EXPENDITURES			
Principal	--	--	--
Interest	--	--	--
Miscellaneous	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	117,300	118,491	1,191
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	(83,703)	(83,703)	--
Total other financing sources (uses)	<u>(83,703)</u>	<u>(83,703)</u>	<u>--</u>
Net change in fund balances	33,597	34,788	1,191
Fund balances - beginning	<u>99,777</u>	<u>99,777</u>	<u>--</u>
Fund balances - ending	<u>\$ 133,374</u>	<u>\$ 134,565</u>	<u>\$ 1,191</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, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Property taxes	\$ 83,124	\$ 84,651	\$ 1,527
Investment earnings	--	--	--
Total revenues	<u>83,124</u>	<u>84,651</u>	<u>1,527</u>
EXPENDITURES			
Loss on investment	--	--	--
Principal	70,000	70,000	--
Interest	9,988	9,987	(1)
Fiscal agent fees	1,150	500	(650)
Total expenditures	<u>81,138</u>	<u>80,487</u>	<u>(651)</u>
Excess (deficiency) of revenues over (under) expenditures	1,986	4,164	2,178
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	1,986	4,164	2,178
Fund balances - beginning	<u>154,883</u>	<u>154,883</u>	<u>--</u>
Fund balances - ending	<u>\$ 156,869</u>	<u>\$ 159,047</u>	<u>\$ 2,178</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, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Property taxes	\$ --	\$ --	\$ --
Investment earnings	--	1,758	1,758
Total revenues	--	1,758	1,758
EXPENDITURES			
Loss on investment	--	--	--
Principal	--	--	--
Interest	--	--	--
Fiscal agent fees	--	--	--
Total expenditures	--	--	--
Excess (deficiency) of revenues over (under) expenditures	--	1,758	1,758
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	--	--	--
Total Other Financing Sources (Uses)	--	--	--
Net change in fund balances	--	1,758	1,758
Fund balances - beginning	7,052	7,052	--
Fund balances - ending	\$ 7,052	\$ 8,810	\$ 1,758

City of Mora, Minnesota
Series 2015B - Wood & Grove - Debt Service Fund - 532
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Property taxes	\$ 79,433	\$ 80,055	\$ 622
Investment earnings	--	--	--
Total revenues	<u>79,433</u>	<u>80,055</u>	<u>622</u>
EXPENDITURES			
Loss on investment	--	--	--
Principal	55,000	55,000	--
Interest	40,025	40,025	--
Fiscal agent fees	450	450	--
Total expenditures	<u>95,475</u>	<u>95,475</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	(16,042)	(15,420)	622
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	19,083	19,083	--
Total Other Financing Sources (Uses)	<u>19,083</u>	<u>19,083</u>	<u>--</u>
Net change in fund balances	3,041	3,663	622
Fund balances - beginning	<u>49,411</u>	<u>49,411</u>	<u>--</u>
Fund balances - ending	<u>\$ 52,452</u>	<u>\$ 53,074</u>	<u>\$ 622</u>

City of Mora, Minnesota
 Series 2015C - Refunding - Debt Service Fund - 533
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended December 31, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Property taxes	\$ 75,013	\$ 77,925	\$ 2,912
Special assessments	41,372	46,074	4,702
Investment earnings	--	--	--
Total revenues	<u>116,385</u>	<u>123,999</u>	<u>7,614</u>
EXPENDITURES			
Miscellaneous expense	--	--	--
Principal	86,000	86,000	--
Interest	28,362	28,362	--
Fiscal agent fees	450	450	--
Total expenditures	<u>114,812</u>	<u>114,812</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	1,573	9,187	7,614
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	<u>10,000</u>	<u>10,000</u>	<u>--</u>
Total Other Financing Sources (Uses)	<u>10,000</u>	<u>10,000</u>	<u>--</u>
Net change in fund balances	11,573	19,187	7,614
Fund balances - beginning	<u>189,671</u>	<u>189,671</u>	<u>--</u>
Fund balances - ending	<u>\$ 201,244</u>	<u>\$ 208,858</u>	<u>\$ 7,614</u>

City of Mora, Minnesota
Series 2017A - Refunding - Debt Service Fund - 535
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Property taxes	\$ 16,945	\$ 18,380	\$ 1,435
Special assessments	--	17,514	17,514
Investment earnings	--	--	--
Total revenues	<u>16,945</u>	<u>35,894</u>	<u>18,949</u>
EXPENDITURES			
Miscellaneous expense	--	--	--
Principal	--	--	--
Interest	37,515	37,515	--
Fiscal agent fees	450	450	--
Total expenditures	<u>37,965</u>	<u>37,965</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	(21,020)	(2,071)	18,949
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	15,641	15,641	--
Total Other Financing Sources (Uses)	<u>15,641</u>	<u>15,641</u>	<u>--</u>
Net change in fund balances	(5,379)	13,570	18,949
Fund balances - beginning	<u>139,342</u>	<u>139,342</u>	<u>--</u>
Fund balances - ending	<u>\$ 133,963</u>	<u>\$ 152,912</u>	<u>\$ 18,949</u>

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

Permanent Fund
December 31, 2018

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City of Mora, Minnesota
 Perpetual Care - 301
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended December 31, 2018

	Original and Amended Budgeted Amounts	Actual Amounts	Variance with Amended Budget Positive (Negative)
REVENUES			
Property taxes	\$ --	\$ --	\$ --
Special assessments	--	--	--
Investment earnings	310	499	189
Total revenues	310	499	189
EXPENDITURES			
Miscellaneous expense	--	--	--
Principal	--	--	--
Interest	--	--	--
Fiscal agent fees	--	--	--
Total expenditures	--	--	--
Excess (deficiency) of revenues over (under) expenditures	310	499	189
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	--	--	--
Total Other Financing Sources (Uses)	--	--	--
Net change in fund balances	310	499	189
Fund balances - beginning	124,032	124,032	--
Fund balances - ending	\$ 124,342	\$ 124,531	\$ 189

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

Enterprise Funds
December 31, 2018

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, 2018

	Budgeted Amounts		Actual	Variance with
	Original	Amended	Amounts	Amended Budget Positive (Negative)
Operating Revenues:				
Sales	\$ 3,502,600	\$ 3,502,600	\$ 3,277,996	\$ 224,604
Less: Cost of goods sold	(2,553,060)	(2,553,060)	(2,410,902)	(142,158)
Total Operating Revenues	<u>949,540</u>	<u>949,540</u>	<u>867,094</u>	<u>82,446</u>
Operating Expenses:				
Employee services	266,080	266,080	270,050	(3,970)
Supplies	21,950	21,950	34,998	(13,048)
Interest expense	39,000	39,000	39,000	--
Utilities expense	26,100	26,100	24,472	1,628
Other services and charges	128,088	128,088	102,369	25,719
Depreciation	59,000	59,000	61,357	(2,357)
Total Operating Expenses	<u>540,218</u>	<u>540,218</u>	<u>532,246</u>	<u>7,972</u>
Operating Income (Loss)	409,322	409,322	334,848	(74,474)
Add: Non-Operating Revenues:				
Commissions	1,000	1,000	2,203	1,203
Interest earned	3,320	3,320	793	(2,527)
Change in pension	--	--	(154,873)	(154,873)
Miscellaneous	3,770	3,770	3,704	(66)
Total Non-Operating Revenues	<u>8,090</u>	<u>8,090</u>	<u>(148,173)</u>	<u>(156,263)</u>
Income before Transfers	417,412	417,412	186,675	(230,737)
Transfers:				
Transfers in (out)	(298,723)	(298,723)	(298,942)	219
Total Transfers	<u>(298,723)</u>	<u>(298,723)</u>	<u>(298,942)</u>	<u>219</u>
Net Income (Loss)	118,689	118,689	(112,267)	(230,518)
Net Position, January 1	<u>746,888</u>	<u>746,888</u>	<u>746,888</u>	<u>--</u>
Net Position, December 31	<u>\$ 865,577</u>	<u>\$ 865,577</u>	<u>\$ 634,621</u>	<u>\$ (230,518)</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, 2018

	Budgeted Amounts		Actual	Variance with
	Original	Amended	Amounts	Amended Budget Positive (Negative)
Operating Revenues:				
Sales	\$ 5,160,000	\$ 5,160,000	\$ 5,066,004	\$ 93,996
Less: Cost of sales	(4,500,000)	(4,500,000)	(4,187,871)	(312,129)
Miscellaneous	557,574	557,574	653,116	(95,542)
Total Operating Revenues	<u>1,217,574</u>	<u>1,217,574</u>	<u>1,531,249</u>	<u>(313,675)</u>
Operating Expenses:				
Employee services	464,651	464,651	441,841	22,810
Supplies	12,350	12,350	10,898	1,452
Interest expense	250	250	547	(297)
Utilities expense	18,910	18,910	15,824	3,086
Other services & charges	626,191	626,191	624,782	1,409
Depreciation	158,455	158,455	164,038	(5,583)
Total Operating Expenses	<u>1,280,807</u>	<u>1,280,807</u>	<u>1,257,930</u>	<u>22,877</u>
Operating Income (Loss)	(63,233)	(63,233)	273,319	(336,552)
Add: Non-Operating Revenues and Expenses:				
Interest earned	129,270	129,270	132,797	(3,527)
Change in pensions	--	--	(233,417)	233,417
Gain on investments	--	--	(50,836)	50,836
Total Non-Operating Revenues	<u>129,270</u>	<u>129,270</u>	<u>(151,456)</u>	<u>280,726</u>
Income before Transfers	66,037	66,037	121,863	(55,826)
Transfers and other expenses:				
Transfer in	1,500	1,500	10,573	(9,073)
Transfers (out)	(59,402)	(59,402)	(65,514)	6,112
Total Transfers	<u>(57,902)</u>	<u>(57,902)</u>	<u>(54,941)</u>	<u>(2,961)</u>
Net Income (Loss)	8,135	8,135	66,922	(58,787)
Net Position, January 1	<u>9,785,416</u>	<u>9,785,416</u>	<u>9,785,416</u>	<u>--</u>
Net Position, December 31	<u>\$ 9,793,551</u>	<u>\$ 9,793,551</u>	<u>\$ 9,852,338</u>	<u>\$ (58,787)</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, 2018

	Budgeted Amounts		Actual	Variance with
	Original	Amended	Amounts	Amended Budget Positive (Negative)
Operating Revenues:				
Sales	\$ 648,200	\$ 648,200	\$ 665,722	\$ (17,522)
WAC fees	--	9,000	10,500	(1,500)
Total Operating Revenues	<u>648,200</u>	<u>657,200</u>	<u>676,222</u>	<u>(19,022)</u>
Operating Expenses:				
Employee services	195,142	195,142	190,838	4,304
Supplies	99,150	99,150	74,011	25,139
Interest expense	27,889	27,889	26,837	1,052
Utilities expense	27,730	27,730	24,179	3,551
Other services & charges	69,461	69,461	35,709	33,752
Depreciation	288,521	288,521	298,532	(10,011)
Total Operating Expenses	<u>707,893</u>	<u>707,893</u>	<u>650,106</u>	<u>57,787</u>
Operating Income (Loss)	(59,693)	(50,693)	26,116	(76,809)
Add: Non-Operating Revenues:				
Special assessments	1,000	1,000	69,449	(68,449)
Grants, State Aid	694	694	694	--
Interest earned	11,020	11,020	4,954	6,066
Gain on sale of fixed assets	--	--	--	--
Change in pension	--	--	(99,286)	99,286
Miscellaneous	25,582	25,582	21,645	3,937
Total Non-Operating Revenues	<u>38,296</u>	<u>38,296</u>	<u>(2,544)</u>	<u>40,840</u>
Income before Operating Transfers	(21,397)	(12,397)	23,572	(35,969)
Operating Transfers:				
Transfers in	750	750	750	--
Transfers (out)	(1,055)	(1,055)	(1,140)	85
Total Operating Transfers	<u>(305)</u>	<u>(305)</u>	<u>(390)</u>	<u>85</u>
Net Income (Loss)	(21,702)	(12,702)	23,182	(35,884)
Net Position, January 1	<u>3,531,350</u>	<u>3,531,350</u>	<u>3,531,350</u>	<u>--</u>
Net Position, December 31	<u>\$ 3,509,648</u>	<u>\$ 3,518,648</u>	<u>\$ 3,554,532</u>	<u>\$ (35,884)</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, 2018

	Budgeted Amounts		Actual	Variance with
	Original	Amended	Amounts	Amended Budget Positive (Negative)
Operating Revenues:				
Sales	\$ 957,600	\$ 957,600	\$ 988,611	\$ (31,011)
SAC fees	14,400	14,400	16,800	(2,400)
Total Operating Revenues	<u>972,000</u>	<u>972,000</u>	<u>1,005,411</u>	<u>(33,411)</u>
Operating Expenses:				
Employee services	309,944	309,944	292,524	17,420
Supplies	124,188	124,188	75,705	48,483
Interest expense	38,285	38,285	36,167	2,118
Utilities expense	67,220	67,220	61,835	5,385
Other services and charges	57,164	57,164	41,197	15,967
Depreciation	467,841	467,841	474,362	(6,521)
Total Operating Expenses	<u>1,064,642</u>	<u>1,064,642</u>	<u>981,790</u>	<u>82,852</u>
Operating Income (Loss)	(92,642)	(92,642)	23,621	(116,263)
Add: Non-Operating Revenues:				
Special assessments	1,000	1,000	69,617	(68,617)
Grants	--	--	--	--
Interest earned	12,720	12,720	8,349	4,371
Gain on sale of assets	--	--	--	--
Change in pension	--	--	(157,320)	157,320
Miscellaneous	32,824	32,824	26,103	6,721
Total Non-Operating Revenues	<u>46,544</u>	<u>46,544</u>	<u>(53,251)</u>	<u>99,795</u>
Income before Operating Transfers	(46,098)	(46,098)	(29,630)	(16,468)
Operating Transfers:				
Transfers in	750	750	750	--
Transfers (out)	(1,055)	(1,055)	(1,140)	85
Total Operating Transfers	<u>(305)</u>	<u>(305)</u>	<u>(390)</u>	<u>85</u>
Net Income (Loss)	(46,403)	(46,403)	(30,020)	(16,383)
Net Position, January 1	<u>7,762,800</u>	<u>7,762,800</u>	<u>7,762,800</u>	<u>--</u>
Net Position, December 31	<u>\$ 7,716,397</u>	<u>\$ 7,716,397</u>	<u>\$ 7,732,780</u>	<u>\$ (16,383)</u>

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CITY OF MORA, MINNESOTA
ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2018

FINANCIAL SECTION (CONTINUED)

SCHEDULES

SUPPLEMENTARY FINANCIAL INFORMATION

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

City of Mora, Minnesota

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

Year	Gross Sales	Income Before Transfers	Transfers Out	Net Position
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
2015	3,068,147	326,153	270,000	636,455
2016	3,037,915	359,195	297,524	698,126
2017	3,181,671	346,932	298,170	746,888
2018	3,277,996	186,675	298,942	634,621

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
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	4,805,727	396,901	--	460,001	8,782,664
2015	4,989,693	449,333	--	68,557	9,163,440
2016	5,052,838	517,793	1,500	67,836	9,614,897
2017	4,965,782	221,712	1,500	52,693	9,785,416
2018	5,066,004	121,863	10,573	65,514	9,852,338

City of Mora, Minnesota

Electric Utility Fund
Schedule of Services, Billing, KWH, and Revenues per KWH
For the Year Ended December 31, 2018

	Service	Amount	KWH	Revenues KWH
City Residential	1,461	\$ 1,184,322	10,596,034	0.1118
Rural Residential	13	43,386	683,974	0.0634
Small Commercial	3	1,010,584	18,127,600	0.0557
Large Commercial	26	853,395	13,455,250	0.0634
Industrial	-	(856)	(16,280)	0.0526
Government	100	132,730	1,226,060	0.1083
Street Lights	83	21,425	66,672	0.3214
Security Lights	223	758,263	7,308,988	0.1037
Renewable Energy Credits	20	63,790	715,537	0.0892
Total Retail Sales	1,929	\$ 4,067,039	52,163,835	0.0780
Cost of Power:				
Purchased Power		\$ 4,187,871		
Cost per KWH Sold		0.080300		
Total KWH Purchased		54,314,204		
Less: Station Power		<u>(496,198)</u>		
Net KWH to Feeders		53,818,006		
Less: Total Retail Sales (KWH)		<u>(52,163,835)</u>		
Line Loss (KWH)	3.07%	<u><u>1,654,171</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
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	555,809	(39,134)	--	--	3,442,905
2013	564,263	3,324	--	--	3,446,229
2014	591,249	(33,644)	--	--	3,412,585
2015	634,606	78,940	--	181,554	3,309,971
2016	648,887	87,522	750	593	3,397,650
2017	708,712	130,121	4,513	934	3,531,350
2018	676,222	23,572	750	1,140	3,554,532

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
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
2015	858,371	2,484,894	--	174,329	6,248,273
2016	899,288	1,270,342	750	593	7,518,772
2017	1,018,902	173,808	71,154	934	7,762,800
2018	1,005,411	(29,630)	750	1,140	7,732,780

CITY OF MORA, MINNESOTA
ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2018

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.

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)

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

	Fiscal Years			
	2018	2017	2016	2015
Governmental Activities				
Net investment in capital assets	\$ 11,611,079	\$ 11,556,594	\$ 10,710,096	\$ 10,344,435
Restricted	841,797	764,168	589,285	1,038,255
Unrestricted	(243,619)	(650,772)	(841,935)	(883,484)
Total governmental activities net position	<u>12,209,257</u>	<u>11,669,990</u>	<u>10,457,446</u>	<u>10,499,206</u>
Business-type activities				
Net investment in capital assets	11,589,424	11,515,650	12,050,343	11,359,753
Restricted	1,357,082	1,356,930	36,812	661,968
Unrestricted	8,827,765	8,953,874	9,142,290	7,336,418
Total business-type activities net position	<u>21,774,271</u>	<u>21,826,454</u>	<u>21,229,445</u>	<u>19,358,139</u>
 Total Primary Government	 <u>\$ 33,983,528</u>	 <u>\$ 33,496,444</u>	 <u>\$ 31,686,891</u>	 <u>\$ 29,857,345</u>

2014	2013	Fiscal Years		2010	2009
		2012	2011		
\$ 9,888,253	\$ 9,531,383	\$ 9,920,486	\$ 9,077,983	\$ 9,599,168	\$ 9,194,864
927,431	605,922	1,123,326	746,871	589,192	243,525
(227,352)	(495,696)	(1,307,923)	213,740	(64,312)	399,933
<u>10,588,332</u>	<u>9,641,609</u>	<u>9,735,889</u>	<u>10,038,594</u>	<u>10,124,048</u>	<u>9,838,322</u>
8,458,679	8,335,737	8,657,456	7,569,240	5,878,027	7,473,809
661,206	660,481	664,161	2,067,870	2,067,870	2,005,897
7,593,374	7,692,579	6,845,866	6,156,251	7,760,194	5,935,424
<u>16,713,259</u>	<u>16,688,797</u>	<u>16,167,483</u>	<u>15,793,361</u>	<u>15,706,091</u>	<u>15,415,130</u>
<u>\$ 27,301,591</u>	<u>\$ 26,330,406</u>	<u>\$ 25,903,372</u>	<u>\$ 25,831,955</u>	<u>\$ 25,830,139</u>	<u>\$ 25,253,452</u>

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

	Fiscal Years			
	2018	2017	2016	2015
Governmental Activities				
General government	\$ 573,960	\$ 549,250	\$ 524,732	\$ 636,825
Public safety	868,520	679,097	990,412	992,749
Public works	1,218,149	647,172	899,069	832,453
Cemetery	47,538	39,845	70,931	73,064
Culture and recreation	325,858	364,861	410,756	322,420
Housing and economic development	267,417	500,669	676,903	117,556
Capital projects	449,426	811,872	83,907	375,513
Miscellaneous	--	--	--	--
Interest on long term debt	112,847	115,890	83,034	84,388
Total governmental activities expenditures	3,863,715	3,708,656	3,739,744	3,434,968
 Business-type activities				
Liquor	3,098,021	2,848,151	2,845,219	2,751,495
Electric	5,730,054	5,380,104	5,233,142	5,139,160
Water	749,392	610,671	594,067	591,704
Wastewater	1,139,110	979,108	732,519	860,989
Total business-type activities expenses	10,716,577	9,818,034	9,404,947	9,343,348
Total primary government expenses	14,580,292	13,526,690	13,144,691	12,778,316
 Program Revenues				
Governmental activities				
Charges for services:				
General government	329,748	328,958	353,641	492,582
Public safety	246,978	326,855	239,448	239,819
Public works	145,707	120,301	112,263	47,941
Cemetery	56,655	48,510	62,600	45,335
Culture and recreation	154,861	147,141	157,762	167,364
Housing & economic development	--	--	--	--
Capital projects	--	910	8,400	10,400
Operating grants and contributions	1,276,675	1,557,087	1,285,474	1,125,972
Capital grants and contributions	34,024	805,216	150,209	161,878
Total governmental activities program revenues	2,244,648	3,334,978	2,369,797	2,291,291
 Business-type activities				
Charges for services				
Liquor	3,283,903	3,193,135	3,197,563	3,072,768
Electric	5,719,120	5,480,407	5,618,004	5,469,025
Water	768,010	734,543	680,043	669,507
Wastewater	1,101,131	1,144,778	1,993,661	3,337,175
Total business-type activities program revenues	10,872,164	10,552,863	11,489,271	12,548,475
Total primary government program revenues	13,116,812	13,887,841	13,859,068	14,839,766
 Net Revenue (Expense)				
Governmental activities	(1,619,067)	(373,678)	(1,369,947)	(1,143,677)
Business-type activities	155,587	734,829	2,084,324	3,205,127
Total primary government net expense	\$ (1,463,480)	\$ 361,151	\$ 714,377	\$ 2,061,450

Table 2

		Fiscal Years			
2014	2013	2012	2011	2010	2009
\$ 666,550	\$ 572,569	\$ 477,547	\$ 514,691	\$ 482,961	\$ 521,710
963,669	1,053,981	531,449	1,340,101	885,754	993,186
897,477	853,953	864,140	899,165	880,659	1,005,869
72,779	50,104	46,395	58,501	54,568	66,702
321,358	261,623	262,476	327,637	247,197	224,822
125,539	131,300	(482,493)	(56,110)	64,152	183,266
136,302	173,267	462,702	111,995	(122,296)	(206,895)
--	--	--	--	--	--
80,859	89,537	853,015	827,341	138,026	124,586
3,264,533	3,186,334	3,015,231	4,023,321	2,631,021	2,913,246
2,603,292	2,542,384	2,598,991	2,475,319	2,324,242	2,153,910
5,110,192	5,177,296	5,147,945	5,166,409	5,168,762	4,881,937
659,693	582,613	619,188	606,161	552,514	528,492
730,607	732,007	738,245	807,184	787,295	790,109
9,103,784	9,034,300	9,104,369	9,055,073	8,832,813	8,354,448
12,368,317	12,220,634	12,119,600	13,078,394	11,463,834	11,267,694
456,628	434,079	169,056	673,684	427,318	670,879
178,886	45,266	28,626	64,149	179,246	97,331
48,019	62,077	37,230	--	46,846	45,952
44,175	39,500	45,260	--	33,475	42,440
155,458	112,515	109,367	--	126,918	104,203
--	--	--	--	33,729	50
--	--	--	--	--	--
1,057,562	1,051,443	1,115,154	1,305,081	939,449	1,007,007
--	--	--	--	42,385	--
1,940,728	1,744,880	1,504,693	2,042,914	1,829,366	1,967,862
2,883,872	2,805,744	2,853,810	2,645,500	2,509,291	2,390,937
5,381,694	5,416,970	4,764,417	5,267,408	5,288,455	5,026,367
625,425	581,412	555,809	547,318	557,885	541,726
829,454	912,171	734,175	757,228	833,067	826,516
9,720,445	9,716,297	8,908,211	9,217,454	9,188,698	8,785,546
11,661,173	11,461,177	10,412,904	11,260,368	11,018,064	10,753,408
(1,323,805)	(1,441,454)	(1,510,538)	(1,980,407)	(801,655)	(945,384)
616,661	681,997	(196,158)	162,381	355,885	431,098
\$ (707,144)	\$ (759,457)	\$ (1,706,696)	\$ (1,818,026)	\$ (445,770)	\$ (514,286)

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

	Fiscal Years			
	2018	2017	2016	2015
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes				
Property taxes	\$ 815,950	\$ 697,963	\$ 653,211	\$ 623,338
Special assessments	114,454	376,534	121,236	198,346
Tax increments	144,541	112,999	118,742	123,271
Gain on sale of capital assets	9,500	71,964	68,001	--
Unrestricted grants and contributions				
Payments in lieu of taxes				
Investment earnings	31,411	30,113	53,105	36,900
Miscellaneous	737,668	65,963	20,259	421,101
Transfers	304,810	230,686	293,633	694,440
Total governmental activities	2,158,334	1,586,222	1,328,187	2,097,396
Business-type activities				
Investment earnings	146,893	137,745	150,528	134,193
Miscellaneous	--	--	--	--
Transfers	(354,663)	(275,565)	(363,546)	(694,440)
Total business-type activities	(207,770)	(137,820)	(213,018)	(560,247)
Total primary government	1,950,564	1,448,402	1,115,169	1,537,149
Changes in Net Position				
Governmental activities	2,158,334	1,586,222	1,328,187	2,097,396
Business-type activities	(207,770)	(137,820)	(213,018)	(560,247)
Prior period adjustment	--	--	--	(1,042,845)
Total primary government	\$ 1,950,564	\$ 1,448,402	\$ 1,115,169	\$ 494,304

Table 2
(Continued)

2014	2013	Fiscal Years		2010	2009
		2012	2011		
\$ 625,105	\$ 605,942	\$ 615,824	\$ 576,629	\$ 535,245	\$ 592,363
131,854	121,599	131,818	174,918	191,721	169,466
1,200	780	12,695	163,858	1,439	2,320
53,802	82,746	73,077	41,750	88,976	81,049
738,566	266,107	104,419	667,798	--	(20,000)
720,001	270,000	270,000	270,000	270,000	270,000
2,270,528	1,347,174	1,207,833	1,894,953	1,087,381	1,095,198
137,802	109,317	840,280	196,135	235,076	337,042
--	--	--	--	(30,000)	(30,000)
(730,001)	(270,000)	(270,000)	(270,000)	(270,000)	(270,000)
(592,199)	(160,683)	570,280	(73,865)	(64,924)	37,042
1,678,329	1,186,491	1,778,113	1,821,088	1,022,457	1,132,240
2,270,528	1,347,174	1,207,833	1,894,953	1,087,381	1,095,198
(592,199)	(160,683)	570,280	(73,865)	(64,924)	37,042
--	--	--	--	--	--
\$ 1,678,329	\$ 1,186,491	\$ 1,778,113	\$ 1,821,088	\$ 1,022,457	\$ 1,132,240

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

	Fiscal Years			
	2018	2017	2016	2015
General Fund				
Nonspendable	\$ --	\$ --	\$ --	\$ 36,186
Unassigned	1,126,538	1,115,118	1,158,986	1,290,128
Total general fund	1,126,538	1,115,118	1,158,986	1,326,314
All Other Governmental Funds				
Nonspendable	--	--	--	9,827
Restricted	717,266	640,136	390,319	330,233
Committed	--	--	--	--
Assigned	124,531	124,032	123,636	123,519
Unassigned	(734,160)	(744,068)	(721,800)	(446,334)
Total all other governmental funds	107,637	20,100	(207,845)	17,245
Total all governmental funds	\$ 1,234,175	\$ 1,135,218	\$ 951,141	\$ 1,343,559

Table 3

2014	2013	Fiscal Years		2010	2009
		2012	2011		
\$ 37,227	\$ 31,684	\$ 48,547	\$ 48,911	\$ 49,680	\$ 52,965
1,115,324	1,144,303	1,065,516	1,006,954	965,593	934,208
1,152,551	1,175,987	1,114,063	1,055,865	1,015,273	987,173
10,226	10,366	796	778	781	786
671,315	380,947	712,259	652,354	482,488	139,611
--	--	--	--	--	--
46,890	304,790	109,329	94,517	--	140,397
(1,184,176)	(1,715,355)	(2,007,356)	(981,685)	(976,677)	(490,467)
(455,745)	(1,019,252)	(1,184,972)	(234,036)	(493,408)	(209,673)
\$ 696,806	\$ 156,735	\$ (70,909)	\$ 821,829	\$ 521,865	\$ 777,500

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

	Fiscal Year			
	2018	2017	2016	2015
Revenues				
Property taxes	\$ 828,075	\$ 710,951	\$ 663,581	\$ 623,338
Tax increments	102,328	101,010	108,372	123,271
Licenses & permits	75,527	160,333	100,290	70,300
Special assessments	143,624	376,520	103,157	198,346
Intergovernmental	1,226,965	2,287,145	1,651,715	1,283,162
Charges for services	713,216	665,774	688,885	753,030
Fines	15,121	16,535	18,452	21,227
Investment earnings	18,748	23,711	69,535	36,900
Other revenues	262,184	310,194	284,210	584,673
Total revenues	3,385,788	4,652,173	3,688,197	3,694,247
Expenditures				
General government	530,517	580,989	499,528	489,714
Public safety	939,583	965,431	890,992	879,060
Public works	1,058,502	1,039,319	494,872	419,584
Cemetery	27,172	33,833	65,416	55,113
Culture and recreation	319,069	300,443	344,588	316,436
Housing and economic development	154,570	500,669	676,903	105,590
Capital projects	224,871	2,259,304	667,486	2,238,898
Miscellaneous	5,798	66,556	448,210	261,536
Debt service				
Principal	211,000	231,000	192,500	1,944,504
Interest & other expenditures	120,604	84,579	93,753	34,583
Total expenditures	3,591,686	6,062,123	4,374,248	6,745,018
Excess of revenues over (under) expenditures	(205,898)	(1,409,950)	(686,051)	(3,050,771)
Other Financing Sources (Uses)				
Proceeds from borrowing	--	1,325,000	--	3,003,084
Miscellaneous	--	38,341	--	--
Transfers in	743,432	1,124,511	1,022,822	1,593,712
Transfers out	(438,622)	(893,825)	(729,189)	(899,272)
Total other financing sources (uses)	304,810	1,594,027	293,633	3,697,524
Net change in fund balances	\$ 98,912	\$ 184,077	\$ (392,418)	\$ 646,753
Debt service as a percentage of non-capital expenditures	10.8%	9.1%	8.2%	42.2%

Table 4

Fiscal Year					
2014	2013	2012	2011	2010	2009
\$ 625,105	\$ 605,942	\$ 615,824	\$ 561,906	\$ 535,245	\$ 592,363
131,854	121,599	131,818	174,919	191,721	169,466
31,748	40,788	39,180	42,635	29,949	53,097
45,594	(12,939)	3,997	16,850	84,052	(43,299)
1,056,661	1,051,443	1,115,154	1,334,430	966,409	945,504
664,426	693,437	346,362	333,956	341,153	620,280
18,488	23,208	23,080	21,514	21,943	33,709
53,802	38,246	73,077	101,245	123,334	81,049
162,255	215,830	384,284	412,403	352,940	357,891
2,789,933	2,777,554	2,732,776	2,999,858	2,646,746	2,810,060
484,267	439,181	638,779	551,344	505,796	475,954
859,463	942,906	923,748	1,280,949	870,618	848,291
519,045	450,577	433,104	597,855	457,389	479,673
56,325	44,258	40,549	53,437	48,790	43,824
315,873	244,085	284,573	291,450	252,742	217,196
114,571	119,608	115,732	184,188	172,578	168,014
136,302	173,267	422,030	359,507	527,375	1,111,316
192,447	159,185	--	--	--	58,525
259,475	195,500	910,500	200,500	212,833	195,500
32,095	95,843	126,499	118,461	124,265	127,590
2,969,863	2,864,410	3,895,514	3,637,691	3,172,386	3,725,883
(179,930)	(86,856)	(1,162,738)	(637,833)	(525,640)	(915,823)
--	44,500	--	667,798	--	--
--	--	--	--	--	(20,000)
1,372,153	489,275	1,197,121	1,275,208	421,724	391,408
(652,152)	(219,275)	(927,121)	(1,005,208)	(151,724)	(121,408)
720,001	314,500	270,000	937,798	270,000	250,000
\$ 540,071	\$ 227,644	\$ (892,738)	\$ 299,965	\$ (255,640)	\$ (665,823)
12.9%	10.2%	30.7%	10.3%	14.2%	13.3%

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
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	164,724,200
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
2015	119,502,400	30,956,300	8,506,000	3,187,129	162,151,829
2016	119,776,300	29,256,300	7,564,000	3,082,045	159,678,645
2017	130,143,700	33,107,700	7,690,000	2,168,100	173,109,500
2018	148,086,300	36,936,600	7,860,300	1,581,600	194,464,800

Figures from Kanabec County Assessor - PRISM 2: County Mini Summary Report

	Total Tax Capacity of Taxable Property	Total Direct Tax Rate
\$	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%
	1,704,137	40.268%
	1,666,106	40.049%
	1,843,056	42.344%
	2,104,139	42.727%

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

Fiscal Year	General Fund	Debt Service	Total City Tax Rate	School	County
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
2015	22.216	18.052	40.268	7.216	104.869
2016	20.619	19.430	40.049	26.106	100.155
2017	20.927	21.417	42.344	27.979	100.815
2018	24.781	17.946	42.727	28.106	96.536

Figures from Kanabec County Auditor.

Region (ECRDC)	Region (KCEDA)	Total Tax Rate
0.150	0.000	117.102
0.155	0.000	118.000
0.175	0.000	127.305
0.216	0.000	150.579
0.226	0.000	161.173
0.257	0.000	170.363
0.235	0.000	152.588
0.229	0.000	166.539
0.234	1.661	173.033
0.218	1.496	169.083

Table 7

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

Taxpayer	2018			2009		
	Net Tax Capacity	Rank	Percentage of Total City Tax Capacity	Net Tax Capacity	Rank	Percentage of Total City Tax Capacity
Engineered Polymers Corp.	\$ 63,238	1	3.01%	\$ 59,946	1	2.76%
First Citizens Bank	45,428	2	2.16%	28,914	6	1.33%
Recovering Hope Treatment	43,002	3	2.04%	-		0.00%
Gorham Housing Partners LLP	36,501	4	1.73%	44,064	3	2.03%
Coborn's, Inc.	29,902	5	1.42%	33,294	5	1.53%
Minmor, LLC	28,502	6	1.35%	35,456	4	1.63%
Spire Credit Union	23,984	7	1.14%	26,359	8	1.21%
Minnesota Energy Resources	20,970	8	1.00%	-		0.00%
Living Services Foundation	19,327	9	0.92%	-		0.00%
Vasu & Dilip Motel LLP	16,810	10	0.80%	-		0.00%
Daniel G Kamin Mora LLC	-		0.00%	-		0.00%
Kanabec County	-		0.00%	47,228	2	2.18%
Long Term Health Care	-		0.00%	28,539	7	1.32%
Living Solutions II Corp.	-		0.00%	22,669	9	1.04%
Paul Belkholm, Inc.	-		0.00%	20,858	10	0.96%
Total	\$ 327,664		15.57%	\$ 347,327		15.99%
Total Net Tax Capacity	\$ 2,104,139			\$ 2,169,512		

Figures from the Kanabec County Assessor

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

Fiscal Year	General Fund Levy		Debt Service Levy		Taxes Levied for Fiscal Year*	Collected within the Fiscal Year of the Levy	
						Amount	Percentage of Levy
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%
2015		339,794		276,112	615,906	609,110	98.90%
2016		322,514		338,000	660,514	645,242	97.69%
2017		336,815		344,722	681,537	668,219	98.05%
2018		442,988		320,801	763,789	754,367	98.77%

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	
\$ 35,621	\$ 580,785	99.83%	\$ 79	
37,987	580,908	99.85%	--	
37,836	580,801	99.83%	151	
20,604	596,075	99.82%	407	
23,652	595,645	99.81%	--	
10,245	585,233	99.77%	1,212	
5,633	614,717	99.81%	1,162	
14,236	659,659	99.87%	1,036	
12,331	668,219	98.05%	986	
--	754,367	98.77%	9,422	

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
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	1,710,995	--	--	1,774,688	289,237
2013	770,000	2,220,000	--	--	1,361,000	--
2014	665,000	2,085,000	--	--	1,292,000	--
2015	1,945,000	1,770,000	--	--	1,222,000	2,204,366
2016	1,850,000	1,710,000	--	--	1,151,000	3,111,367
2017	1,715,000	2,900,000	--	--	1,078,000	3,056,957
2018	1,590,000	2,770,000	--	--	1,004,000	2,895,958

NA-not available

	Total Primary Government	Percentage of Personal Income	Per Capita
	\$ 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
	7,141,366	NA	2,000
	7,822,367	NA	2,191
	8,749,957	NA	2,450
	8,259,958	NA	2,313

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
2009	\$ 1,225,000	\$ 197,023,900	0.62%	3,699	\$ 331
2010	1,115,000	194,019,500	0.57%	3,571	312
2011	1,695,000	177,753,100	0.95%	3,571	475
2012	875,000	164,724,200	0.53%	3,571	245
2013	770,000	154,897,700	0.50%	3,528	218
2014	665,000	149,988,641	0.44%	3,523	189
2015	1,945,000	162,151,829	1.20%	3,518	553
2016	1,850,000	160,962,100	1.15%	3,518	526
2017	1,715,000	169,004,825	1.01%	3,504	489
2018	1,590,000	190,046,055	0.84%	3,507	453

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

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City of Mora, Minnesota
Direct and Overlapping Governmental Activities Debt

Governmental Unit	Direct Debt Outstanding (not including business-type activities)	Overlapping Debt Outstanding	Direct and Overlapping Debt	Taxable Net Tax Capacity
Kanabec County	\$ --	\$ 9,765,000	\$ 9,765,000	\$ 12,362,668
Independent School District 332	--	20,970,000	20,970,000	8,174,331
Subtotal		30,735,000	30,735,000	
City of Mora	3,954,495	--	3,954,495	2,104,139
Total	\$ 3,954,495	\$ 30,735,000	\$ 34,689,495	

Figures from Kanabec County Auditor

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

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

Sources: Kanabec County Auditor, Reporting of Outstanding Indebtedness

Taxable Net Tax Capacity Within the City's Boundaries	Percentage of Direct & Overlapping Debt Applicable to the City*	City's Estimated Share of Debt
\$ 2,104,139	17.02%	\$ 1,662,013
2,104,139	25.74%	5,397,848
		<u>7,059,861</u>
2,104,139	100.00%	3,954,495
		<u>\$ 11,014,356</u>

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

Fiscal Year	Assessed Market Value	Debt Limit 3%	Debt Applicable to Limit	Legal Debt Margin	Debt % of Limit
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%
2015	162,151,829	4,864,555	1,945,000	2,919,555	39.98%
2016	160,962,100	4,828,863	1,850,000	2,978,863	38.31%
2017	169,004,825	5,070,145	1,715,000	3,355,145	33.83%
2018	190,046,055	5,701,382	1,590,000	4,111,382	27.89%

Statutory debt limit is 3%.

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

Water Revenue Bonds						
Fiscal Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
2009	\$ 504,534	\$ 434,349	\$ 70,185	\$ 28,025	\$ 42,120	100%
2010	593,318	552,514	40,804	27,866	48,752	53%
2011	571,820	606,162	(34,342)	846,326	65,117	0%
2012	580,054	619,187	(39,133)	149,606	41,522	0%
2013	585,937	582,613	3,324	87,446	39,709	3%
2014	626,049	659,693	(33,644)	88,186	38,536	0%
2015	670,645	773,259	(102,614)	89,846	36,983	0%
2016	682,339	594,661	87,678	90,846	37,295	68%
2017	745,307	611,606	133,700	93,506	18,205	120%
2018	773,714	651,246	122,469	97,822	26,837	98%

Wastewater Revenue Bonds

Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
\$ 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	(26,383)	294,974	45,850	-8%
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%
3,345,883	1,035,318	2,310,565	17,654	10,857	8104%
2,003,611	733,112	1,270,499	58,011	30,788	1431%
1,224,070	980,043	244,028	178,494	37,138	113%
1,110,230	982,930	127,300	181,178	36,167	59%

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)
2009	3,635	NA	NA	39.7	87.3	14.4
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
2015	3,518	NA	NA	NA	NA	NA
2016	3,518	NA	NA	NA	NA	NA
2017	3,504	NA	NA	NA	NA	NA
2018	3,507	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)
1,770	13.10%
1,778	12.80%
1,777	10.80%
1,761	11.00%
1,755	9.80%
1,651	7.70%
1,645	8.10%
1,719	8.10%
1,602	7.30%
1,621	6.90%

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

Employer	2018			2014		
	Employees	Rank	% of Total	Employees	Rank	% of Total
FirstLight Health System	497	1	26.2	408	1	22.4
Mora Public Schools	325	2	17.1	325	2	17.8
Kanabec County	226	3	11.9	224	3	12.3
Imperial Plastics (formerly EPC)	193	4	10.2	212	4	11.6
St. Clare Living Community	156	5	8.2	135	6	7.4
Coborns, Inc.	153	6	8.1	162	5	8.9
Lakes & Pines Community Action Council	116	7	6.1	109	7	6.0
City of Mora	95	8	5.0	85	9	4.7
RJ Mechanical	78	9	4.1	54	10	3.0
Olympak	60	10	3.1	108	8	5.9
	<u>1,899</u>		<u>100.0</u>	<u>1,822</u>		<u>100.0</u>

Source: City Survey of Employers, Annually in April

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

Function/Program	Full-time Employees as of June 30*				
	2018	2017	2016	2015	2014
General Government					
Management Services	3	3	2	2	2
Finance**	4	4	4	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**	5	5	4	5	6
Aquatic Center	1	1	2	2	1
Electric	3	3	3	3	3
Water/Wastewater**	4	4	3	5	5
Liquor Store	2	2	2	2	2
Total	24	24	22	24	24

*Data from city payroll records.

** Information different in this table than was previously recorded. Adjustments were first published with 2013 CAFR, and are corrections to data reported incorrectly in 2012 and earlier.

Full-time Employees as of June 30				
2013	2012	2011	2010	2009
2	2	2	2	2
3	3	3	3	3
1	1	1	1	1
1	1	1	1	1
0	0	0	0	6
0	0	0	0	1
6	7	7	7	7
1	1	1	1	1
3	3	3	4	5
5	5	6	6	5
2	2	2	2	2
24	25	26	27	34

City Of Mora, Minnesota
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year			
	2018	2017	2016	2015
Police - contracted with the sheriff starting March 1, 2010				
Physical arrests	76	69	75	59
Parking violations	186	6	21	356
Traffic violations	1,678	1,969	2,061	1,391
Fire				
Emergency responses	102	103	90	109
Fires extinguished	41	44	15	39
Inspections	16	--	10	--
Public Works				
Street resurfacing (miles)	1.00	0.75	2.75	--
Potholes repaired	405	220	410	305
Library				
Visits	31,983	37,603	39,517	39,999
Volumes in collection	12,460	20,984	21,523	22,490
Total volumes borrowed	47,282	51,147	52,460	54,768
Computer use	9,540	6,592	6,471	6,576
Water				
Total connections	1,173	1,165	1,158	1,155
Water-main breaks	3	3	3	2

NA-not available

** Contracted with Sheriff's office in 2010.
Data from City of Mora department managers.

		Fiscal Year				
2014	2013	2012	2011	2010	2009	
54	1,252	745	908	594	246	
287	165	165	158	105	77	
1,303	1,293	913	1,359	604	262	
70	54	92	75	69	56	
29	36	56	43	31	29	
9	13	8	7	8	8	
--	--	.25	.49	1.28	1.22	
270	297	135	167	319	213	
37,693	41,619	47,117	49,403			
38,814	32,000	30,000	30,000	30,000	30,000	
56,153	58,486	67,313	87,000	89,800	92,000	
6,699	5,866	6,170	8,614			
1,168	1,172	1,173	1,179	1,178	1,177	
4	--	--	--	3	2	

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

Function/Program	Fiscal Year			
	2018	2017	2016	2015
Police **				
Stations	1	1	1	1
Patrol units	5	5	5	5
Fire Stations	1	1	1	1
Other Public Works				
Streets (miles)	24	24	24	24
Street lights	693	690	690	458
Parks and recreation				
Acreage	28	28	28	28
Playgrounds	4	4	4	4
Baseball/softball fields	3	3	3	3
Walking/biking trails(miles)	5.00	5.00	5.00	5.00
Water				
Water mains (miles)	18.00	18.00	18.00	18.00
Fire hydrants	281	281	281	281
Storage capacity (gallons)	700,000	700,000	700,000	700,000
Wastewater				
Sanitary sewers (miles)	16.00	16.00	16.00	16.00
Storm sewers (miles)	7.00	6.87	6.87	6.87
Treatment capacity (gallons/day)	800,000	800,000	800,000	800,000

** Contracted with Sheriff's office in 2010.

Data from City of Mora department managers.

	Fiscal Year				
2014	2013	2012	2011	2010	2009
1	1	1	1	1	1
5	5	5	5	5	6
1	1	1	1	1	1
24.00	24.16	24.16	24.16	24.16	24.16
458	458	458	458	458	458
28	28.44	28.44	28.44	28.44	28.44
4	4	4	4	4	4
3	3	3	3	3	3
5.00	4.80	4.80	4.80	4.80	2.50
18.00	18.00	18.00	18.00	18.00	18.00
281	281	281	281	281	281
700,000	700,000	700,000	700,000	700,000	700,000
16.00	16.00	16.00	16.00	16.00	16.00
6.87	6.87	6.87	6.87	6.87	6.87
800,000	800,000	800,000	800,000	800,000	800,000

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CITY OF MORA, MINNESOTA
ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2018

AUDITOR'S REPORT SECTION

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MEMBERS
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INDEPENDENT AUDITOR'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, 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Mora, Minnesota, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City of Mora, Minnesota's basic financial statements, and have issued our report thereon dated June 17, 2019. We also conducted our audit in accordance with the provisions of the Legal Compliance Audit Guide, promulgated by the State Auditor pursuant to Minnesota Statutes Section 6.65

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.



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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 17, 2019

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