



City of Mora  
Kanabec County, Minnesota  
Meeting Agenda  
Public Utilities Commission

Mora City Hall  
101 Lake St. S  
Mora, MN 55051

Monday, April 19, 2021

3:00 PM

Mora City Hall

- 1. Call to Order**
- 2. Roll Call**
- 3. Adopt Agenda** *(No item of business shall be considered unless it appears on the agenda for the meeting. Council members may add items to the agenda prior to adoption of the agenda.)*
- 4. Consent Agenda** *(Those items listed under Consent Agenda are considered to be routine by the City Council and will be acted upon by one motion under this agenda item. There will be no separate discussion of these items, unless a Council Member so requests, in which event, the item will be removed from the consent agenda and considered immediately after the adoption of the consent agenda.)*
  - a. Regular Meeting Minutes – March 15, 2021
  - b. March 2021 Claims
  - c. J. Gravening Probationary Period Release
  - d. Accept Letter of Resignation – Water/Wastewater Operator III
- 5. Open Forum** *(Individuals may address the council about any item not contained on the regular agenda. There is a maximum of fifteen (15) minutes set aside for open forum. A maximum of three (3) minutes is allotted per person. The City Council will take no official action on items discussed at the forum, with the exception of referral to staff for future report.)*
- 6. Special Business**
  - a. 2020 Comprehensive Annual Financial Report
- 7. New Business**
  - a. Electric Rate Study Proposal
  - b. Electric Plant/Line Supervisor Position Description
- 8. Old Business**
  - a. Utility Payment Arrangement Terms during COVID-19
- 9. Communications**
  - a. Utility Billing Monthly Report – March 2021
  - b. Utility Billing Adjustment Report – March 2021
  - c. Electric Vehicle Charging Stations Quarterly Report
  - d. Sanitary Sewer Quarterly Report
- 10. Reports**
  - a. Public Utilities General Manager
  - b. Public Works Director
  - c. Commissioner Baldwin
  - d. Commissioner Christianson
  - e. Chair Ardner
- 11. Adjournment**



Pursuant to due call and notice thereof, Commissioner Ardner called to order the regular meeting of the Mora Public Utilities Commission at 3:00 PM on Monday, March 15, 2021 in the city hall council chambers.

2. **Roll Call:** Present: Commissioners Greg Ardner, Brett Baldwin, and Ryan Christianson  
Absent: none  
Staff Present: Utilities General Manager Crawford, Public Works Director Kohlgraf, Utility Billing Clerk Bliss, City Accountant King, and Deputy City Clerk Yoder
3. **Adopt Agenda:** MOTION made by Christianson, seconded by Baldwin, and unanimously carried to approve the agenda as presented.
4. **Consent Agenda:** MOTION made by Christianson, seconded by Baldwin, and unanimously carried approve the consent agenda as presented.
  - a. Regular Meeting Minutes – February 16, 2021
  - b. February 2021 Claims
5. **Open Forum:** No one spoke at open forum.
6. **Special Business:** There were no special business items to discuss.
7. **Public Hearings:**
  - a. **Proposed Assessment of Unpaid Utility Charges:** The commissioners reviewed the list of past-due homeowner and/or business owner accounts presented by King for consideration to recommend certification of unpaid charges to the respective property tax statement for the taxes payable in 2022 in accordance with statute and City Code § 50.24.  
  
Ardner opened the public hearing at 3:02PM, no one spoke nor was any correspondence received from the delinquent party; MOTION made by Baldwin, seconded by Christianson, and unanimously carried to close the public hearing at 3:03PM. MOTION made by Christianson, seconded by Baldwin, and unanimously carried to recommend certification of the entire list of unpaid utility charges and certification fees in the amount of \$21,112.00 to the City Council.
8. **New Business:** There were no new business items to discuss.
9. **Old Business:** There were no old business items to discuss.
10. **Communications:**
  - a. Quarterly Financial Reports: King reviewed the financial report and stated the surplus in all three of the PUC funds were attributed to good fiscal management.
  - b. Utility Billing Monthly Report – February 2021: Bliss reported new balances as of today with total account balances at \$219,944 and current charges were \$76,768 with 69 accounts having one period past due.
  - c. Utility Billing Adjustments Report – February 2021
11. **Reports:**
  - a. Public Utilities General Manager: Crawford posed the question of a commissioner as part of the interview committee for the new Administrative Services Director and Ardner volunteered to be on the committee.
  - b. Public Works Director: Kohlgraf announced the new water/wastewater truck received last month was out front for the commissioners to view; reported the Highway 65

March 15, 2021

electric pole replacement project was complete with the exception of a few poles waiting for Midco to complete their work before removing. Kohlgraf also reported the WWTP had continued to be near balanced with the amount of water flowing in and flowing out of the WWTP; Lake Mora was also at its lowest level in eight years.

- c. Commissioner Baldwin: Nothing new to report.
- d. Commissioner Christianson: Christianson inquired, and it was reported that the electric vehicle charging stations had been being used at both the downtown and Coborns locations.
- e. Chairperson Ardner: Ardner suggested taking a quick tour of the new water/wastewater truck after the meeting.

**12. Adjournment:** MOTION made by Christianson, seconded by Baldwin, and unanimously carried to adjourn at 3:11 PM.

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Chair

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Secretary

DRAFT



**CITY OF MORA**  
**Claims List - PUC**

Search Name	Check Nbr	Fund Descr	Last Dim Descr	Comments	Amount
Check Nbr 000661 COMPLETE MERCHANT SOLUTIONS					
COMPLETE MERCHANT SOL	000661	WATER F	Payment Proc	CREDIT CARD PYMT PROCESS	\$160.00
COMPLETE MERCHANT SOL	000661	SEWER F	Payment Proc	CREDIT CARD PYMT PROCESS	\$160.00
COMPLETE MERCHANT SOL	000661	ELECTRI	Payment Proc	CREDIT CARD PYMT PROCESS	\$320.00
Check Nbr 000661 COMPLETE MERCHANT SOLUTIONS					\$640.00
Check Nbr 000662 MORA MUNICIPAL UTILITIES					
MORA MUNICIPAL UTILITIE	000662	SEWER F	Electricity	UTILITIES	\$837.66
MORA MUNICIPAL UTILITIE	000662	SEWER F	Water	UTILITIES	\$133.15
MORA MUNICIPAL UTILITIE	000662	WATER F	Electricity	UTILITIES	\$955.15
MORA MUNICIPAL UTILITIE	000662	WATER F	Storm Water	UTILITIES	\$23.12
MORA MUNICIPAL UTILITIE	000662	SEWER F	Storm Water	UTILITIES	\$23.79
MORA MUNICIPAL UTILITIE	000662	SEWER F	Storm Water	UTILITIES	\$11.56
MORA MUNICIPAL UTILITIE	000662	SEWER F	Electricity	UTILITIES	\$3,227.56
MORA MUNICIPAL UTILITIE	000662	ELECTRI	Storm Water	UTILITIES	\$18.35
MORA MUNICIPAL UTILITIE	000662	ELECTRI	Sewer	UTILITIES	\$231.27
MORA MUNICIPAL UTILITIE	000662	WATER F	Storm Water	UTILITIES	\$11.56
MORA MUNICIPAL UTILITIE	000662	ELECTRI	Water	UTILITIES	\$215.00
MORA MUNICIPAL UTILITIE	000662	WATER F	Electricity	UTILITIES	\$42.18
MORA MUNICIPAL UTILITIE	000662	WATER F	Storm Water	UTILITIES	\$12.91
MORA MUNICIPAL UTILITIE	000662	WATER F	Electricity	UTILITIES	\$1,298.66
Check Nbr 000662 MORA MUNICIPAL UTILITIES					\$7,041.92
Check Nbr 000663 ONLINE COLLECTIONS					
ONLINE COLLECTIONS	000663	ELECTRI	Cust UB/Colle	NEW UB CUSTOMER CREDIT C	\$48.90
Check Nbr 000663 ONLINE COLLECTIONS					\$48.90
Check Nbr 000665 MN DEPT OF REVENUE					
MN DEPT OF REVENUE	000665	WATER F	Sales Tax Pa	SALES & USE TAX PYMT	\$811.00
MN DEPT OF REVENUE	000665	ELECTRI	Telephone	SALES & USE TAX PYMT	\$12.00
MN DEPT OF REVENUE	000665	ELECTRI	Other Operati	SALES & USE TAX PYMT	\$5.00
MN DEPT OF REVENUE	000665	ELECTRI	Office Supplie	SALES & USE TAX PYMT	\$2.00
MN DEPT OF REVENUE	000665	ELECTRI	Maint of St. L	SALES & USE TAX PYMT	\$3.00
MN DEPT OF REVENUE	000665	ELECTRI	Maint of Subs	SALES & USE TAX PYMT	\$4.00
MN DEPT OF REVENUE	000665	ELECTRI	Small Tools &	SALES & USE TAX PYMT	\$1.00
MN DEPT OF REVENUE	000665	ELECTRI	Landfill Gen E	SALES & USE TAX PYMT	\$1.00
MN DEPT OF REVENUE	000665	ELECTRI	Garbage Rem	SALES & USE TAX PYMT	\$5.00
MN DEPT OF REVENUE	000665	ELECTRI	Repair/Maint	SALES & USE TAX PYMT	\$6.00
MN DEPT OF REVENUE	000665	ELECTRI	Sales Tax Pa	SALES & USE TAX PYMT	\$26,240.00
MN DEPT OF REVENUE	000665	ELECTRI	Small Tools &	SALES & USE TAX PYMT	\$25.00
Check Nbr 000665 MN DEPT OF REVENUE					\$27,115.00
Check Nbr 000667 PAYLIANCE					
PAYLIANCE	000667	ELECTRI	Payment Proc	E-CHECK PYMT PROCESSING F	\$34.84
PAYLIANCE	000667	WATER F	Payment Proc	E-CHECK PYMT PROCESSING F	\$17.43
PAYLIANCE	000667	SEWER F	Payment Proc	E-CHECK PYMT PROCESSING F	\$17.43
Check Nbr 000667 PAYLIANCE					\$69.70
Check Nbr 000668 SMMPA					
SMMPA	000668	ELECTRI	Accounts Pay	POWER PURCHASED	\$331,094.72
Check Nbr 000668 SMMPA					\$331,094.72
Check Nbr 000670 NEIGHBORHOOD NATIONAL BANK					
NEIGHBORHOOD NATIONAL	000670	ELECTRI	Bad Debts/N	MONTHLY RETURNED CHECK	\$10.00
NEIGHBORHOOD NATIONAL	000670	ELECTRI	Payment Proc	MONTHLY UB ACH FILE FEE	\$30.00



**CITY OF MORA**  
**Claims List - PUC**

Search Name	Check Nbr	Fund Descr	Last Dim Descr	Comments	Amount
NEIGHBORHOOD NATIONAL	000670	ELECTRI	Payment Proc	MONTHLY BUSINESS ONLINE	\$10.00
Check Nbr 000670 NEIGHBORHOOD NATIONAL BANK					\$50.00
Check Nbr 056139 BERGSTADT, GARY					
BERGSTADT, GARY	056139	ELECTRI	Uniforms	CLOTHING	\$79.98
Check Nbr 056139 BERGSTADT, GARY					\$79.98
Check Nbr 056145 EAST CENTRAL AUDIOLOGY, LTD					
EAST CENTRAL AUDIOLOGY,	056145	ELECTRI	Professional	BERGSTADT OSHA HEARING T	\$35.00
Check Nbr 056145 EAST CENTRAL AUDIOLOGY, LTD					\$35.00
Check Nbr 056147 HEGGERNES AGENCY INC					
HEGGERNES AGENCY INC	056147	WATER F	Prepaid Ins	2021 INS AGENTS FEE	\$223.00
HEGGERNES AGENCY INC	056147	SEWER F	Prepaid Ins	2021 INS AGENTS FEE	\$385.00
HEGGERNES AGENCY INC	056147	ELECTRI	Prepaid Ins	2021 INS AGENTS FEE	\$925.65
Check Nbr 056147 HEGGERNES AGENCY INC					\$1,533.65
Check Nbr 056151 LEAGUE OF MN CITIES INS TRUST					
LEAGUE OF MN CITIES INS	056151	WATER F	Prepaid Ins	2021 PROP/LIAB INS PREMIU	\$7,652.50
LEAGUE OF MN CITIES INS	056151	ELECTRI	Prepaid Ins	2021 PROP/LIAB INS PREMIU	\$31,810.00
LEAGUE OF MN CITIES INS	056151	SEWER F	Prepaid Ins	2021 PROP/LIAB INS PREMIU	\$13,229.50
Check Nbr 056151 LEAGUE OF MN CITIES INS TRUST					\$52,692.00
Check Nbr 056164 AMAZON CAPITAL SERVICES					
AMAZON CAPITAL SERVICES	056164	SEWER F	Small Tools &	FLASHLIGHT	\$19.99
Check Nbr 056164 AMAZON CAPITAL SERVICES					\$19.99
Check Nbr 056165 BRODAL, JODI					
BRODAL, JODI	056165	ELECTRI	Undistributed	REFUND METER DEPOSIT-101	\$298.22
Check Nbr 056165 BRODAL, JODI					\$298.22
Check Nbr 056166 EAST CENTRAL ENERGY					
EAST CENTRAL ENERGY	056166	ELECTRI	ECE Services	FEB DISPATCH/JAN TOLL FRE	\$194.36
Check Nbr 056166 EAST CENTRAL ENERGY					\$194.36
Check Nbr 056168 KRAEMER, SANDY					
KRAEMER, SANDY	056168	ELECTRI	Undistributed	REFUND OVERPYMT-319 S UN	\$251.14
Check Nbr 056168 KRAEMER, SANDY					\$251.14
Check Nbr 056170 TROUPE, KEVIN					
TROUPE, KEVIN	056170	SEWER F	Repair/Maint	MMU DECALS	\$141.00
Check Nbr 056170 TROUPE, KEVIN					\$141.00
Check Nbr 056179 LEAGUE OF MN CITIES INS TRUST					
LEAGUE OF MN CITIES INS	056179	SEWER F	Miscellaneous	SEWER BACKUP DEDUCTIBLE-	\$500.00
Check Nbr 056179 LEAGUE OF MN CITIES INS TRUST					\$500.00
Check Nbr 056182 MPCA					
MPCA	056182	SEWER F	Dues & Subs	WATER QUALITY PERMIT ANN	\$1,450.00
Check Nbr 056182 MPCA					\$1,450.00
Check Nbr 056188 WALMAN OPTICAL					
WALMAN OPTICAL	056188	ELECTRI	Uniforms	BERGSTADT SAFETY GLASSES	\$138.00
WALMAN OPTICAL	056188	ELECTRI	Uniforms	BERGSTADT SAFETY GLASSES	\$34.00
Check Nbr 056188 WALMAN OPTICAL					\$172.00
Check Nbr 056194 BERGSTADT, GARY					



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Search Name	Check Nbr	Fund Descr	Last Dim Descr	Comments	Amount
BERGSTADT, GARY	056194	ELECTRI	Uniforms	SHIRTS	\$31.26
Check Nbr 056194 BERGSTADT, GARY					\$31.26
Check Nbr 056205 CARDMEMBER SERVICE					
CARDMEMBER SERVICE	056205	ELECTRI	Small Tools &	SOCKET TOOL - SNAP ON	\$384.40
CARDMEMBER SERVICE	056205	ELECTRI	Maint of Gen	ENG #6 OIL FILTERS - CC DAY	\$1,768.92
Check Nbr 056205 CARDMEMBER SERVICE					\$2,153.32
Check Nbr 056208 KORTERRA, INC					
KORTERRA, INC	056208	WATER F	Professional	ANNL LOCATING SERVICE FEE	\$243.75
KORTERRA, INC	056208	ELECTRI	Professional	ANNL LOCATING SERVICE FEE	\$243.75
KORTERRA, INC	056208	SEWER F	Professional	ANNL LOCATING SERVICE FEE	\$243.75
Check Nbr 056208 KORTERRA, INC					\$731.25
Check Nbr 056214 MIDCO					
MIDCO	056214	ELECTRI	Telephone	PHONE, INTERNET	\$128.27
MIDCO	056214	SEWER F	Telephone	INTERNET	\$270.00
MIDCO	056214	WATER F	Telephone	PHONE, INTERNET	\$181.69
Check Nbr 056214 MIDCO					\$579.96
Check Nbr 056217 MN DEPT OF HEALTH					
MN DEPT OF HEALTH	056217	WATER F	State Water F	1ST QTR 2021 WATER CONNE	\$2,904.00
Check Nbr 056217 MN DEPT OF HEALTH					\$2,904.00
Check Nbr 056218 MN MUNICIPAL UTILITIES ASSN					
MN MUNICIPAL UTILITIES A	056218	ELECTRI	Meetings, Tra	LINeworker TRNG COURSEB	\$534.38
MN MUNICIPAL UTILITIES A	056218	ELECTRI	Meetings, Tra	APPRENTICE LINeworker DE	\$1,750.00
Check Nbr 056218 MN MUNICIPAL UTILITIES ASSN					\$2,284.38
Check Nbr 056220 MPCA					
MPCA	056220	ELECTRI	Dues & Subs	ANNL AIR EMISSIONS PERMIT	\$1,896.57
Check Nbr 056220 MPCA					\$1,896.57
Check Nbr 056221 NEONLINK LLC					
NEONLINK LLC	056221	SEWER F	Payment Proc	PYMT PROCESSING	\$74.50
NEONLINK LLC	056221	WATER F	Payment Proc	PYMT PROCESSING	\$74.50
NEONLINK LLC	056221	ELECTRI	Payment Proc	PYMT PROCESSING	\$149.00
Check Nbr 056221 NEONLINK LLC					\$298.00
Check Nbr 056222 ONLINE COLLECTIONS					
ONLINE COLLECTIONS	056222	ELECTRI	Cust UB/Colle	COMMISSION ON UB COLLECT	\$18.03
ONLINE COLLECTIONS	056222	ELECTRI	Cust UB/Colle	COMMISSION ON UB COLLECT	\$137.39
Check Nbr 056222 ONLINE COLLECTIONS					\$155.42
Check Nbr 056224 VERIZON WIRELESS					
VERIZON WIRELESS	056224	SEWER F	Telephone	CELL PHONES, IPADS	\$79.51
VERIZON WIRELESS	056224	WATER F	Telephone	CELL PHONES, IPADS	\$52.35
VERIZON WIRELESS	056224	ELECTRI	Telephone	CELL PHONES, IPADS	\$161.87
Check Nbr 056224 VERIZON WIRELESS					\$293.73
Check Nbr 056225 ACE HARDWARE					
ACE HARDWARE	056225	SEWER F	Small Tools &	PAN FOR DRYING SOIL SAMPL	\$6.99
Check Nbr 056225 ACE HARDWARE					\$6.99
Check Nbr 056227 ARAMARK					
ARAMARK	056227	SEWER F	Other Operati	RUGS & TOWELS	\$177.44



**CITY OF MORA**  
**Claims List - PUC**

Search Name	Check Nbr	Fund Descr	Last Dim Descr	Comments	Amount
Check Nbr 056227 ARAMARK					\$177.44
Check Nbr 056228 AUTO VALUE MORA					
AUTO VALUE MORA	056228	SEWER F	Repair/Maint	RETURNED BACKUP LIGHTS	-\$39.69
AUTO VALUE MORA	056228	SEWER F	Repair/Maint	BACKUP LIGHTS, FUEL LINE R	\$121.40
AUTO VALUE MORA	056228	SEWER F	Small Tools &	1500W POWER INVERTER	\$298.99
Check Nbr 056228 AUTO VALUE MORA					\$380.70
Check Nbr 056229 BEAUDRY PROPANE					
BEAUDRY PROPANE	056229	ELECTRI	Landfill Gen E	LFG OIL	\$4,427.20
Check Nbr 056229 BEAUDRY PROPANE					\$4,427.20
Check Nbr 056230 BORDER STATES ELECTRIC					
BORDER STATES ELECTRIC	056230	ELECTRI	Maint of Mete	CHAPMAN METER SERVICES	\$380.00
BORDER STATES ELECTRIC	056230	ELECTRI	Distribution I	ELECTRIC METERS	\$1,358.71
Check Nbr 056230 BORDER STATES ELECTRIC					\$1,738.71
Check Nbr 056233 CINTAS					
CINTAS	056233	ELECTRI	Other Operati	MATS, MOPS	\$123.77
Check Nbr 056233 CINTAS					\$123.77
Check Nbr 056236 DGR ENGINEERING					
DGR ENGINEERING	056236	ELECTRI	Engineering	DISTR UNDERBUILD RELOCAT	\$462.00
DGR ENGINEERING	056236	ELECTRI	Engineering	NEW SCHOOL FEED	\$118.00
DGR ENGINEERING	056236	ELECTRI	Engineering	2021 POLE REPLACEMENT	\$2,064.00
Check Nbr 056236 DGR ENGINEERING					\$2,644.00
Check Nbr 056237 EAST CENTRAL ENERGY					
EAST CENTRAL ENERGY	056237	ELECTRI	ECE Services	MARCH LABOR & EQUIPMENT	\$2,599.97
EAST CENTRAL ENERGY	056237	ELECTRI	ECE Services	MARCH DISPATCH SERVICES	\$195.00
Check Nbr 056237 EAST CENTRAL ENERGY					\$2,794.97
Check Nbr 056240 EXLINE INC					
EXLINE INC	056240	ELECTRI	Maint of Gen	ENG 5&6 FUEL LINE INJECTO	\$3,533.68
EXLINE INC	056240	ELECTRI	Maint of Gen	ENG 5&6 GASKETS	\$479.73
Check Nbr 056240 EXLINE INC					\$4,013.41
Check Nbr 056241 FISHER SCIENTIFIC LLC					
FISHER SCIENTIFIC LLC	056241	SEWER F	Lab Supplies	FILTERS	\$562.80
Check Nbr 056241 FISHER SCIENTIFIC LLC					\$562.80
Check Nbr 056243 FLOW MEASUREMENT AND CONTROL					
FLOW MEASUREMENT AND	056243	WATER F	Professional	CERT OF CLOSED PIPE FLOW	\$423.00
FLOW MEASUREMENT AND	056243	SEWER F	PERA	CERT OF CLOSED/OPENED PIP	\$957.00
FLOW MEASUREMENT AND	056243	WATER F	Professional	CERT OF CLOSED PIPE FLOW	\$423.00
Check Nbr 056243 FLOW MEASUREMENT AND CONTROL					\$1,803.00
Check Nbr 056244 FREEDOM MAILING SERVICES INC					
FREEDOM MAILING SERVIC	056244	SEWER F	Professional	NEWSLETTER	\$5.18
FREEDOM MAILING SERVIC	056244	ELECTRI	Professional	NEWSLETTER	\$10.37
FREEDOM MAILING SERVIC	056244	WATER F	Cust UB/Colle	BILL PROCESSING	\$227.14
FREEDOM MAILING SERVIC	056244	WATER F	Professional	NEWSLETTER	\$5.18
FREEDOM MAILING SERVIC	056244	SEWER F	Cust UB/Colle	BILL PROCESSING	\$227.14
FREEDOM MAILING SERVIC	056244	ELECTRI	Cust UB/Colle	BILL PROCESSING	\$454.26
Check Nbr 056244 FREEDOM MAILING SERVICES INC					\$929.27



**CITY OF MORA**  
**Claims List - PUC**

Search Name	Check Nbr	Fund Descr	Last Dim Descr	Comments	Amount
Check Nbr 056246 GLENS TIRE OPERATIONS INC					
GLENS TIRE OPERATIONS I	056246	ELECTRI	Repair/Maint	POWER PLANT TURBO HEATE	\$9.00
Check Nbr 056246 GLENS TIRE OPERATIONS INC					\$9.00
Check Nbr 056247 GOPHER STATE ONE-CALL INC					
GOPHER STATE ONE-CALL I	056247	WATER F	Professional	MARCH LOCATES	\$12.83
GOPHER STATE ONE-CALL I	056247	SEWER F	Professional	MARCH LOCATES	\$12.83
GOPHER STATE ONE-CALL I	056247	ELECTRI	Professional	MARCH LOCATES	\$12.82
Check Nbr 056247 GOPHER STATE ONE-CALL INC					\$38.48
Check Nbr 056250 HACH COMPANY					
HACH COMPANY	056250	SEWER F	Repair/Maint	D.O. SENSOR CAP	\$166.59
Check Nbr 056250 HACH COMPANY					\$166.59
Check Nbr 056251 IRBY TOOL & SAFETY					
IRBY TOOL & SAFETY	056251	ELECTRI	Maint of St. L	PHOTO CONTROL EYES, CELLS	\$1,505.30
Check Nbr 056251 IRBY TOOL & SAFETY					\$1,505.30
Check Nbr 056252 ITRON, INC					
ITRON, INC	056252	WATER F	Professional	ANNL METER READING EQ HA	\$589.03
ITRON, INC	056252	SEWER F	Professional	ANNL METER READING EQ HA	\$589.03
ITRON, INC	056252	ELECTRI	Professional	ANNL METER READING EQ HA	\$1,178.04
Check Nbr 056252 ITRON, INC					\$2,356.10
Check Nbr 056253 JEFFS MACHINE & WELDING LLC					
JEFFS MACHINE & WELDING	056253	SEWER F	Repair/Maint	TRUCK RACK	\$208.34
Check Nbr 056253 JEFFS MACHINE & WELDING LLC					\$208.34
Check Nbr 056254 JOHNSONS HARDWARE & RENTAL					
JOHNSONS HARDWARE & R	056254	SEWER F	Repair/Maint	COVID SAMPLING SUPPLIES	\$49.91
JOHNSONS HARDWARE & R	056254	SEWER F	Repair/Maint	DRAWER GRIP	\$23.96
Check Nbr 056254 JOHNSONS HARDWARE & RENTAL					\$73.87
Check Nbr 056255 KANABEC PUBLICATIONS, INC					
KANABEC PUBLICATIONS, I	056255	WATER F	Advertising	FLUSHING HYDRANTS ADS	\$181.00
Check Nbr 056255 KANABEC PUBLICATIONS, INC					\$181.00
Check Nbr 056256 KWIK TRIP - GAS PURCHASES					
KWIK TRIP - GAS PURCHASE	056256	ELECTRI	Truck Expens	FUEL	\$252.25
KWIK TRIP - GAS PURCHASE	056256	WATER F	Motor Fuels	FUEL	\$205.66
KWIK TRIP - GAS PURCHASE	056256	SEWER F	Motor Fuels	FUEL	\$265.28
Check Nbr 056256 KWIK TRIP - GAS PURCHASES					\$723.19
Check Nbr 056259 MN ENERGY RESOURCES CORP					
MN ENERGY RESOURCES CO	056259	WATER F	Natural Gas -	NATURAL GAS	\$89.14
MN ENERGY RESOURCES CO	056259	WATER F	Natural Gas -	NATURAL GAS	\$57.18
MN ENERGY RESOURCES CO	056259	ELECTRI	Natural Gas -	NATURAL GAS	\$491.33
MN ENERGY RESOURCES CO	056259	SEWER F	Natural Gas -	NATURAL GAS	\$244.84
Check Nbr 056259 MN ENERGY RESOURCES CORP					\$882.49
Check Nbr 056260 NORTHERN STATES SUPPLY					
NORTHERN STATES SUPPLY	056260	ELECTRI	Small Tools &	DISTRIBUTION TOOLS	\$1,294.28
Check Nbr 056260 NORTHERN STATES SUPPLY					\$1,294.28
Check Nbr 056261 OAK GALLERY & FRAME SHOP					
OAK GALLERY & FRAME SHO	056261	ELECTRI	Postage	SHIPPED GLOVES FOR TESTIN	\$59.82



**CITY OF MORA**  
**Claims List - PUC**

Search Name	Check Nbr	Fund Descr	Last Dim Descr	Comments	Amount
Check Nbr 056261 OAK GALLERY & FRAME SHOP					\$59.82
Check Nbr 056262 OSLIN LUMBER					
OSLIN LUMBER	056262	ELECTRI	Repair/Maint	CEILING TILES FOR TELEWOR	\$244.00
Check Nbr 056262 OSLIN LUMBER					\$244.00
Check Nbr 056263 OWENS AUTO PARTS					
OWENS AUTO PARTS	056263	SEWER F	Repair/Maint	RETURNED BATTERY CABLE	-\$25.08
OWENS AUTO PARTS	056263	WATER F	Repair/Maint	BULK FILTERS	\$208.11
OWENS AUTO PARTS	056263	SEWER F	Small Tools &	PIPE VISE GRIP	\$213.99
OWENS AUTO PARTS	056263	ELECTRI	Truck Expens	BULK FILTERS	\$574.06
OWENS AUTO PARTS	056263	SEWER F	Repair/Maint	BATTERY CABLE, LUGS, PAINT	\$350.35
Check Nbr 056263 OWENS AUTO PARTS					\$1,321.43
Check Nbr 056264 OXYGEN SERVICE CO, INC					
OXYGEN SERVICE CO, INC	056264	WATER F	Repair/Maint	CYLINDER RENTALS	\$10.85
OXYGEN SERVICE CO, INC	056264	ELECTRI	Maint of Subs	CYLINDER RENTALS	\$47.52
OXYGEN SERVICE CO, INC	056264	ELECTRI	Landfill Gen E	CYLINDER RENTALS	\$11.69
OXYGEN SERVICE CO, INC	056264	ELECTRI	Repair/Maint	CYLINDER RENTALS	\$27.28
Check Nbr 056264 OXYGEN SERVICE CO, INC					\$97.34
Check Nbr 056265 QUALITY DISPOSAL					
QUALITY DISPOSAL	056265	ELECTRI	Garbage Rem	GARBAGE	\$75.00
QUALITY DISPOSAL	056265	SEWER F	Garbage Rem	GARBAGE	\$163.80
Check Nbr 056265 QUALITY DISPOSAL					\$238.80
Check Nbr 056267 RESCO					
RESCO	056267	ELECTRI	Maint of Over	CUTOUTS	\$1,274.81
Check Nbr 056267 RESCO					\$1,274.81
Check Nbr 056268 RMB ENVIRONMENTAL LABS INC					
RMB ENVIRONMENTAL LABS	056268	WATER F	Professional	LAB TESTING	\$65.00
RMB ENVIRONMENTAL LABS	056268	SEWER F	Professional	LAB TESTING	\$1,071.00
Check Nbr 056268 RMB ENVIRONMENTAL LABS INC					\$1,136.00
Check Nbr 056269 SEH					
SEH	056269	WATER F	Professional	AWIA RISK & RESILIENCE ASS	\$1,258.17
Check Nbr 056269 SEH					\$1,258.17
Check Nbr 056271 STENSTROM COLLISION & DTL, INC					
STENSTROM COLLISION & D	056271	SEWER F	Repair/Maint	REMOVE TRUCK DECALS	\$100.00
Check Nbr 056271 STENSTROM COLLISION & DTL, INC					\$100.00
Check Nbr 056272 THEIN WELL CO, INC					
THEIN WELL CO, INC	056272	WATER F	Professional	ANNL INSPECTION OF PUMPS	\$370.00
THEIN WELL CO, INC	056272	WATER F	Professional	ANNL INSPECTION OF HIGH S	\$135.00
Check Nbr 056272 THEIN WELL CO, INC					\$505.00
Check Nbr 056273 TOTAL CONTROL SYSTEMS, INC.					
TOTAL CONTROL SYSTEMS,	056273	SEWER F	Professional	COMPUTER VERSION SOFTWA	\$4,097.87
Check Nbr 056273 TOTAL CONTROL SYSTEMS, INC.					\$4,097.87
Check Nbr 056275 UPPER CASE PRINTING INK					
UPPER CASE PRINTING INK	056275	ELECTRI	Professional	NEWSLETTER	\$105.00
UPPER CASE PRINTING INK	056275	WATER F	Professional	NEWSLETTER	\$52.50
UPPER CASE PRINTING INK	056275	SEWER F	Professional	NEWSLETTER	\$52.50



**CITY OF MORA**  
**Claims List - PUC**

Search Name	Check Nbr	Fund Descr	Last Dim Descr	Comments	Amount
Check Nbr 056275 UPPER CASE PRINTING INK					\$210.00
Check Nbr 056277 VIKING ELECTRIC SUPPLY					
VIKING ELECTRIC SUPPLY	056277	ELECTRI	Maint of St. L	RETURNED STR LIGHT LED BU	-\$445.60
VIKING ELECTRIC SUPPLY	056277	ELECTRI	Maint of St. L	STREET LIGHT LED BULBS	\$435.00
VIKING ELECTRIC SUPPLY	056277	ELECTRI	Maint of St. L	ALLEY LED LIGHTS BY CITY H	\$220.00
Check Nbr 056277 VIKING ELECTRIC SUPPLY					\$209.40
Check Nbr 056279 WINDSTREAM					
WINDSTREAM	056279	SEWER F	Telephone	PHONE	\$129.54
Check Nbr 056279 WINDSTREAM					\$129.54
					<u>\$472,678.55</u>



MORA MUNICIPAL UTILITIES  
PUBLIC UTILITIES COMMISSION CHECK LIST

THE MARCH/APRIL 2021 CLAIMS HAVE BEEN APPROVED FOR PAYMENT BY:

\_\_\_\_\_  
CHAIRMAN

\_\_\_\_\_  
COMMISSION MEMBER

\_\_\_\_\_  
COMMISSION MEMBER

\_\_\_\_\_  
SECRETARY



# MEMORANDUM

Date: April 20, 2021  
To: Public Utilities Commission  
From: Lindy Crawford, Public Utilities General Manager  
RE: J. Gravening Probationary Period Release

## SUMMARY

---

Release of Jessica Gravening from probationary period.

## BACKGROUND INFORMATION

---

Jessica Gravening was hired as the Utility Billing Clerk II on September 21, 2020, and her probationary period was completed on March 21, 2021. At this time she has successfully completed her six-month probationary period with no issues or concerns. Therefore, I am asking that her probationary period be released. She is currently at grade 6 step A (\$20.24) and will move up to a grade 6 step B (\$20.74) after her probation is released pending PUC approval.

## OPTIONS & IMPACTS

---

This salary step increase is currently budgeted for this position.

## RECOMMENDATIONS

---

Motion to approve Jessica Gravening's release from probation with a corresponding salary step increase grade 6 step B retroactive to March 21, 2021.

## *Attachments*

None





# MEMORANDUM

Date April 19, 2021  
To Public Utilities Commission  
From Lindy Crawford, Public Utilities General Manager  
RE Accept Letter of Resignation – Water/Wastewater Operator III

---

## SUMMARY

Jake Holmes, water/wastewater operator III, submitted his letter of resignation. His last date of employment will be April 19, 2021.

## OPTIONS & IMPACTS

Staff already posted the soon to be vacant position and hopes to have the PUC approve a new hire as soon as possible.

## RECOMMENDATIONS

Motion to accept Jake Holmes's letter of resignation.

## *Attachments*

Holmes Letter of Resignation

RECEIVED

APR 05 2021

I Jacob Holmes effective date of April 5<sup>th</sup> 2021,  
I'm putting in my two weeks notice. My last day  
will be Monday April 19<sup>th</sup> 2021. It was a great  
experience working for the city of Morea, the co workers were  
amazing and made it a great place to work everyday. At this  
point I have an opportunity to grow and move on, I thank you  
for everything the city has done and giving me over the last  
4½ years. Thank you again.

Jacob Holmes  
4-5-2021



# MEMORANDUM

Date: April 19, 2021  
To: Public Utilities Commission  
From: Sara King, Accountant  
RE: 2020 Comprehensive Annual Financial Report

---

## SUMMARY

Receive a presentation on the 2020 audit report, also known as the Comprehensive Annual Financial Report (Annual Report).

## BACKGROUND INFORMATION

Preparations began for the 2020 audit in January 2021, and the audit field work was completed the last week of February 2021. A copy of the Annual Report is enclosed.

BerganKDV will be presenting the Annual Report to the PUC virtually.

## RECOMMENDATIONS

None

### *Attachments*

- 2020 Comprehensive Annual Financial Report
- 2020 Communications Report
- 2020 Independent Auditor's Reports





# Comprehensive Annual Financial Report

FISCAL YEAR ENDED DECEMBER 31, 2020

*Prepared by the Finance Department*

City of Mora, Minnesota

---

Tel: 320.679.1511  
[www.ci.mora.mn.us](http://www.ci.mora.mn.us)

101 Lake Street South  
Mora, MN 55051-1588

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**COMPREHENSIVE**

**ANNUAL FINANCIAL REPORT**

**OF THE**

**CITY OF MORA,**  
**MINNESOTA**

**For Fiscal Year Ended**

**December 31, 2020**

Prepared by

THE FINANCE DEPARTMENT

*Lindy Crawford, City Administrator*

CITY OF MORA  
101 Lake Street South  
Mora, Minnesota 55051

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**City of Mora**  
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**City of Mora**  
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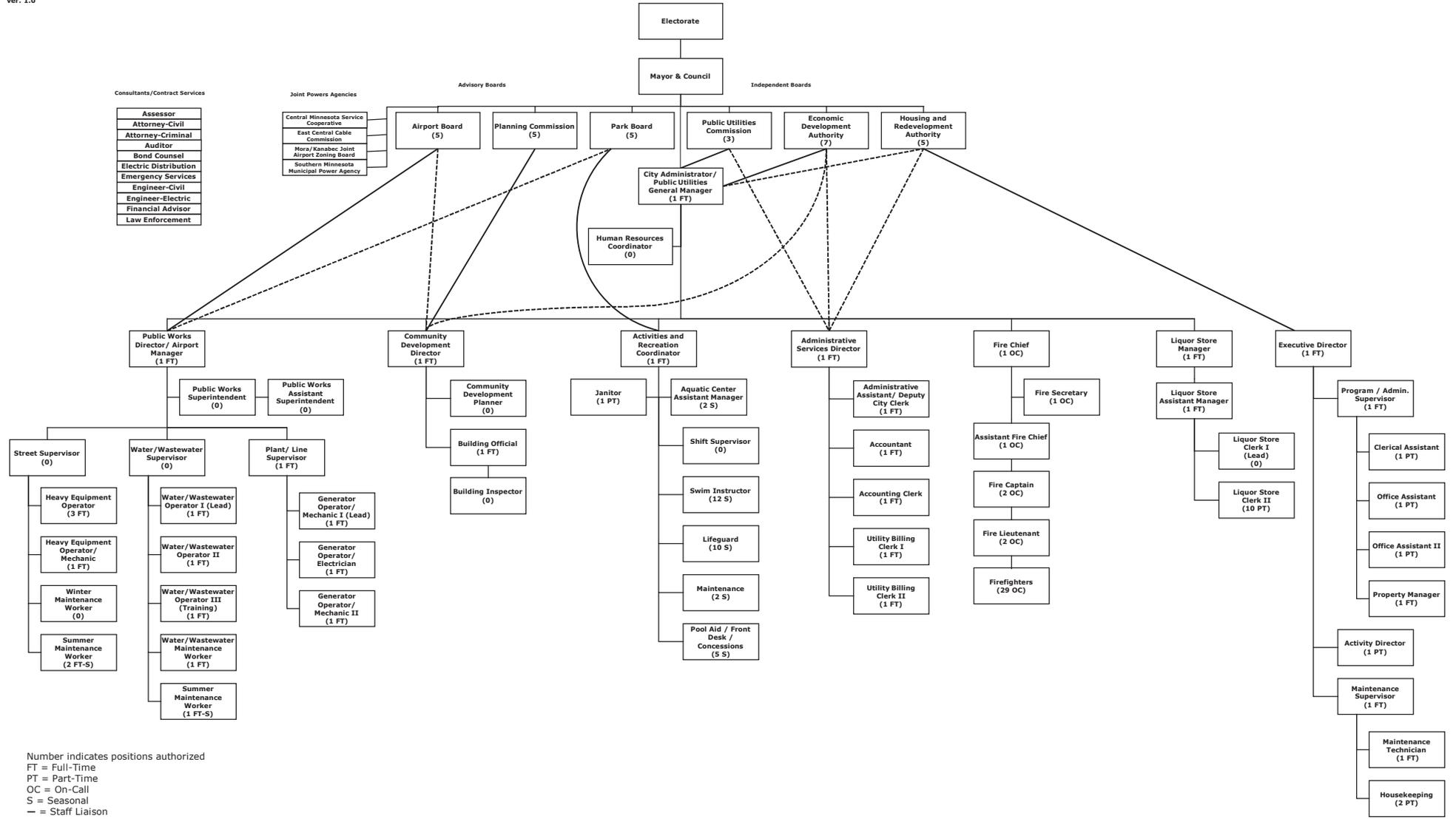
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**City of Mora  
Elected and Appointed Officials  
December 31, 2020**

	<u>Term Expires</u>
Mayor Alan Skramsted	December 31, 2022
Council Members	
Jody Anderson	December 31, 2020
Sam Pioske	December 31, 2020
Jake Mathison	December 31, 2022
Sara Treiber	December 31, 2020
City Administrator Lindy Crawford	Appointed
Public Utilities Commission Chair Greg Ardner	December 31, 2021
Public Utilities Commissioners	
Brett Baldwin	December 31, 2022
Ryan Christianson	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 (Prosecutions) Barb McFadden, Kanabec County	Appointed

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**CITY OF MORA, KANABEC COUNTY, MINNESOTA**  
**Staff Organizational Chart**  
**January 2021**  
 ver. 1.0



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# CITY OF MORA MORA MUNICIPAL UTILITIES



101 Lake Street South  
Mora, MN 55051-1588

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

320.679.1511

Fax 320.679.3862

320.679.1451

March 23, 2021

To the Honorable Mayor, Members of the City Council 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 accounting principles generally accepted in the United States of America. The Comprehensive Annual Financial Report (Annual Report) of the City of Mora, Kanabec County, Minnesota and Mora Municipal Utilities for the fiscal year ended December 31, 2020 is hereby submitted.

The City of Mora's management 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 Annual 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 2020, the local economy continued to show steady signs of improvement. Many construction jobs lost during the recession of 2008-2010 have slowly returned, and employment in the service and retail sectors remains steady. Even during the COVID-19 pandemic, unemployment improved to 7.60% in December 2020.

A very good indicator of the improving local economy is the new construction of sixteen (16) single-family homes, and one (1) new commercial building in 2020. Two (2) large roofing projects were completed. Overall, with a valuation of building permits estimated at \$3,307,000 in 2020, it is safe to say that the economy in Mora seems to be stable.

First-year property tax delinquency continues to be lower than the ten-year average by approximately 1.24%. Tax capacity values increased by an impressive 14.03%.

## Accounting System and Internal Controls

This report, with its accompanying financial statements and statistical tables, was prepared in conformance with 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.

## Budgetary Control

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 2020 budget at its meeting on December 3, 2019.

Formal budgeting is used as a management control device for the General Fund, debt service funds, enterprise funds and certain special revenue funds and capital project funds. In addition to formal budgeting, the City maintains budgetary controls in order to ensure compliance with the annual budget approved by the City Council, including monthly reviews by department heads and quarterly reviews by the governing body. Expenditures may not exceed budgeted appropriations on a fund level without City Council approval.

### Reporting Entity and Its Services

This report contains the financial information relating to all funds 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, economic development, and general administrative services. There are three component units of the City of Mora: the Public Utilities Commission (blended component unit), the Economic Development Authority of Mora (blended component unit), and the Housing and Redevelopment Authority of Mora (discretely-presented component unit).

### 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.

### Property Taxes Levies and Collections

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:

	2020	2019	2018	2017	2016
General Fund	<b>\$587,933</b>	\$517,063	\$442,988	\$336,815	\$322,514
Debt Service Funds	<b>\$301,509</b>	\$291,522	\$320,801	\$344,722	\$338,000
Total Levy	<b>\$889,442</b>	\$808,585	\$763,789	\$681,537	\$660,514

### Tax Abatements

The City of Mora has entered into three Tax Increment Financing (TIF) agreements, which fall under the tax abatement disclosure guidelines under the Government Accounting Standards Board (GASB) Statement No. 77. Each TIF agreement is accounted for in its own fund, and was created to facilitate development and housing projects that likely would not have happened without the TIF agreement. The Community Development Director is responsible for monitoring compliance with the abatement agreements.

### Debt Administration

In 2019, Standard & Poor's (S&P) issued a rating report of our bond rating, and affirmed the City's rating of A+/Stable. S&P cited the City's strong management, strong budgetary performance, very strong budgetary flexibility, very strong liquidity, weak debt and contingent liability profile, and weak economy as support for the rating. The 2019 S&P rating is still active, and no new bond ratings were issued in 2020. Under state law, the general obligation debt is subject to a legal limitation as shown in the statistical section.

### Long-Term Financial Planning

The city council 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 BerganKDV to complete the audit for 2020. The auditor's opinion is included in this report. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Mora's financial statements for the year ended December 31, 2020, are fairly presented in conformity with accounting principles generally accepted in the United States of America.

### Acknowledgments

The finance department staff contributed significantly to this report. I wish to thank Sara King, Kelly Erickson, 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 / Public Utilities General Manager

## Independent Auditor's Report

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the discretely presented component unit, and the aggregate remaining fund information of the City of Mora, Minnesota, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

### Management's Responsibility for the Financial Statements

The City of Mora's 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 the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Housing and Redevelopment Authority of Mora, discretely presented component unit column. These statements were audited by other auditors whose report thereon has been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included for the Housing and Redevelopment Authority of Mora, is based solely upon the report of the other auditors. 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 these 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 risks 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 City's preparation and fair presentation of these 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 effectiveness of the City'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 these financial statements.

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

## **Opinions**

In our opinion, based on our audit and the report of other auditors, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, the discretely presented component unit and the aggregate remaining fund Information of the City of Mora, Minnesota, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, which follows this report letter, and Required Supplementary information as listed in the Table of Contents be presented to supplement the financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), 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 inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, 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's basic financial statements. The introductory section, supplementary information and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections of this report have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an 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 March 23, 2021, on our consideration of the City of Mora'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 solely 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 the effectiveness of 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's internal control over financial reporting and compliance.

*BergankDV, Ltd.*

St. Cloud, Minnesota  
March 23, 2021

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## **City of Mora Management's Discussion and Analysis**

This section of the annual financial statements of the City of Mora, Minnesota (the "City") presents a discussion and analysis of the City's financial performance during the year ending December 31, 2020. Please read it in conjunction with the financial statements, which follow this section.

### **FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of resources of the City exceeded the liabilities and deferred inflows of resources by \$39,247,991. Of this amount \$15,706,504 may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designation and fiscal policies.
- The City's total net position increased by \$1,612,243.
- The City's governmental funds reported combined ending fund balances of \$2,918,577. Of this total amount, \$569,561 is unassigned and available for spending at the City's discretion.
- At the end of the current year, unassigned fund balance for the General Fund was \$1,866,866, or 70.7%, of total General Fund expenditures.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements are presented after the Statement of Activities. Fund financial statements report the City's operations in more detail than the government-wide statements by providing information about the City's funds. The Notes to Financial Statements provide information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. This report also contains other supplementary information in addition to the basic financial statements.

#### **Statement of Net Position and Statement of Activities**

Our analysis of the City begins with the Statement of Net Position and the Statement of Activities. One of the most important questions asked about the City's finances is, "Is the City as a whole better or worse off as a result of the year's activities?" The Statement of Net Position and Statement of Activities both report information about the City as a whole and about its activities in a way that helps answer this question. These Statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current years' revenues and expenses are taken into account regardless of when cash is received or paid.

The government-wide financial statements includes information for not only the City (known as the primary government), but also legally separate entities for which the City is financially accountable (discretely presented component units).

These two statements report the City's net position and changes in them. You can think of the City's net position, the difference between assets and deferred outflows or resources and liabilities and deferred inflows of resources, as one way to measure the City's financial health or financial position. Over time, increases or decreases in the City's net position are one indicator of whether the City's financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, to assess the overall health of the City.

## **City of Mora Management's Discussion and Analysis**

### **OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

#### **Fund Financial Statements**

Our analysis of the City's major funds begins with the fund financial statements and provides detailed information about the most significant funds, not the City as a whole. Some funds are required to be established by law and by bond covenants. However, the City Council establishes other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, or other money. The City's two kinds of funds, governmental, and proprietary, use different approaches.

**Governmental Funds** – Most of the City's basic services are reported in governmental funds. Governmental funds focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps the reader of the statements determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliations after the financial statements.

The basic governmental fund financial statements can be found on pages 26-31 of this report.

**Proprietary Funds** – When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise funds are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows for proprietary funds.

The basic proprietary fund financial statements can be found on pages 34-39 of this report.

#### **Notes to Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to Financial Statements can be found on pages 41-74 of this report.

#### **Comparative Data**

Certain comparative information between the current (2020) and prior year (2019) is required to be presented in the Management Discussion and Analysis (MD&A). This section will discuss and analyze significant differences between the two years.

**City of Mora**  
**Management's Discussion and Analysis**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The City's net position increased during 2020 by \$1,612,243. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental and business-type activities.

**Table 1**  
**Statement of Net Position**

	Primary Government					
	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
<b>Assets</b>						
Current and other assets	\$ 5,101,686	\$ 4,278,386	\$ 14,631,151	\$ 13,019,016	\$ 19,732,837	\$ 17,297,402
Capital assets	14,589,682	14,904,475	14,837,676	15,463,825	29,427,358	30,368,300
Total assets	<u>19,691,368</u>	<u>19,182,861</u>	<u>29,468,827</u>	<u>28,482,841</u>	<u>49,160,195</u>	<u>47,665,702</u>
<b>Deferred Outflows of Resources</b>						
Related to pensions	136,209	154,825	129,778	108,234	265,987	263,059
Related to OPEB	6,024	5,342	9,371	9,197	15,395	14,539
Total deferred outflows of resources	<u>142,233</u>	<u>160,167</u>	<u>139,149</u>	<u>117,431</u>	<u>281,382</u>	<u>277,598</u>
Total assets and deferred outflows of resources	<u>\$ 19,833,601</u>	<u>\$ 19,343,028</u>	<u>\$ 29,607,976</u>	<u>\$ 28,600,272</u>	<u>\$ 49,441,577</u>	<u>\$ 47,943,300</u>
<b>Liabilities</b>						
Noncurrent liabilities outstanding	\$ 3,199,712	\$ 3,387,264	\$ 4,959,110	\$ 5,161,871	\$ 8,158,822	\$ 8,549,135
Other liabilities	880,992	697,302	1,062,067	835,488	1,943,059	1,532,790
Total liabilities	<u>4,080,704</u>	<u>4,084,566</u>	<u>6,021,177</u>	<u>5,997,359</u>	<u>10,101,881</u>	<u>10,081,925</u>
<b>Deferred Inflows of Resources</b>						
Related to pensions	49,021	79,756	42,684	145,871	91,705	225,627
<b>Net Position</b>						
Net investment in capital assets	11,678,848	11,730,600	10,527,549	10,855,383	22,206,397	22,585,983
Restricted	1,335,090	1,456,706	-	-	1,335,090	1,456,706
Unrestricted	<u>2,689,938</u>	<u>1,991,400</u>	<u>13,016,566</u>	<u>11,601,659</u>	<u>15,706,504</u>	<u>13,593,059</u>
Total net position	<u>15,703,876</u>	<u>15,178,706</u>	<u>23,544,115</u>	<u>22,457,042</u>	<u>39,247,991</u>	<u>37,635,748</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 19,833,601</u>	<u>\$ 19,343,028</u>	<u>\$ 29,607,976</u>	<u>\$ 28,600,272</u>	<u>\$ 49,441,577</u>	<u>\$ 47,943,300</u>

**Governmental Activities**

Net position of the City's governmental activities increased by \$525,170 or 3.46%. The increase was mainly due to an increase in unrestricted state aids, an increase in property tax revenue, and an increase in tax increments. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, legislation or other legal requirement, was \$2,689,938 at December 31, 2020.

**City of Mora  
Management's Discussion and Analysis**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)**

**Governmental Activities (Continued)**

The following table indicates the changes in net position for the City's governmental and business-type activities:

**Table 2  
Statement of Activities**

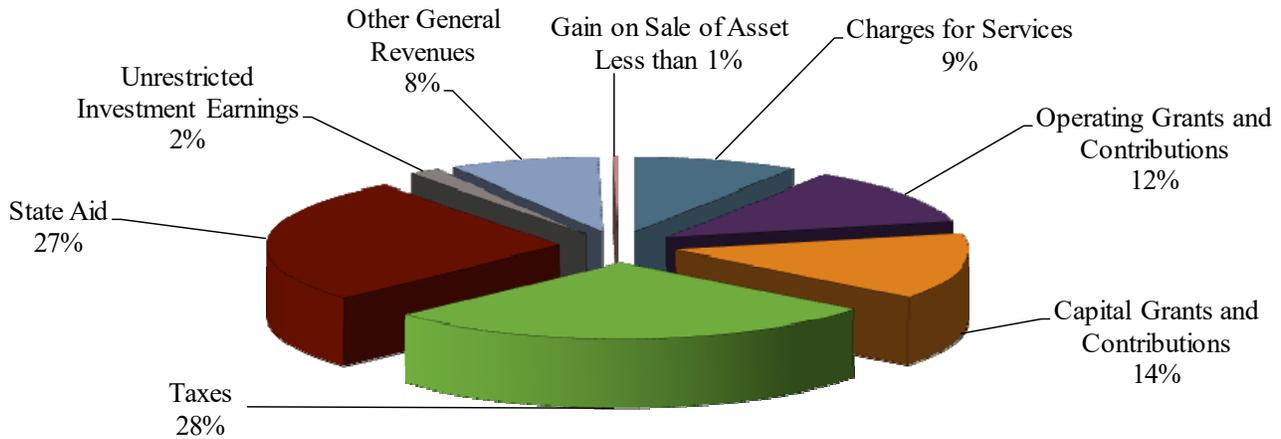
	Primary Government					
	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
<b>Revenues</b>						
Program revenues						
Charges for services	\$ 338,580	\$ 575,998	\$ 11,697,081	\$ 11,128,425	\$ 12,035,661	\$ 11,704,423
Operating grants and contributions	459,922	208,793	78,270	-	538,192	208,793
Capital grants and contributions	519,032	1,262,210	53,461	324,452	572,493	1,586,662
General revenues						
Property taxes and tax increments	1,026,650	938,706	-	-	1,026,650	938,706
Unrestricted state aids	994,224	930,998	-	-	994,224	930,998
Unrestricted investment earnings	63,594	79,453	242,902	299,301	306,496	378,754
Other General Revenue	304,777	308,721	-	-	304,777	308,721
Gain on sale of assets	10,000	6,212	500	911	10,500	7,123
Total revenues	<u>3,716,779</u>	<u>4,311,091</u>	<u>12,072,214</u>	<u>11,753,089</u>	<u>15,788,993</u>	<u>16,064,180</u>
<b>Expenses</b>						
General government	627,901	474,247	-	-	627,901	474,247
Public safety	1,151,488	1,006,076	-	-	1,151,488	1,006,076
Public works	1,188,951	1,295,146	-	-	1,188,951	1,295,146
Culture and recreation	280,603	407,854	-	-	280,603	407,854
Economic development	162,786	96,951	-	-	162,786	96,951
Cemetery	54,796	27,885	-	-	54,796	27,885
Interest on long-term debt	89,676	98,063	-	-	89,676	98,063
Liquor	-	-	3,845,195	3,052,355	3,845,195	3,052,355
Electric	-	-	4,954,573	5,144,174	4,954,573	5,144,174
Water	-	-	712,296	726,154	712,296	726,154
Wastewater	-	-	1,056,454	1,145,180	1,056,454	1,145,180
Storm water	-	-	52,031	82,242	52,031	82,242
Total expenses	<u>3,556,201</u>	<u>3,406,222</u>	<u>10,620,549</u>	<u>10,150,105</u>	<u>14,176,750</u>	<u>13,556,327</u>
Excess of revenues over expenses	160,578	904,869	1,451,665	1,602,984	1,612,243	2,507,853
Transfers	364,592	352,755	(364,592)	(352,755)	-	-
Change in net position	525,170	1,257,624	1,087,073	1,250,229	1,612,243	2,507,853
Net position - beginning	15,178,706	12,345,885	22,457,042	21,687,212	37,635,748	34,033,097
Prior period adjustment	-	1,575,197	-	(480,399)	-	1,094,798
Net position - beginning, as restated	<u>15,178,706</u>	<u>13,921,082</u>	<u>22,457,042</u>	<u>21,206,813</u>	<u>37,635,748</u>	<u>35,127,895</u>
Net position - ending	<u>\$ 15,703,876</u>	<u>\$ 15,178,706</u>	<u>\$ 23,544,115</u>	<u>\$ 22,457,042</u>	<u>\$ 39,247,991</u>	<u>\$ 37,635,748</u>

**City of Mora  
Management's Discussion and Analysis**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)**

**Governmental Activities (Continued)**

Revenues – The following chart visually illustrates the City's revenue by source for its governmental activities.



**Revenues by Source – Governmental Activities**

Revenues for the City's governmental activities decreased by (\$594,312), or (13.79%). The major component of this decrease is explained as follows:

- Capital Grants and Contributions decreased (\$743,178), or (58.88%), primarily due to fewer funds received from the State in 2020 related to the 2013-2014 fuel leak at the municipal airport, and work on the airport master plan.

Expenses for the City's governmental activities increased by \$149,979, or 4.40%. The major components of this increase are explained as follows:

- Public Safety expenses increased by \$145,412, or 14.45%, primarily due to mitigating the COVID-19 pandemic.
- General Government expenses increased by \$153,654, or 32.40%, primarily due to mitigating the COVID-19 pandemic.

**Business-Type Activities**

The net position of the City's business-type activities increased by \$1,087,073, or 4.84%. Unrestricted net position increased by \$1,414,907 or 12.2%.

Revenues for the City's business-type activities increased by \$319,125, or 2.72%, from the prior year. The increase was primarily due to an increase in charges for services, somewhat offset by a reduction in capital grants and contributions.

Expenses for the City's business-type activities increased by \$470,444, or 4.64%, from the prior year. The increase was primarily due to larger cost of goods sold expenses in the liquor fund.

## **City of Mora Management's Discussion and Analysis**

### **FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

#### **Governmental Funds**

The focus of the City of Mora's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City of Mora's governmental funds reported combined ending fund balances of \$2,918,577. Of this total, \$569,561 constitutes unassigned fund balance. The remainder of fund balance \$2,349,016 is not available for new spending because it is either 1) nonspendable \$152,798, 2) restricted \$933,740, 3) committed \$14,296, or 4) assigned \$1,248,182.

Activity in the City's major funds is discussed below:

**General Fund** – The General Fund is the chief operating fund of the City. As a measure of the General Fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Unassigned fund balance represents 70.67% of total 2020 expenditures.

**Grove and Wood Street Improvements Fund** – This fund accounts for all costs related to the Grove and Wood street improvement project. In 2020, fund balance increased by \$28,960 mainly due to special assessment revenue collected.

**Parker Capital Project Fund** - This fund accounts for costs related to the Parker capital improvement projects. In 2020, fund balance increased by \$9,805 due to special assessment revenue collected.

#### **Proprietary Funds**

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. At the end of the year, unrestricted net position of the enterprise funds amount to \$13,016,566. Activity is discussed below:

**Liquor Fund** – The increase of \$307,188 in net position is primarily due to higher than expected sales.

**Electric Fund** – The increase of \$548,093 in net position is primarily due to lower than expected usage.

**Water Fund** – The increase of \$108,364 in net position is primarily due to increased usage and reduced overtime costs.

**Sewer Fund** – The increase in net position of \$73,572 is primarily due to a decrease in operating expenses.

**Storm Water Fund** – The increase of \$49,856 in net position is primarily due to labor savings.

**City of Mora  
Management's Discussion and Analysis**

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The City did not amend the General Fund budget in 2020. The City budgeted for an overall decrease in fund balance of \$88,155. Overall, actual revenues, expenditures, and other financing sources (uses) resulted in an increase in fund balance of \$370,977.

General Fund Budget Report

	<u>Original and Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues	\$2,502,810	\$2,735,682	\$ 232,872
Expenditures	(3,004,587)	(2,641,681)	362,906
Other financing sources (uses)	413,622	276,976	(136,646)
Net change	<u>\$ (88,155)</u>	<u>370,977</u>	<u>\$ 459,132</u>
Fund balance			
January 1, 2020		<u>1,525,168</u>	
December 31, 2020		<u>\$1,896,145</u>	

Significant variances from budget to actual in the year 2020 are described below and on the following page.

**Revenues**

- Licenses and permits revenues were down about \$30,000 from the expected amount, due to fewer than expected building permits issued for new single family home construction.
- Intergovernmental revenues came in approximately \$396,000 over budget, due to Coronavirus Relief Aid received and grant reimbursement received.
- Charges for services revenues were down approximately \$148,000 from the expected amount, due to the closure of the aquatic center in response to the COVID-19 pandemic.
- Investment income revenues were almost \$17,000 over budget, due to the market position as of December 31, 2020.

**Expenditures**

- Culture and recreation expenditures were almost \$226,000 under budget, due to the closure of the aquatic center for the 2020 season and fewer park rentals, both in response to the COVID-19 pandemic.
- Public works expenditures were approximately \$127,000 less than expected, due in part because of fewer airport engineering costs.
- Public works capital outlay expenditures were approximately \$62,000 under budget, due mainly to cost savings on a new skid loader and fewer expenses relating to the fuel remediation project.
- Public safety capital outlay expenditures were almost \$43,000 more than expected, due to the purchase of a new wireless extraction tool made possible by various grants.

**City of Mora  
Management's Discussion and Analysis**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of 2020, the City had \$29,427,358 invested in a broad range of capital assets, net of accumulated depreciation. Refer to Note 4, Capital Assets, of the basic financial statements for a schedule showing the City's capital asset activity. This amount represents a net decrease (including additions and deductions) of approximately \$940,944.

Major capital asset events during the current fiscal year included the following:

- Aquatic Center slides recoated
- Electric Lines underbuild project near Mora Lake along Highway 65
- Purchase of a 2013 Ford F-750 Water Tank Truck for the water and wastewater departments

**City of Mora's Capital Assets  
(Net of Depreciation)**

	Governmental Activities	Business-Type Activities	Total
Land	\$ 1,455,973	\$ 356,036	\$ 1,812,009
Construction in progress	-	25,222	25,222
Land improvements	3,796,353	6,251,062	10,047,415
Buildings	2,021,095	7,434,632	9,455,727
Infrastructure	6,858,381	289,858	7,148,239
Machinery, Equipment, Vehicles	457,880	480,866	938,746
	\$ 14,589,682	\$ 14,837,676	\$ 29,427,358
Total			

**Long-Term Debt**

At year-end the City had \$7,164,000 in bonds outstanding.

During 2020, only \$9,458 in debt was added, and \$566,416 in debt was retired. Refer to Note 6 of the basic financial statements for a schedule showing the City's long-term debt activity.

The City maintains a G.O. bond rating of "A3" from Moody's Investor's Service and an "A+/Stable" rating from Standard and Poor's (S&P), which are considered to be good ratings in the market.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The City's elected officials considered many factors when adopting the 2020 budget and when setting the 2020 rates and fees that will be charged for the business-type activities. The major factors accounted for when adopting the General Fund budget were:

- A 3.0% contractual cost-of-living (COLA) increase for employees, based on a previously approved collective bargaining agreement.

**City of Mora  
Management's Discussion and Analysis**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET (CONTINUED)**

- The 2020 budget includes a property tax levy of \$889,442 which is 10.0% greater than the 2019 levy.
- The final city tax rate for taxes payable in 2020 is 39.3%.
- Kanabec County has an unemployment rate as of December 2020 of 7.6%. This compares with unemployment rates of 4.9% for the State of Minnesota and 6.5% for the United States.

**FACTORS BEARING ON THE CITY'S FUTURE**

City Council

- Longtime liquor store manager, Dan Greene, retired and Julie Krone was hired to be the new liquor store manager. Danielle Kieser was hired to fill the vacated Assistant Manager position.
- On March 26, 2020, Mayor Alan Skramstad declared a local emergency in response to the COVID-19 pandemic. In response to COVID-19, many adjustments were made to operations, including staggered work schedules for most employees and temporarily closing city facilities to the public.
- The water slides at the Mora Aquatic Center (MAC) were recoated in 2020, during the time the MAC was closed due to the pandemic. The work will extend the useful lives of the slides, and was able to be completed without direct disruption to the season.
- The Mora Area Fire Department was granted funds for the purchase of new wireless extrication equipment.
- City Council approved an application for a MnDOT grant to install a walking trail along the Highway 65 Snake River Bridge.
- For the second consecutive year, the Housing and Redevelopment Authority of Mora (HRA) asked the City for a cash-infusion loan. It was approved with strict conditions.
- During the November 2020 general election, three (3) council members were elected: Incumbent member Jody Anderson, Sadie Broekemeier, and Kyle Shepard.
- City Council approved the creation of the Administrative Services Director position, with the intent this position will serve as the clerk/treasurer in the future. The preliminary hire date is April 2021.
- Significant progress was made on updating the City's Comprehensive Plan.
- In response to the COVID-19 pandemic, the City was granted funding from the federal government through the Coronavirus Relief Act (CRF). Funds were appropriated to items to respond to the pandemic.

**FACTORS BEARING ON THE CITY'S FUTURE (CONTINUED)**

Public Utility Commission

- Through a partnership with Southern Minnesota Municipal Power Association (SMMPA), the installation of three (3) electric vehicle charging stations were installed.
- A large generator was installed at Well # 5 to improve the resiliency of the City's water supply.
- The overhead electric lines across Mora Lake, along Highway 65, were converted to underground lines to improve reliability of service for the future.
- Work continues to establish the reeds in the reed beds at the 2015 Wastewater Treatment Plant.
- A new policy was considered and approved to regulate the specifications of the construction of both overhead and underground electric lines.

**City of Mora  
Management's Discussion and Analysis**

**FACTORS BEARING ON THE CITY'S FUTURE (CONTINUED)**

Economic Development Authority

- The EDA learned in June 2020 that rehabilitation grant funds through the Small Cities Development Program were awarded in the amount of \$393,300. The project will include the rehabilitation of owner-occupied single family homes and rental housing, and has been generating much interest.
- In response to the COVID-19 pandemic, the EDA created a new COVID-19 Emergency Assistance Program to assist local business owners. The program consisted of a mix of both loans and grants.
- The EDA amended its bylaws to clarify the roll of a PUC commissioner on its governing board, and to clean up other minor issues.

**CONTACT INFORMATION**

This annual report is designed to provide a general overview of the City of Mora, Minnesota finances for citizens, customers and others. Questions concerning any of the information contained in this report and requests for additional information should be addressed to Lindy Crawford, City Administrator, City of Mora, 101 Lake Street South, Mora, Minnesota 55051, or by phone at (320) 679-1511.

## **BASIC FINANCIAL STATEMENTS**

**City of Mora**  
**Statement of Net Position**  
**December 31, 2020**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Housing and Redevelopment Authority
<b>Assets</b>				
Cash and investments (including cash equivalents)	\$ 4,384,308	\$ 11,719,712	\$ 16,104,020	\$ 240,645
Restricted cash	250,000	-	250,000	301,130
Receivables				
Taxes receivable	33,961	-	33,961	-
Accounts receivable	52,534	755,595	808,129	153,962
Interest receivable	7,666	54,057	61,723	-
Special assessments receivable	1,180,539	57,300	1,237,839	-
Due from other governments	83,371	895	84,266	-
Advance to component unit	125,569	-	125,569	-
Internal balances	(1,453,577)	1,453,577	-	-
Inventory	-	590,015	590,015	-
Prepaid items	29,279	-	29,279	15,157
Other assets	-	-	-	92,641
Net pension asset - fire relief association	408,036	-	408,036	-
Capital assets not being depreciated				
Land	1,455,973	356,036	1,812,009	292,829
Construction in progress	-	25,222	25,222	-
Capital assets being depreciated				
Improvements other than buildings	12,460,296	14,964,729	27,425,025	-
Buildings and improvements	3,396,815	11,198,824	14,595,639	7,203,900
Land improvements	7,478,724	-	7,478,724	-
Infrastructure	-	631,959	631,959	-
Machinery and equipment	3,730,418	3,087,077	6,817,495	445,393
Less accumulated depreciation	(13,932,544)	(15,426,171)	(29,358,715)	(4,382,958)
Total assets	<u>19,691,368</u>	<u>29,468,827</u>	<u>49,160,195</u>	<u>4,362,699</u>
<b>Deferred Outflows of Resources</b>				
Deferred outflows of resources related to pensions	136,209	129,778	265,987	-
Deferred outflows of resources related to OPEB	6,024	9,371	15,395	-
Total deferred outflows of resources	<u>142,233</u>	<u>139,149</u>	<u>281,382</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 19,833,601</u>	<u>\$ 29,607,976</u>	<u>\$ 49,441,577</u>	<u>\$ 4,362,699</u>
<b>Liabilities</b>				
Accounts payable	\$ 512,125	\$ 518,818	\$ 1,030,943	\$ 84,580
Contracts payable	-	25,222	25,222	-
Due to other governments	-	67,387	67,387	-
Salaries and benefits payable	26,789	15,342	42,131	121,865
Deposits payable	21,659	63,240	84,899	-
Interest payable	35,445	28,875	64,320	-
Bond principal payable, net of premiums				
Payable within one year	264,046	308,953	572,999	139,641
Payable after one year	2,646,788	4,001,174	6,647,962	4,038,303
Compensated absences payable				
Payable within one year	20,928	34,230	55,158	38,378
Payable after one year	23,524	38,477	62,001	-
Total OPEB liability				
Payable after one year	53,160	82,694	135,854	-
Net pension liability				
Payable after one year	476,240	836,765	1,313,005	-
Total liabilities	<u>4,080,704</u>	<u>6,021,177</u>	<u>10,101,881</u>	<u>4,422,767</u>
<b>Deferred Inflows of Resources</b>				
Deferred inflows of resources related to pensions	49,021	42,684	91,705	-
<b>Net Position</b>				
Net investment in capital assets	11,678,848	10,527,549	22,206,397	(378,229)
Restricted for				
Debt service	1,061,623	-	1,061,623	282,178
Tax increment	9,733	-	9,733	-
Economic Development	150,046	-	150,046	-
Housing assistance	-	-	-	18,952
Other purposes	113,688	-	113,688	-
Unrestricted	2,689,938	13,016,566	15,706,504	17,031
Total net position	<u>15,703,876</u>	<u>23,544,115</u>	<u>39,247,991</u>	<u>(60,068)</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 19,833,601</u>	<u>\$ 29,607,976</u>	<u>\$ 49,441,577</u>	<u>\$ 4,362,699</u>

**City of Mora**  
**Statement of Activities**  
**Year Ended December 31, 2020**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit Housing and Redevelopment Authority
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
<b>Primary Government</b>								
<b>Governmental activities</b>								
General government	\$ 627,901	\$ 29,695	\$ 134,700	\$ -	\$ (463,506)	\$ -	\$ (463,506)	\$ -
Public safety	1,151,488	189,778	289,546	-	(672,164)	-	(672,164)	-
Public works	1,188,951	61,936	810	489,764	(636,441)	-	(636,441)	-
Culture and recreation	280,603	1,277	16,000	11,170	(252,156)	-	(252,156)	-
Economic development	162,786	1,144	18,866	18,098	(124,678)	-	(124,678)	-
Cemetery	54,796	54,750	-	-	(46)	-	(46)	-
Interest on long-term debt	89,676	-	-	-	(89,676)	-	(89,676)	-
Total governmental activities	<u>3,556,201</u>	<u>338,580</u>	<u>459,922</u>	<u>519,032</u>	<u>(2,238,667)</u>	<u>-</u>	<u>(2,238,667)</u>	<u>-</u>
<b>Business-type activities</b>								
Liquor	3,845,195	4,446,608	2,949	-	-	604,362	604,362	-
Electric	4,954,573	5,333,279	43,300	-	-	422,006	422,006	-
Water	712,296	782,430	10,666	16,500	-	97,300	97,300	-
Wastewater	1,056,454	1,032,854	20,161	36,961	-	33,522	33,522	-
Storm water	52,031	101,910	1,194	-	-	51,073	51,073	-
Total business-type activities	<u>10,620,549</u>	<u>11,697,081</u>	<u>78,270</u>	<u>53,461</u>	<u>-</u>	<u>1,208,263</u>	<u>1,208,263</u>	<u>-</u>
Total primary government	<u>\$ 14,176,750</u>	<u>\$ 12,035,661</u>	<u>\$ 538,192</u>	<u>\$ 572,493</u>	<u>(2,238,667)</u>	<u>1,208,263</u>	<u>(1,030,404)</u>	<u>-</u>
<b>Component Unit</b>								
Housing and Redevelopment Authority	<u>\$ 2,702,684</u>	<u>\$ 1,520,803</u>	<u>\$ 612,646</u>	<u>\$ 25,898</u>	-	-	-	(543,337)
<b>General revenues</b>								
Property taxes					892,255	-	892,255	-
Tax increment					134,395	-	134,395	-
Unrestricted state aids					994,224	-	994,224	-
Unrestricted investment earnings					63,594	242,902	306,496	2,482
Other general revenue					304,777	-	304,777	363,586
Gain on sale of asset					10,000	500	10,500	-
Transfers					364,592	(364,592)	-	-
Total general revenues and transfers					<u>2,763,837</u>	<u>(121,190)</u>	<u>2,642,647</u>	<u>366,068</u>
Change in net position					525,170	1,087,073	1,612,243	(177,269)
Net position - beginning					15,178,706	22,457,042	37,635,748	117,201
Net position - ending					<u>\$ 15,703,876</u>	<u>\$ 23,544,115</u>	<u>\$ 39,247,991</u>	<u>\$ (60,068)</u>

See notes to financial statements.

**City of Mora**  
**Balance Sheet - Governmental Funds**  
**December 31, 2020**

	General Fund (101)	Grove and Wood Street Improvements (453)	Parker Capital Project (446)	Nonmajor Governmental Funds	Total
<b>Assets</b>					
Cash and investments	\$ 1,782,511	\$ 142,626	\$ -	\$ 2,459,171	\$ 4,384,308
Restricted cash	-	-	-	250,000	250,000
Taxes receivable	21,037	-	-	12,924	33,961
Special assessments receivable	9,007	276,254	336,348	558,930	1,180,539
Accounts receivable	21,382	539	-	30,613	52,534
Interest receivable	7,666	-	-	-	7,666
Due from other governments	83,371	-	-	-	83,371
Advance to component unit	125,569	-	-	-	125,569
Advance to other funds	64,426	-	-	-	64,426
Prepaid items	29,279	-	-	-	29,279
<b>Total assets</b>	<b>\$ 2,144,248</b>	<b>\$ 419,419</b>	<b>\$ 336,348</b>	<b>\$ 3,311,638</b>	<b>\$ 6,211,653</b>
<b>Liabilities</b>					
Accounts payable	\$ 170,922	\$ -	\$ -	\$ 341,203	\$ 512,125
Escrows payable	20,659	-	-	1,000	21,659
Due to other funds	-	-	269,398	491,180	760,578
Salaries and benefits payable	26,478	-	-	311	26,789
Advances from other funds	-	493,895	-	263,530	757,425
<b>Total liabilities</b>	<b>218,059</b>	<b>493,895</b>	<b>269,398</b>	<b>1,097,224</b>	<b>2,078,576</b>
<b>Deferred Inflows of Resources</b>					
Unavailable revenue - taxes	21,037	-	-	12,924	33,961
Unavailable revenue - special assessments	9,007	276,254	336,348	558,930	1,180,539
<b>Total deferred inflows of resources</b>	<b>30,044</b>	<b>276,254</b>	<b>336,348</b>	<b>571,854</b>	<b>1,214,500</b>
<b>Fund Balances</b>					
Nonspendable	29,279	-	-	123,519	152,798
Restricted	-	-	-	933,740	933,740
Committed	-	-	-	14,296	14,296
Assigned	-	-	-	1,248,182	1,248,182
Unassigned	1,866,866	(350,730)	(269,398)	(677,177)	569,561
<b>Total fund balances</b>	<b>1,896,145</b>	<b>(350,730)</b>	<b>(269,398)</b>	<b>1,642,560</b>	<b>2,918,577</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 2,144,248</b>	<b>\$ 419,419</b>	<b>\$ 336,348</b>	<b>\$ 3,311,638</b>	<b>\$ 6,211,653</b>

**City of Mora**  
**Reconciliation of the Balance Sheet to**  
**the Statement of Net Position - Governmental Funds**  
**December 31, 2020**

Total fund balances - governmental funds	\$ 2,918,577
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in governmental funds.	
Capital assets	28,522,226
Less accumulated depreciation	(13,932,544)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.	
Long-term liabilities at year-end consist of:	
Bond principal payable, net of premiums	(2,910,834)
Compensated absences payable	(44,452)
Total OPEB liability	(53,160)
Net pension liability	(476,240)
Deferred outflows of resources and deferred inflows of resources are created as a result of various differences related to pensions and OPEB that are not recognized in the governmental funds.	
Deferred outflows of resources related to pensions	136,209
Deferred inflows of resources related to pensions	(49,021)
Deferred outflows of resources related to OPEB	6,024
Net pension assets created through non-employer contributions to defined benefit pension plans are not recognized in the governmental funds.	408,036
Delinquent receivables will be collected in subsequent years, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.	
Property taxes	33,961
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	
Deferred special assessments	1,180,539
Governmental funds do not report a liability for accrued interest until due and payable.	<u>(35,445)</u>
Total net position - governmental activities	<u><u>\$ 15,703,876</u></u>

**City of Mora**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Governmental Funds**  
**Year Ended December 31, 2020**

	Capital Project		
	General Fund (101)	Grove and Wood Street Improvements (453)	Parker Capital Project (446)
<b>Revenues</b>			
Taxes	\$ 589,631	\$ -	\$ -
Tax increments	8,691	-	-
Special assessments	557	33,672	9,805
Licenses and permits	60,021	-	-
Intergovernmental	1,617,399	-	-
Charges for services	376,198	-	-
Fines and forfeitures	12,285	-	-
Miscellaneous			
Investment income	39,067	464	-
Contributions and donations	16,000	-	-
Other	15,833	-	-
Total revenues	<u>2,735,682</u>	<u>34,136</u>	<u>9,805</u>
<b>Expenditures</b>			
Current			
General government	578,190	-	-
Public safety	790,137	-	-
Public works	681,864	-	-
Culture and recreation	218,929	-	-
Housing and economic development	-	-	-
Cemetery	-	-	-
Debt service			
Principal	-	-	-
Interest and other charges	-	5,176	-
Capital outlay			
General government	28,960	-	-
Public safety	90,257	-	-
Public works	115,583	-	-
Culture and recreation	137,761	-	-
Cemetery	-	-	-
Total expenditures	<u>2,641,681</u>	<u>5,176</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>94,001</u>	<u>28,960</u>	<u>9,805</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds from sale of capital asset	-	-	-
Transfers in	476,402	-	-
Transfers out	(241,376)	-	-
Insurance recoveries	41,950	-	-
Total other financing sources (uses)	<u>276,976</u>	<u>-</u>	<u>-</u>
Net change in fund balances	370,977	28,960	9,805
<b>Fund Balances</b>			
Beginning of year	<u>1,525,168</u>	<u>(379,690)</u>	<u>(279,203)</u>
End of year	<u>\$ 1,896,145</u>	<u>\$ (350,730)</u>	<u>\$ (269,398)</u>

See notes to financial statements.

Nonmajor Governmental Funds		Total
\$ 300,706	\$ 890,337	
125,704	134,395	
71,547	115,581	
-	60,021	
154,196	1,771,595	
88,408	464,606	
-	12,285	
24,063	63,594	
125,264	141,264	
137,591	153,424	
<u>1,027,479</u>	<u>3,807,102</u>	
-	578,190	
175,003	965,140	
-	681,864	
-	218,929	
162,319	162,319	
48,794	48,794	
259,525	259,525	
90,823	95,999	
-	28,960	
73,960	164,217	
124	115,707	
-	137,761	
11,070	11,070	
<u>821,618</u>	<u>3,468,475</u>	
<u>205,861</u>	<u>338,627</u>	
10,000	10,000	
301,976	778,378	
(250,680)	(492,056)	
-	41,950	
<u>61,296</u>	<u>338,272</u>	
267,157	676,899	
<u>1,375,403</u>	<u>2,241,678</u>	
<u>\$ 1,642,560</u>	<u>\$ 2,918,577</u>	

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**City of Mora**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances to**  
**the Statement of Activities - Governmental Funds**  
**Year Ended December 31, 2020**

Net change in fund balances - governmental funds	\$ 676,899
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.	
Capital outlays	451,929
Depreciation expense	(766,722)
Compensated absences are recognized as paid in the governmental funds, but recognized as the expense is incurred in the Statement of Activities.	
	(8,342)
Net OPEB obligations are recognized as paid in the governmental funds but recognized as the expense is incurred in the Statement of Activities.	
	(4,209)
Principal payments on long-term debt are recognized as expenditures in the governmental funds, but as an increase in the net position in the Statement of Activities.	
	259,525
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due and, thus, requires use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	
	2,807
Bonds premiums are recognized when the debt is issued in the governmental funds but amortized over the life of the debt in the Statement of Activities.	
	3,516
Governmental Funds recognize pension contributions as expenditures at the time of payment in the funds whereas the Statement of Activities factors in items related to pensions on a full accrual perspective	
	(24,950)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	
Special assessments	(67,201)
Delinquent property taxes receivable will be collected in subsequent years, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.	
	1,918
Change in net position - governmental activities	\$ 525,170

**City of Mora**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance -**  
**Budget and Actual - General Fund**  
**Year Ended December 31, 2020**

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget - Over (Under)
<b>Revenues</b>			
Taxes	\$ 589,933	\$ 589,631	\$ (302)
Tax increments	12,000	8,691	(3,309)
Special assessments	-	557	557
Licenses and permits	90,100	60,021	(30,079)
Intergovernmental	1,221,182	1,617,399	396,217
Charges for services	524,233	376,198	(148,035)
Fines and forfeitures	16,000	12,285	(3,715)
Miscellaneous revenues			
Investment income	34,910	39,067	4,157
Contributions and donations	652	16,000	15,348
Other	13,800	15,833	2,033
Total revenues	<u>2,502,810</u>	<u>2,735,682</u>	<u>232,872</u>
<b>Expenditures</b>			
<b>Current</b>			
General government			
General	14,236	17,474	3,238
Council	32,156	35,873	3,717
Administration	106,982	109,745	2,763
Elections	4,300	4,894	594
Finance	116,461	117,713	1,252
Legal	33,246	36,793	3,547
Personnel	27,555	38,487	10,932
Planning and zoning	113,437	102,657	(10,780)
City hall building	69,401	95,287	25,886
Library building	31,126	19,267	(11,859)
Total general government	<u>548,900</u>	<u>578,190</u>	<u>29,290</u>
Public safety			
Building inspection	95,592	84,364	(11,228)
Police protection	667,168	643,427	(23,741)
Fire protection	55,000	62,346	7,346
Total public safety	<u>817,760</u>	<u>790,137</u>	<u>(27,623)</u>
Public works			
Street department	494,382	427,208	(67,174)
Street lighting	31,000	25,945	(5,055)
Airport	252,175	201,553	(50,622)
Garage	31,364	27,158	(4,206)
Total public works	<u>808,921</u>	<u>681,864</u>	<u>(127,057)</u>
Culture and recreation			
Swimming pool	287,178	101,916	(185,262)
Park areas	157,588	117,013	(40,575)
Total culture and recreation	<u>444,766</u>	<u>218,929</u>	<u>(225,837)</u>
<b>Capital outlay</b>			
General government	14,050	28,960	14,910
Public safety	47,700	90,257	42,557
Public works	177,290	115,583	(61,707)
Culture and recreation	145,200	137,761	(7,439)
Total capital outly	<u>384,240</u>	<u>372,561</u>	<u>(11,679)</u>
Total expenditures	<u>3,004,587</u>	<u>2,641,681</u>	<u>(362,906)</u>
Excess of revenues over (under) expenditures:	<u>(501,777)</u>	<u>94,001</u>	<u>595,778</u>

**City of Mora**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance -**  
**Budget and Actual - General Fund**  
**Year Ended December 31, 2020**

	Budgeted Amounts Final	Actual	Variance with Final Budget -
<b>Other Financing Sources (Uses)</b>			
Transfers in	511,560	476,402	(35,158)
Transfers out	(97,938)	(241,376)	(143,438)
Insurance recoveries	-	41,950	41,950
Total other financing sources (uses)	413,622	276,976	(136,646)
 Net change in fund balance	\$ (88,155)	370,977	\$ 459,132
 <b>Fund Balance</b>			
Beginning of year		1,525,168	
End of year		\$ 1,896,145	

**City of Mora**  
**Statement of Net Position - Proprietary Funds**  
**December 31, 2020**

	Liquor (609)	Electric Utility (651)	Water (652)	Wastewater (653)
<b>Assets</b>				
<b>Current assets</b>				
Cash and investments (including cash equivalents)	\$ 416,394	\$ 7,177,369	\$ 1,139,158	\$ 2,929,324
Special assessments receivable	-	-	57,300	-
Accounts receivable	31,685	477,277	127,873	109,036
Interest receivable	-	37,273	4,765	12,019
Due from other funds	-	373,879	189,398	197,301
Due from other governments	895	-	-	-
Inventory	447,375	130,106	12,534	-
Total current assets	<u>896,349</u>	<u>8,195,904</u>	<u>1,531,028</u>	<u>3,247,680</u>
<b>Noncurrent assets</b>				
Advance to other funds	-	1,870,332	-	-
Capital assets not being depreciated				
Land	126,230	61,714	17,580	150,512
Construction in progress	-	5,222	-	20,000
Capital assets being depreciated				
Improvements other than buildings	27,280	2,667,754	6,957,543	5,312,152
Buildings and improvements	1,469,962	1,380,076	693,053	7,655,733
Machinery and equipment	231,708	2,052,505	159,815	643,049
Infrastructure	-	-	-	-
Total capital assets	<u>1,855,180</u>	<u>6,167,271</u>	<u>7,827,991</u>	<u>13,781,446</u>
Less accumulated depreciation	<u>(635,943)</u>	<u>(4,098,652)</u>	<u>(4,290,447)</u>	<u>(6,059,028)</u>
Net capital assets	<u>1,219,237</u>	<u>2,068,619</u>	<u>3,537,544</u>	<u>7,722,418</u>
Total noncurrent assets	<u>1,219,237</u>	<u>3,938,951</u>	<u>3,537,544</u>	<u>7,722,418</u>
Total assets	<u>2,115,586</u>	<u>12,134,855</u>	<u>5,068,572</u>	<u>10,970,098</u>
<b>Deferred Outflows of Resources</b>				
Deferred outflows of resources related to pensions	28,321	47,458	21,152	31,989
Deferred outflows of resources related to OPEB	1,536	3,417	1,604	2,712
Total deferred outflows of resources	<u>29,857</u>	<u>50,875</u>	<u>22,756</u>	<u>34,701</u>
Total assets and deferred outflows of resources	<u>\$ 2,145,443</u>	<u>\$ 12,185,730</u>	<u>\$ 5,091,328</u>	<u>\$ 11,004,799</u>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 21,953	\$ 471,969	\$ 5,151	\$ 19,722
Contracts payable	-	5,222	-	20,000
Due to other governments	46,288	20,347	752	-
Salaries and benefits payable	3,130	5,496	2,458	4,233
Interest payable	-	-	9,190	12,975
Compensated absences due within one year	2,753	13,471	7,068	10,337
Bonds payable due within one year	-	-	99,182	176,818
Total current liabilities	<u>74,124</u>	<u>516,505</u>	<u>123,801</u>	<u>244,085</u>
<b>Noncurrent liabilities</b>				
Customer meter deposits	-	63,040	200	-
Compensated absences	5,847	28,614	15,013	21,956
Less compensated absences due within one year	(2,753)	(13,471)	(7,068)	(10,337)
Advance from other funds	900,000	-	141,443	135,890
Net pension liability	182,606	305,991	136,384	206,254
Revenue bonds payable	-	-	1,033,198	2,732,608
Less bonds payable due within one year	-	-	(99,182)	(176,818)
Total OPEB liability	<u>13,555</u>	<u>30,157</u>	<u>14,151</u>	<u>23,934</u>
Total noncurrent liabilities	<u>1,099,255</u>	<u>414,331</u>	<u>1,234,139</u>	<u>2,933,487</u>
Total liabilities	<u>1,173,379</u>	<u>930,836</u>	<u>1,357,940</u>	<u>3,177,572</u>
<b>Deferred Inflows of Resources</b>				
Deferred inflows of resources related to pensions	<u>9,315</u>	<u>15,609</u>	<u>6,957</u>	<u>10,521</u>
<b>Net Position</b>				
Net investment in capital assets	1,219,237	2,068,619	2,504,346	4,989,810
Unrestricted	<u>(256,488)</u>	<u>9,170,666</u>	<u>1,222,085</u>	<u>2,826,896</u>
Total net position	<u>962,749</u>	<u>11,239,285</u>	<u>3,726,431</u>	<u>7,816,706</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 2,145,443</u>	<u>\$ 12,185,730</u>	<u>\$ 5,091,328</u>	<u>\$ 11,004,799</u>

See notes to financial statements.

Storm Water Utility (220)	Total
\$ 57,467	\$ 11,719,712
-	57,300
9,724	755,595
-	54,057
-	760,578
-	895
-	590,015
<u>67,191</u>	<u>13,938,152</u>
-	1,870,332
-	356,036
-	25,222
-	14,964,729
-	11,198,824
-	3,087,077
631,959	631,959
631,959	30,263,847
(342,101)	(15,426,171)
<u>289,858</u>	<u>14,837,676</u>
<u>289,858</u>	<u>16,708,008</u>
<u>357,049</u>	<u>30,646,160</u>
858	129,778
102	9,371
<u>960</u>	<u>139,149</u>
<u>\$ 358,009</u>	<u>\$ 30,785,309</u>
\$ 23	\$ 518,818
-	25,222
-	67,387
25	15,342
6,710	28,875
601	34,230
32,953	308,953
<u>40,312</u>	<u>998,827</u>
-	63,240
1,277	72,707
(601)	(34,230)
-	1,177,333
5,530	836,765
544,321	4,310,127
(32,953)	(308,953)
897	82,694
<u>518,471</u>	<u>6,199,683</u>
<u>558,783</u>	<u>7,198,510</u>
282	42,684
(254,463)	10,527,549
53,407	13,016,566
<u>(201,056)</u>	<u>23,544,115</u>
<u>\$ 358,009</u>	<u>\$ 30,785,309</u>

**City of Mora**  
**Statement of Revenues, Expenses, and Changes**  
**in Fund Net Position - Proprietary Funds**  
**Year Ended December 31, 2020**

	Liquor (609)	Electric Utility (651)	Water (652)	Wastewater (653)
Sales and Cost of Sales				
Sales	\$ 4,438,807	\$ -	\$ -	\$ -
Cost of sales	3,259,400	-	-	-
Gross profit	<u>1,179,407</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating revenues				
User charges	-	4,826,426	760,498	1,007,878
Other	-	506,853	853	11,369
Total operating revenues	<u>-</u>	<u>5,333,279</u>	<u>761,351</u>	<u>1,019,247</u>
Operating expenses				
Employee salaries and benefits	290,975	485,973	214,937	336,676
Supplies	43,386	19,549	69,565	100,665
Repairs and maintenance	-	-	-	-
Professional services	-	19,697	14,168	577
Utilities	26,843	14,736	20,203	52,527
Depreciation	61,685	173,877	325,614	475,454
Insurance	-	-	-	-
Purchased power	-	3,790,764	-	-
Miscellaneous	130,406	449,603	43,431	56,406
Total operating expenses	<u>553,295</u>	<u>4,954,199</u>	<u>687,918</u>	<u>1,022,305</u>
Operating income (loss)	<u>626,112</u>	<u>379,080</u>	<u>73,433</u>	<u>(3,058)</u>
Nonoperating revenues (expenses)				
Investment income	1,314	177,452	17,569	46,555
Availability charges	-	-	16,500	26,400
Sale of capital assets	-	-	250	250
Miscellaneous	7,801	-	21,079	24,168
Interest expense	(32,500)	(374)	(24,378)	(34,149)
Total nonoperating revenues (expenses)	<u>(23,385)</u>	<u>177,078</u>	<u>31,020</u>	<u>63,224</u>
Income before transfers	602,727	556,158	104,453	60,166
Transfers in	2,949	51,578	10,666	20,161
Transfers out	<u>(298,488)</u>	<u>(59,643)</u>	<u>(6,755)</u>	<u>(6,755)</u>
Change in net position	307,188	548,093	108,364	73,572
Net position				
Beginning of year	<u>655,561</u>	<u>10,691,192</u>	<u>3,618,067</u>	<u>7,743,134</u>
End of year	<u>\$ 962,749</u>	<u>\$ 11,239,285</u>	<u>\$ 3,726,431</u>	<u>\$ 7,816,706</u>

Storm Water Utility (220)	Total
\$ -	\$ 4,438,807
-	3,259,400
-	1,179,407
101,856	6,696,658
54	519,129
101,910	7,215,787
7,515	1,336,076
9,405	242,570
3,487	3,487
10	34,452
267	114,576
13,450	1,050,080
1,659	1,659
-	3,790,764
33	679,879
35,826	7,253,543
66,084	1,141,651
12	242,902
-	42,900
-	500
-	53,048
(16,205)	(107,606)
(16,193)	231,744
49,891	1,373,395
1,194	86,548
(1,229)	(372,870)
49,856	1,087,073
(250,912)	22,457,042
\$ (201,056)	\$ 23,544,115

**City of Mora**  
**Statement of Cash Flows - Proprietary Funds**  
**Year Ended December 31, 2020**

	Liquor (609)	Electric Utility (651)	Water (652)	Wastewater (653)
<b>Cash Flows - Operating Activities</b>				
Receipts from customers and users	\$ 4,432,047	\$ 5,242,250	\$ 749,259	\$ 1,093,546
Payments to suppliers	(3,364,237)	(4,094,647)	(150,372)	(194,007)
Payments to employees	(312,518)	(501,753)	(227,562)	(346,918)
Net cash flows - operating activities	<u>755,292</u>	<u>645,850</u>	<u>371,325</u>	<u>552,621</u>
<b>Cash Flows - Noncapital</b>				
<b>Financing Activities</b>				
Payments received for interfund loans	-	267,583	51,522	43,619
Payments made for interfund loans	(100,000)	-	(9,021)	(8,667)
Transfer from other funds	2,949	51,578	10,666	20,161
Transfer to other funds	(298,488)	(59,643)	(6,755)	(6,755)
Net cash flows - noncapital financing activities	<u>(395,539)</u>	<u>259,518</u>	<u>46,412</u>	<u>48,358</u>
<b>Cash Flows - Capital and Related</b>				
<b>Financing Activities</b>				
Availability charges	-	-	16,500	26,400
Principal paid on long-term debt	-	-	(98,182)	(166,776)
Interest and issuance costs paid on long-term debt	(32,500)	(374)	(23,825)	(32,954)
Proceeds from sale of asset	-	-	250	250
Acquisition of capital assets	(6,550)	(269,755)	(79,589)	(62,813)
Net cash flows - capital and related financing activities	<u>(39,050)</u>	<u>(270,129)</u>	<u>(184,846)</u>	<u>(235,893)</u>
<b>Cash Flows - Investing Activities</b>				
Interest and dividends received	1,313	164,607	15,927	42,413
Net change in cash and cash equivalents	322,016	799,846	248,818	407,499
<b>Cash and Cash Equivalents</b>				
January 1	94,378	6,377,523	890,340	2,521,825
December 31	<u>\$ 416,394</u>	<u>\$ 7,177,369</u>	<u>\$ 1,139,158</u>	<u>\$ 2,929,324</u>
<b>Reconciliation of Operating Income to Net Cash Flows - Operating Activities</b>				
Operating income (loss)	\$ 626,112	\$ 379,080	\$ 73,433	\$ (3,058)
Adjustments to reconcile operating income to net cash flows - operating activities				
Miscellaneous income (expense)	7,801	-	21,079	24,168
Depreciation expense	61,685	173,877	325,614	475,454
Accounts receivable	(13,788)	(91,029)	(12,275)	50,131
Special assessments receivable	-	-	(20,896)	-
Due from other governments	(773)	-	-	-
Inventory	63,020	1,880	(8,288)	-
Accounts payable	19,105	180,696	5,151	16,168
Due to other governments	13,673	7,086	82	-
Salaries payable	(5,757)	(8,826)	(4,876)	(5,051)
Deposits payable	-	10,040	50	-
Compensated absences payable	(12,305)	2,903	1,736	1,970
Net pension liability	(6,412)	(7,925)	(8,020)	(7,053)
Net OPEB obligation	2,931	(1,932)	(1,465)	(108)
Total adjustments	<u>129,180</u>	<u>266,770</u>	<u>297,892</u>	<u>555,679</u>
Net cash flows - operating activities	<u>\$ 755,292</u>	<u>\$ 645,850</u>	<u>\$ 371,325</u>	<u>\$ 552,621</u>

See notes to financial statements.

Storm Water Utility (220)	Total
\$ 101,352	\$ 11,618,454
(14,838)	(7,818,101)
(9,497)	(1,398,248)
<u>77,017</u>	<u>2,402,105</u>

-	362,724
-	(117,688)
1,194	86,548
(1,229)	(372,870)
<u>(35)</u>	<u>(41,286)</u>

-	42,900
(32,475)	(297,433)
(16,733)	(106,386)
-	500
-	(418,707)
<u>(49,208)</u>	<u>(779,126)</u>

<u>12</u>	<u>224,272</u>
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27,786 1,805,965

<u>29,681</u>	<u>9,913,747</u>
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<u>\$ 57,467</u>	<u>\$ 11,719,712</u>
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\$ 66,084 \$ 1,141,651

-	53,048
13,450	1,050,080
(558)	(67,519)
-	(20,896)
-	(773)
-	56,612
23	221,143
-	20,841
(91)	(24,601)
-	10,090
175	(5,521)
(2,037)	(31,447)
(29)	(603)
<u>10,933</u>	<u>1,260,454</u>

<u>\$ 77,017</u>	<u>\$ 2,402,105</u>
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**City of Mora**  
**Notes to Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The City of Mora (the "City") is a statutory city governed by an elected mayor and four council members. The accompanying financial statements present the government entities for which the City is considered to be financially accountable.

The financial statements present the City and its component units. The City includes all funds, account groups, organizations, institutions, agencies, departments, and offices that are not legally separate from such. Component units are legally separate organizations for which the elected officials of the City are financially accountable and are included within the basic financial statements of the City because of the significance of their operational or financial relationships with the City.

The City is considered financially accountable for a component unit if it appoints a voting majority of the organization's governing body and it is able to impose its will on the organization by significantly influencing the programs, projects, activities, or level of services performed or provided by the organization, or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on, the City.

As a result of applying the component unit definition criteria above, certain organizations have been defined and are presented in this report as follows:

Blended Component Units – Reported as if they were part of the City.

Discretely Presented Component Units – Entails reporting the component unit financial data in a column separate from the financial data of the City.

For each of the categories above, the specific entities are identified as follows:

**1. Component Units**

The Mora Economic Development Authority (EDA) meets the criteria to be included as a blended component unit. The members of the governing board of the Mora EDA are appointed by the City Council. Management of the City have operational responsibility for the EDA and a financial benefit/burden relationship exists between the City and EDA. The activity of the EDA is shown in the EDA Special Revenue Fund. Separate financial statements are not prepared for the Mora EDA.

The Public Utilities Commission provides public utilities services related to the water system, electrical power system, sewer system and sewage treatment plant. The Commission consists of three members appointed by City Council. The debt of the utilities is to be repaid entirely with resources of the utilities. Management of the City have operational responsibility for the Public Utilities Commission and a financial benefit/burden relationship exists between the City and the Public Utilities Commission. The Public Utilities Commission meets the criteria to be included as a blended component unit. The activity of the Public Utilities Commission is shown in the Electric Utility Enterprise Fund, Water Enterprise Fund and Wastewater Enterprise Fund. Separate financial statements are not prepared for the Public Utilities Commission.

**City of Mora**  
**Notes to Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**A. Reporting Entity (Continued)**

**1. Component Units (Continued)**

The Housing and Redevelopment Authority of Mora (HRA) was formed by the City and operates under a completely separate Board of Directors appointed by the City. The HRA manages 43 low rent public housing units, 78 section 8 housing choice vouchers, 30 assisted living units, and 24 rural rental units of which, for financial reporting purposes, includes all the activities relevant to its operations. The HRA meets the criteria to be included as a discretely presented component unit. The HRA has a March 31 reporting date, therefore the information presented within the government-wide statements is from its March 31, 2020, separately issued financial statements. These separately issued financial statements can be obtained from the City.

**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 activities of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities. 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 are not included among program revenues; instead, they are properly reported as general revenues. Internally dedicated revenues are reported as general revenues rather than program 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 provider have been met.

**City of Mora**  
**Notes to Financial Statements**

**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 period, except grant revenue is considered available if it is collected within 1 year of the end of the current 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, franchise fees, licenses, and interest associated with the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period. Only the portion of special assessments receivable due within the current 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.

**Description of Funds:**

Major Governmental Funds:

General Fund – This fund is the City's primary operating fund. It accounts for all financial resources of the general City, except those required to be accounted for in another fund.

Grove & Wood Street Improvements Capital Projects Fund – This fund accounts for the costs related to the Grove and Wood street improvement projects.

Parker Capital Projects Fund – This fund accounts for costs related to Parker capital improvement projects.

Major Proprietary Funds:

Liquor Enterprise Fund – This fund accounts for the operations of the City liquor store.

Electric Utility Enterprise Fund – This fund accounts for the operation of the City owned electric utility system.

Water Enterprise Fund – This fund accounts for the operations of the City's water utility system.

Wastewater Enterprise Fund – This fund accounts for the operations of the City's waste water treatment plant.

Storm Water Utility Enterprise Fund – This fund accounts for the operations of the City's storm water system.

**City of Mora**  
**Notes to Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are interfund services provided and used such as utility costs, which are not eliminated in the process of consolidation as elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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 on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance**

**1. Deposits and Investments**

Cash and investments include balances from all funds that are combined and invested to the extent available in various securities as authorized by state law. Earnings from the pooled investments are allocated to the individual funds based on the average of month-end cash and investment balances.

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

*Minnesota Statutes* authorize the City to invest in obligations of the U.S. Treasury, agencies, and instrumentalities, shares of investment companies whose only investments are in the aforementioned securities, obligations of the State of Minnesota or its municipalities, bankers' acceptances, future contracts, repurchase and reverse repurchase agreements, and commercial paper of the highest quality with a maturity of no longer than 270 days and in the Minnesota Municipal Investment Pool.

Certain investments for the City are reported at fair value as disclosed in Note 3. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

In accordance with GASB Statement No. 79, the Minnesota Municipal Investment Pool securities are valued at amortized cost, which approximates fair value. There are no restrictions or limitations on withdrawals from the 4M Liquid Asset Fund.

**City of Mora**  
**Notes to Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance**

**2. Restricted Cash**

Cash is restricted in accordance with the 2020 HRA bond documents and the Housing Revenue Agreement between the City and the Mora HRA.

**3. Receivables and Payables**

All trade and property tax receivables are shown at a gross amount since both are assessable to the property taxes and are collectible upon the sale of the property.

The City levies its property tax for the subsequent year during the month of December. December 28 is the last day the City can certify a tax levy to the County Auditor for collection the following year. Such taxes become a lien on January 1 and are recorded as receivables by the City at that date. The property tax is recorded as revenue when it becomes measurable and available. Kanabec County is the collecting agency for the levy and remits the collections to the City three times a year. The tax levy notice is mailed in March with the first half of the payment due on May 15 and the second half due on October 15. Taxes not collected as of December 31 each year are shown as delinquent taxes receivable.

The County Auditor prepares the tax list for all taxable property in the City, applying the applicable tax rate to the tax capacity of individual properties, to arrive at the actual tax for each property. The County Auditor also collects all special assessments, except for certain prepayments paid directly to the City.

The County Auditor submits the list of taxes and special assessments to be collected on each parcel of property to the County Treasurer in January of each year.

**4. Inventory and Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide statements. Prepaid items are recorded as an expenditure at the time of consumption.

Inventory is valued at cost using the first in, first out (FIFO) method. Inventories are recorded as expenses when consumed rather than when purchased.

**5. Capital Assets**

Capital assets, which include land, land improvements, buildings and improvements, equipment, improvements other than buildings, infrastructure, and construction in progress are reported in the applicable governmental or the business-type activities columns in the government-wide financial statements. Capital Assets are defined by the City as real or personal property that has an estimated useful life greater than one year and a value equal to or greater than the Cities capitalization threshold of \$5,000 for machinery and equipment and \$25,000 for other assets. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Infrastructure assets acquired prior to the implementation of GASB Statement No. 34 have been reported at actual or estimated historical cost.

**City of Mora**  
**Notes to Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance**

**5. Capital Assets (Continued)**

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.

Property, plant, and equipment of the City are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Infrastructure	20-50
Buildings and improvements other than buildings	10-30
Machinery and equipment	5-20

**6. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The City presents deferred outflows of resources on the Statements of Net Position for deferred outflows of resources related to pensions and OPEB for various estimate differences that will be amortized and recognized over future years.

In addition to liabilities, the statement of financial position, and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City presents deferred inflows of resources on the Governmental Fund Balance Sheet as unavailable revenue. The governmental funds report unavailable revenues from two sources: taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The government-wide Statement of Net Position reports a deferred inflow of resources for those inflows that have not met specified timing requirements. The City presents deferred inflows of resources on the Statements of Net Position for deferred inflows of resources related to pensions for various estimate differences that will be amortized and recognized over future years.

**7. Compensated Absences**

City employees earn vacation time based on years of City service with a maximum accumulation of 1½ times the applicable vacation leave. The City compensates employees, upon termination or retirement, for all unused vacation.

**City of Mora**  
**Notes to Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (Continued)**

**7. Compensated Absences (Continued)**

Sick leave accrues at one day per month up to a maximum of 100 days paid at full pay. Upon retirement, full-time employees will be paid severance pay as follows:

- After 10 years of service, 10% of unused sick leave
- After 15 years of service, 15% of unused sick leave
- After 20 years of service, 25% of unused sick leave
- After 25 years of service, 50% of unused sick leave

Vested or accumulated sick leave for governmental funds that is not expected to be liquidated with expendable available financial resources is recorded in the governmental activities in the Statement of Net Position. Vested or accumulated vacation and sick leave in the proprietary fund is recorded in that fund.

**8. Other Post-Employment Benefits**

The City will provide insurance coverage in the City's group medical hospitalization insurance plan for those municipal employees who terminate employment with the City receiving a retirement or disability benefit, or are eligible to receive a benefit from PERA.

**9. Pensions**

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and the relief association and additions to/deductions from PERA's and the relief association's fiduciary net position have been determined on the same basis as they are reported by PERA and the relief association except that PERA's fiscal year end is June 30. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**10. 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 Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount.

**City of Mora**  
**Notes to Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (Continued)**

**10. Long-Term Obligations (Continued)**

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 expenditures.

**11. Fund Balance**

**a. Classification**

In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

- **Nonspendable Fund Balance** – These are amounts that cannot be spent because they are not in spendable form, such as inventories and prepaid items.
- **Restricted Fund Balance** – These are amounts that are restricted to specific purposes either by a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through enabling legislation.
- **Committed Fund Balance** – These are amounts that can only be used for specific purposes pursuant to constraints imposed by resolution of the City Council (highest level of decision making authority) and that remain committed unless modified or removed by the City Council by subsequent resolution.
- **Assigned Fund Balance** – These are amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed and include remaining amounts (except for negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable, restricted or committed. Assignments are made by the City Administrator.
- **Unassigned Fund Balance** – These are residual amounts in the General Fund not reported in any other classification. The General Fund is the only fund that can report a positive unassigned fund balance. Other funds would report a negative unassigned fund balance should the total of nonspendable, restricted, and committed fund balances exceed the total net resources of that fund.

**City of Mora**  
**Notes to Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (Continued)**

**11. Fund Balance (Continued)**

**a. Classification (Continued)**

When both restricted and unrestricted resources are available for use, the City will use restricted resources, and then use unrestricted resources as they are needed. When committed, assigned, and unassigned resources are available for use, the City will use resources in the following order: committed, assigned, and unassigned.

**b. Minimum Fund Balance**

The City's adopted fund balance policy states the City is to maintain a General Fund unassigned fund balance of 40% - 50% of the annual operating expenditures, excluding transfers and capital outlay, in the General Fund.

**12. Net Position**

Net position represents the difference between assets and deferred outflows of resources; and liabilities and deferred inflows of resources in the government-wide financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net position is reported as restricted in the government-wide financial statements when there are limitations on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

**E. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**F. Budgetary Information**

1. In August of each year, City staff submits to the City Council, a proposed operating budget for the year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them for the upcoming year.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of a resolution after obtaining taxpayer comments.
4. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

**City of Mora**  
**Notes to Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**F. Budgetary Information (Continued)**

5. Annual appropriated budgets are adopted during the year for the City's General Fund as well as the EDA Special Revenue Fund, Fire Special Revenue Fund, Cemetery Special Revenue Fund, EDA Revolving Loan Special Revenue Fund, MIC Loan Special Revenue Fund, Perpetual Care Permanent Fund, Future Fire Equipment Capital Project Fund, Future Improvements Capital Project Fund, 2008-2011 Street Reconstruction Debt Service Fund, 2015B Wood and Grove Debt Service Fund, Series 2015C Refunding Debt Service Fund, Series 2017A Refunding Debt Service Fund, Liquor Fund, Electric Utility Fund, Water Fund, Wastewater Fund, and Storm Water Utility Fund.
6. Budgeted amounts are as originally adopted or as amended by the City Council. Individual amendments were not material in relation to the original amounts budgeted. Budgeted expenditure appropriations lapse at year-end.

Encumbrances outstanding at year-end expire and outstanding purchase orders are canceled and not reported in the financial statements.

**NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Deficit Fund Balances**

The following funds had deficit fund balances at December 31, 2020:

Grove and Wood Street Improvements Capital Project Fund	\$ 350,730
Parker Capital Project Fund	269,398
Cemetery Special Revenue Fund	105
TIF No. 1-11 KSB Special Revenue Fund	189,420
TIF No. 1-15 Maysa Special Revenue Fund	25
Howe Avenue Reconstruction Capital Project Fund	26,039
Downtown Feed Mill Redevelopment Capital Project Fund	30,351
Airport Kastenbauer House Capital Project Fund	97,389
Crosswind/Yank Property Capital Project Fund	19,912
2012 7th and Grove Street Improvements Capital Project Fund	313,936

**NOTE 3 – DEPOSITS AND INVESTMENTS**

Cash balances of the City's funds are combined (pooled) and invested to the extent available in various investments authorized by *Minnesota Statutes*. Each fund's portion of this pool (or pools) is displayed in the financial statements as "cash and cash equivalents" or "investments". For purposes of identifying risk of investing public funds, the balances and related restrictions are summarized as follows.

**City of Mora**  
**Notes to Financial Statements**

**NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)**

**A. Deposits**

Custodial Credit Risk – Deposits: This is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City has a policy that requires the District's deposits be collateralized as required by *Minnesota Statutes* for an amount exceeding FDIC coverage. As of December 31, 2020, the City's bank balance of \$10,445,973 was not exposed to custodial credit risk because it was insured and fully collateralized with securities held by the pledging financial institution's trust department or agent and in the City's name. The book balance as of December 31, 2020, was \$10,358,970 for deposits.

**B. Investments**

Investment Type	Fair Value	Investment Maturities			
		Less than One Year	1-2 Years	2-5 Years	Greater than 5 Years
Brokered Certificates of Deposit	\$ 5,573,745	\$ 2,391,909	\$ 1,097,723	\$ 1,340,893	\$ 743,220
Government Securities	943	-	-	943	-
Brokered Money Markets	417,525	417,525	-	-	-
Total	<u>\$ 5,992,213</u>	<u>\$ 2,809,434</u>	<u>\$ 1,097,723</u>	<u>\$ 1,341,836</u>	<u>\$ 743,220</u>

Concentration of Credit Risk: The City's investment policy states the District will diversify its investment according to type and maturity. The City will attempt to match its investments with anticipated cash flow requirements. No more than 50% of the total investments should extend beyond five years and in no circumstance should any extend beyond ten years without the direct approval of the City Council.

Credit Risk: The City's investment policy limits investments to those specified in the above statutes. As of December 31, 2020, the government securities, brokered certificates of deposits and money market accounts are not rated.

Interest Rate Risk: This is the risk that market values of securities in a portfolio would decrease due to changes in market value interest rates. The City's policy indicates they structure their investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby reducing the need to sell securities on the open market before maturity.

Custodial Credit Risk – Investments: For an investment, this is the risk in the event of the failure of the counterparty the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's policy states all investments must be fully insured through SIPC insurance.

The City has the following recurring fair value measurements as of December 31, 2020:

- Investments of \$5,574,688 are valued using a matrix pricing model (Level 2 inputs)

**City of Mora**  
**Notes to Financial Statements**

**NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

Summary of cash deposits and investments as of December 31, 2020, were as follows:

Petty Cash	\$ 2,837
Deposits	10,358,970
Investments	<u>5,992,213</u>
Total	<u><u>\$ 16,354,020</u></u>

Deposits and investments are presented in the December 31, 2020, basic financial statements as follows:

Statement of Net Position	
Cash and investments	\$ 16,104,020
Restricted cash	<u>250,000</u>
Total	<u><u>\$ 16,354,020</u></u>

**NOTE 4 – CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2020, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets not being depreciated				
Land	<u>\$ 1,455,973</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,455,973</u>
Capital assets being depreciated				
Land improvements	7,364,246	114,478	-	7,478,724
Buildings and improvements	3,396,815	-	-	3,396,815
Improvements other than buildings	12,398,447	61,849	-	12,460,296
Machinery and equipment	<u>3,580,074</u>	<u>275,602</u>	<u>(125,258)</u>	<u>3,730,418</u>
Total capital assets being depreciated	<u>26,739,582</u>	<u>451,929</u>	<u>(125,258)</u>	<u>27,066,253</u>
Less accumulated depreciation for				
Land Improvements	(3,512,135)	(170,236)	-	(3,682,371)
Buildings and improvements	(1,436,614)	(64,364)	125,258	(1,375,720)
Improvements other than buildings	(5,263,255)	(338,660)	-	(5,601,915)
Machinery and equipment	<u>(3,079,076)</u>	<u>(193,462)</u>	<u>-</u>	<u>(3,272,538)</u>
Total accumulated depreciation	<u>(13,291,080)</u>	<u>(766,722)</u>	<u>125,258</u>	<u>(13,932,544)</u>
Total capital assets being depreciated, net	<u>13,448,502</u>	<u>(314,793)</u>	<u>-</u>	<u>13,133,709</u>
Governmental activities capital assets, net	<u><u>\$ 14,904,475</u></u>	<u><u>\$ (314,793)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 14,589,682</u></u>

**City of Mora**  
**Notes to Financial Statements**

**NOTE 4 – CAPITAL ASSETS (CONTINUED)**

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets not being depreciated				
Land	\$ 356,036	\$ -	\$ -	\$ 356,036
Construction in progress	20,000	5,222	-	25,222
Total capital assets not being depreciated	<u>376,036</u>	<u>5,222</u>	<u>-</u>	<u>381,258</u>
Capital assets being depreciated				
Buildings	11,198,824	-	-	11,198,824
Other Improvements	14,725,485	239,244	-	14,964,729
Machinery and equipment	2,907,614	179,463	-	3,087,077
Infrastructure	631,959	-	-	631,959
Total capital assets being depreciated	<u>29,463,882</u>	<u>418,707</u>	<u>-</u>	<u>29,882,589</u>
Less accumulated depreciation for				
Buildings	(3,366,893)	(397,299)	-	(3,764,192)
Other Improvements	(8,184,559)	(529,108)	-	(8,713,667)
Machinery and equipment	(2,495,988)	(110,223)	-	(2,606,211)
Infrastructure	(328,651)	(13,450)	-	(342,101)
Total accumulated depreciation	<u>(14,376,091)</u>	<u>(1,050,080)</u>	<u>-</u>	<u>(15,426,171)</u>
Total capital assets being depreciated, net	<u>15,087,791</u>	<u>(631,373)</u>	<u>-</u>	<u>14,456,418</u>
Business-type activities capital assets, net	<u>\$ 15,463,827</u>	<u>\$ (626,151)</u>	<u>\$ -</u>	<u>\$ 14,837,676</u>

Depreciation expense was charged to functions/programs of the City as follows:

Governmental activities	
General government	\$ 26,965
Public safety	159,821
Public works	501,465
Culture and recreation	72,562
Cemetery	5,909
Total depreciation expense - governmental activities	<u>\$ 766,722</u>

**City of Mora**  
**Notes to Financial Statements**

**NOTE 4 – CAPITAL ASSETS (CONTINUED)**

Business-type activities	
Water	\$ 325,614
Wastewater	475,454
Electric Utility	173,877
Liquor	61,685
Storm Water Utility	<u>13,450</u>
Total depreciation expense - business-type activities	<u>\$ 1,050,080</u>

**NOTE 5 – INTERFUND ACTIVITY**

**A. Transfers**

Transfers during the year ended December 31, 2020, were as follows:

	Transfers In							Total
	General Fund	Nonmajor Governmental Funds	Liquor Fund	Electric Utility Fund	Water Fund	Wastewater Utility Fund	Storm Water Utility Fund	
Transfers out								
General Fund	\$ -	\$ 163,106	\$ 2,949	\$ 43,300	\$ 10,666	\$ 20,161	\$ 1,194	\$ 241,376
Nonmajor governmental funds	123,532	118,870	-	8,278	-	-	-	250,680
Liquor Fund	298,488	-	-	-	-	-	-	298,488
Electric Utility Fund	39,643	20,000	-	-	-	-	-	59,643
Water Fund	6,755	-	-	-	-	-	-	6,755
Wastewater Fund	6,755	-	-	-	-	-	-	6,755
Storm Water Utility Fund	1,229	-	-	-	-	-	-	1,229
Total	<u>\$ 476,402</u>	<u>\$ 301,976</u>	<u>\$ 2,949</u>	<u>\$ 51,578</u>	<u>\$ 10,666</u>	<u>\$ 20,161</u>	<u>\$ 1,194</u>	<u>\$ 864,926</u>

Transfers from the General Fund, nonmajor governmental funds, Electric Utility Fund, Water Fund, Wastewater Fund, and Storm Water Utility Fund were completed to fund various programs in accordance with budgetary authorization. Transfers from the Liquor Fund were completed to reduce property tax rates.

**B. Due To/From Other Funds**

At December 31, 2020, \$269,398, and \$491,180, was due from the Grove and Wood Street Improvements Capital Project Fund and the nonmajor governmental funds, respectively, to the Electric Utility Fund (\$373,879), Water Fund (\$189,398), and Wastewater Fund (\$197,301) to cover temporary cash deficits.

**City of Mora**  
**Notes to Financial Statements**

**NOTE 5 – INTERFUND ACTIVITY (CONTINUED)**

**C. Advance To/From Other Funds and Component Units**

Fund	Advance to Other Funds	Advance from Other Funds
General	\$ 64,426	\$ -
Grove and Wood Street improvements	-	493,895
Nonmajor governmental funds	-	263,530
Electric Utility	1,870,332	-
Liquor	-	900,000
Water	-	141,443
Wastewater	-	135,890
	\$ 1,934,758	\$ 1,934,758
Total		

The amounts advanced to the Liquor, Water, Wastewater, and nonmajor governmental funds represent interfund loans to temporarily fund projects.

On September 17, 2019, the City advanced \$157,600 to the HRA for cash flow needs. Monthly payments to repay this advance are scheduled through October 2024. The outstanding balance on December 31, 2020 was \$125,569. The corresponding payable of \$147,910 is presented as long term obligations in the HRA audit report. Since the HRA discretely presented component unit's reporting year end is March 31, 2020, the related payable does not equal the amount reported on the City's financial statements.

**NOTE 6 – LONG-TERM DEBT**

**A. General Obligation Bonds**

The City issues General Obligation (G.O.) 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.

The City has issued bonds where the City 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.

**City of Mora**  
**Notes to Financial Statements**

**NOTE 6 – LONG-TERM DEBT (CONTINUED)**

**B. Components of Long-Term Liabilities**

	Issued Date	Interest Rate	Original Issue	Final Maturity	Principal Outstanding
Long- Term Liabilities					
Governmental activities					
2011A G.O. Street Reconstruction Bonds	05/25/11	1.7%-3.2%	\$ 695,000	02/01/22	\$ 155,000
2015B G.O. Bonds	08/13/15	1.3%-4.0%	1,385,000	02/01/36	905,000
2015C G.O. Refunding Bonds	08/13/15	2.5%-3.0%	1,223,909	02/01/28	776,991
2017A G.O. Bonds	08/24/17	3.0%-3.1%	1,325,000	02/01/38	1,028,244
Premium on bonds payable					45,599
Compensated absences					44,452
Total governmental activities					<u>2,955,286</u>
Business-Type Activities					
2010 G.O. PFA Water Revenue Note					
from direct borrowing	08/01/10	1.90%	1,565,220	08/20/30	851,000
2015B G.O. Bonds	08/13/15	1.3%-4.0%	1,385,000	02/01/36	265,000
2015C G.O. Refunding Bonds	08/13/15	2.5%-3.0%	606,091	02/01/28	393,009
2015 G.O. PFA Sewer Revenue Note					
from direct borrowing	05/21/15	1.90%	3,257,315	08/20/35	2,583,000
2017A G.O. Bonds	08/24/17	3.0%-3.1%	1,325,000	02/01/38	206,756
Premium on bonds payable					11,362
Compensated absences					72,707
Total business-type activities					<u>4,382,834</u>
Total all long-term liabilities					<u>\$ 7,338,120</u>

The General Fund typically liquidates the liability related to compensated absences.

**C. Minimum Debt Payments**

Annual debt service requirements to maturity for long-term debt are as follows:

Year Ending December 31,	Governmental Activities			Business-Type Activities					
	G.O. Bonds			G.O. Bonds			Notes from Direct Borrowing		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 264,046	\$ 81,998	\$ 346,044	\$ 70,953	\$ 24,230	\$ 95,183	\$ 238,000	\$ 41,676	\$ 279,676
2022	272,054	74,622	346,676	72,946	22,438	95,384	242,000	38,623	280,623
2023	196,550	68,240	264,790	73,450	20,578	94,028	245,000	35,514	280,514
2024	204,530	62,971	267,501	80,470	18,621	99,091	248,000	32,365	280,365
2025	204,032	57,370	261,402	80,968	16,535	97,503	251,000	29,170	280,170
2026-2030	801,650	205,153	1,006,803	273,351	52,069	325,420	1,306,000	96,366	1,402,366
2031-2035	622,322	103,907	726,229	162,678	23,898	186,576	904,000	27,300	931,300
2036-2038	300,051	12,412	312,463	49,949	1,732	51,681	-	-	-
Total	<u>\$ 2,865,235</u>	<u>\$ 666,673</u>	<u>\$ 3,531,908</u>	<u>\$ 864,765</u>	<u>\$ 180,101</u>	<u>\$ 1,044,866</u>	<u>\$ 3,434,000</u>	<u>\$ 301,014</u>	<u>\$ 3,735,014</u>

**City of Mora**  
**Notes to Financial Statements**

**NOTE 6 – LONG-TERM DEBT (CONTINUED)**

**D. Changes in Long-Term Liabilities**

Long-term liability activity for the year ended December 31, 2020, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
G.O. bonds payable	\$ 3,124,760	\$ -	\$ 259,525	\$ 2,865,235	\$ 264,046
Premium on bonds payable	49,115	-	3,516	45,599	-
Total G.O bonds payable	<u>3,173,875</u>	<u>-</u>	<u>263,041</u>	<u>2,910,834</u>	<u>264,046</u>
Compensated absences	<u>36,110</u>	<u>50,426</u>	<u>42,084</u>	<u>44,452</u>	<u>20,928</u>
Total governmental activities	<u>3,209,985</u>	<u>50,426</u>	<u>305,125</u>	<u>2,955,286</u>	<u>284,974</u>
Business-type activities					
G.O. bonds payable	935,240	-	70,475	864,765	70,953
Note from direct borrowing					
G.O. PFA revenue notes payable	3,660,958	9,458	236,416	3,434,000	238,000
Premium on bonds payable	12,244	-	882	11,362	-
Total bonds payable	<u>4,608,442</u>	<u>-</u>	<u>307,773</u>	<u>4,310,127</u>	<u>308,953</u>
Compensated absences	<u>78,228</u>	<u>59,599</u>	<u>65,120</u>	<u>72,707</u>	<u>34,230</u>
Total business-type activities	<u>4,686,670</u>	<u>59,599</u>	<u>372,893</u>	<u>4,382,834</u>	<u>343,183</u>
Total long-term liabilities	<u>\$ 7,896,655</u>	<u>\$ 110,025</u>	<u>\$ 678,018</u>	<u>\$ 7,338,120</u>	<u>\$ 628,157</u>

**City of Mora**  
**Notes to Financial Statements**

**NOTE 7 – FUND BALANCES/NET POSITION**

**A. Fund Balance Classifications**

Fund balances are classified as shown below to reflect the limitations and restrictions of the respective funds.

	General Fund	Grove and Wood Street Improvements	Parker Capital Project	Nonmajor Governmental Funds	Total
<b>Nonspendable</b>					
Perpetual care	\$ -	\$ -	\$ -	\$ 123,519	\$ 123,519
Prepaid items	29,279	-	-	-	29,279
Total nonspendable	<u>29,279</u>	<u>-</u>	<u>-</u>	<u>123,519</u>	<u>152,798</u>
<b>Restricted</b>					
Economic development	-	-	-	59,788	59,788
Economic development revolving loan	-	-	-	90,258	90,258
Debt service	-	-	-	660,273	660,273
MIC loan	-	-	-	4,685	4,685
Tax increment	-	-	-	9,733	9,733
Small cities development program	-	-	-	35,771	35,771
COVID-19 emergency management	-	-	-	71,256	71,256
Perpetual care	-	-	-	1,976	1,976
Total restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>933,740</u>	<u>933,740</u>
<b>Committed</b>					
Fire	-	-	-	14,296	14,296
<b>Assigned</b>					
Future fire equipment	-	-	-	749,974	749,974
Future improvements	-	-	-	487,965	487,965
9th and Wood Street Improvements	-	-	-	10,243	10,243
Total assigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,248,182</u>	<u>1,248,182</u>
<b>Unassigned</b>					
	<u>1,866,866</u>	<u>(350,730)</u>	<u>(269,398)</u>	<u>(667,177)</u>	<u>569,561</u>
Total fund balance	<u>\$ 1,896,145</u>	<u>\$ (350,730)</u>	<u>\$ (269,398)</u>	<u>\$ 1,652,560</u>	<u>\$ 2,918,577</u>

**B. Net Position**

Restricted net position is comprised of the total restricted fund balance in the governmental funds plus the effects of the conversion to the government-wide net position.

**NOTE 8 – RISK MANAGEMENT**

The City purchases commercial insurance coverage with other cities in the state through the League of Minnesota Cities Insurance Trust (LMCIT), which is a public entity risk pool currently operating as a common risk management and insurance program. The City pays an annual premium to LMCIT for its insurance coverage. LMCIT is self-sustaining through commercial companies for excess claims. The City is covered through the pool for any claims incurred but unreported, however, retains risk for the deductible portion of its insurance policies. The amount of these deductibles is considered immaterial to the financial statements.

There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three years.

**City of Mora**  
**Notes to Financial Statements**

**NOTE 8 – RISK MANAGEMENT (CONTINUED)**

The City's workers' compensation insurance policy is retrospectively rated. With this type of policy, final premiums are determined after loss experience is known. The amount of premium adjustment for 2020 is estimated to be immaterial based on workers' compensation rates and salaries for the year.

At December 31, 2020, there were no other claims liabilities reported based on the requirements of GASB Statement No. 10, which requires a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

**NOTE 9 – PENSION PLANS**

The City participates in various pension plans. Total pension expense for the year ended December 31, 2020, was \$64,794. The components of pension expense are noted in the following plan summaries.

The General Fund, Liquor Fund, Electric Utility Fund, Water Fund, Wastewater Fund, and Storm Water Utility Fund typically liquidate the liability related to the pensions.

**Public Employees' Retirement Association**

**A. Plan Description**

The City participates in the following cost-sharing multiple-employer defined benefit pension plans administered by PERA. PERA's defined benefit pension plans are established and administered in accordance with *Minnesota Statutes*, Chapters 353 and 356. PERA's defined benefit 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 are covered by the General Employees Plan. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

**B. Benefits Provided**

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.

**City of Mora**  
**Notes to Financial Statements**

**NOTE 9 – PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**B. Benefits Provided**

General Employees Plan Benefits

General Employees Plan benefits are based on a member's highest average salary for any 5 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 a Coordinated members is 1.2% for each of the first 10 years of service and 1.7% for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7% 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. Beginning in 2019, the postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1% and a maximum of 1.5%. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. For recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. For members retiring on January 1, 2024, or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

**C. 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 6.5% of their annual covered salary in fiscal year 2020 and the City was required to contribute 7.5% for Coordinated Plan members. The City's contributions to the General Employees Fund for the year ended December 31, 2020, were \$118,483. The City's contributions were equal to the required contributions as set by state statute.

**City of Mora**  
**Notes to Financial Statements**

**NOTE 9 – PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**D. Pension Costs**

General Employees Fund Pension Costs

At December 31, 2020, the City reported a liability of \$1,313,005 for its proportionate share of the General Employees Fund's net pension liability. The City's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. 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 totaled \$40,533. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2019, through June 30, 2020, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.0219%, at the end of the measurement period and 0.0208% for the beginning of the period.

City's proportionate share of the net pension liability	\$ 1,313,005
State of Minnesota's proportionate share of the net pension liability associated with the City	<u>40,533</u>
Total	<u>\$ 1,353,538</u>

For the year ended December 31, 2020, the City recognized pension expense of \$90,154 for its proportionate share of General Employees Plan's pension expense. Included in the amount, the City recognized \$3,528 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**  
**Notes to Financial Statements**

**NOTE 9 – PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**D. Pension Costs (Continued)**

General Employees Fund Pension Costs (Continued)

At December 31, 2020, the City reported its proportionate share of General Employees Plan's deferred outflows of resources and deferred inflows of resources, related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 11,328	\$ 4,968
Changes in actuarial assumptions	-	46,050
Net collective difference between projected and actual investment earnings	34,757	-
Changes in proportion	98,314	15,960
Contributions paid to PERA subsequent to the measurement date	<u>59,242</u>	<u>-</u>
Total	<u><u>\$ 203,641</u></u>	<u><u>\$ 66,978</u></u>

The \$59,242 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Pension Expense Amount</u>
2021	\$ (38,117)
2022	43,746
2023	40,069
2024	<u>31,723</u>
Total	<u><u>\$ 77,421</u></u>

**City of Mora**  
**Notes to Financial Statements**

**NOTE 9 – PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**E. Actuarial Assumptions**

The total pension liability in the June 30, 2020, actuarial valuation was determined using an individual entry-age normal actuarial cost method and 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 for all plans 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 after retirement for retirees are assumed to be 1.25% per year for the General Employees Plan.

Actuarial assumptions used in the June 30, 2020, valuation were based on the results of actuarial experience studies. The most recent four-year experience study in the General Employees Plan was completed in 2019. The assumption changes were adopted by the Board and became effective with the July 1, 2020, actuarial valuation.

The following changes in actuarial assumptions occurred in 2020:

**General Employees Fund**

**Changes in Actuarial Assumptions:**

- The price inflation assumption was decreased from 2.5% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.0%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019, experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019, experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changes as recommended in the June 30, 2019, experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019, experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the Pub-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.

**City of Mora**  
**Notes to Financial Statements**

**NOTE 9 – PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**E. Actuarial Assumptions (Continued)**

General Employees Fund (Continued)

Changes in Actuarial Assumptions (Continued):

- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint and Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint and Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

Changes in Plan Provisions:

- Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023, and 0.0% thereafter. Augmentation was eliminated for privatizations occurring after June 30, 2020.

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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic stocks	35.5 %	5.10 %
International stocks	17.5	5.30
Bonds (fixed income)	20.0	0.75
Alternative assets (private markets)	25.0	5.90
Cash	2.0	0.00
	<hr/>	
Total	<u>100 %</u>	

**City of Mora**  
**Notes to Financial Statements**

**NOTE 9 – PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**F. Discount Rate**

The discount rate used to measure the total pension liability in 2020 was 7.5%. 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 was 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.

**G. Pension Liability Sensitivity**

The following presents the City'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'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:

	(6.5%)	(7.5%)	(8.5%)
City's proportionate share of the General Employees Fund net pension liability	\$ 2,104,292	\$ 1,313,005	\$ 660,257

**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](http://www.mnpera.org).

**Defined Benefit Pension Plan – Volunteer Firefighter's Relief Association**

**A. Plan Description**

The City of Mora's Fire Department Relief Association is the administrator of a single employer defined benefit pension plan established to provide benefits for members of the City of Mora Fire Department.

The Association issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Mora Fire Relief Association, 101 Lake Street South, Mora, MN 55051.

**B. Benefits Provided**

Volunteer firefighters of the City are members of the Mora Fire Department Relief Association. Full retirement benefits are payable to members who have reached age 50 and have completed 20 years of service in the amount of \$2,00 per year of service in a lump sum. Partial benefits are payable to members who have reached 50 and have completed ten years of service. Disability benefits and widow and children's survivor benefits are also payable to members or their beneficiaries based upon requirements set forth in the bylaws. These benefit provisions and all other requirements are consistent with enabling state statutes.

**City of Mora**  
**Notes to Financial Statements**

**NOTE 9 – PENSION PLANS (CONTINUED)**

**Defined Benefit Pension Plan – Volunteer Firefighter's Relief Association (Continued)**

**C. Members Covered by Benefit Terms**

As of the December 31, 2018, actuarial valuation date, the following members were covered by the benefit terms:

Inactive members entitled to but not yet receiving benefits	2
Active members	29
	29
Total	31

**D. Contributions**

*Minnesota Statutes* Chapter 424A.092 specifies minimum support rates required on an annual basis. The minimum support rates from the municipality and from State aid are determined as the amount required to meet the normal cost plus amortizing any existing prior service costs over a ten year period. The City's obligation is the financial requirement for the year less state aids. Any additional payments by the City shall be used to amortize the unfunded liability of the relief association. The Association is comprised of volunteers; therefore, there are no payroll expenditures (i.e., there are no covered payroll percentage calculations). During the year ended December 31, 2020, the City recognized as revenue and as an expenditure an on behalf payment of \$62,346 made by the State of Minnesota for the Relief Association.

**E. Net Pension Liability**

The City's net pension liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018.

The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount rate	5.25 %	
Investment rate of return	5.25 %	Net of pension plan investment expense: including inflation.
Inflation	2.50 %	
Mortality		Healthy Pre Retirement - RP-2014 employee generational mortality table projected with mortality improvement scale MP-2018, from base year 2006 Healthy Post Retirement - RP-2014 annuitant generational mortality table projected with mortality improvement scale MP-2018 from base year 2006. Male rates are adjusted by a factor of 0.96.

The value of death benefits is similar to the value of the retirement pension. Because of low retirement ages, the plan assumes no pre-retirement mortality. Post-retirement mortality does not apply as the benefit structure and form of payment do not reflect lifetime benefits.

**City of Mora**  
**Notes to Financial Statements**

**NOTE 9 – PENSION PLANS (CONTINUED)**

**Defined Benefit Pension Plan – Volunteer Firefighter's Relief Association (Continued)**

**E. Net Pension Liability (Continued)**

The long-term return on assets has been set based on the plan's target investment allocation along with long-term return expectations by asset class. When there is sufficient historical evidence of market outperformance, historical average returns may be considered. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of the measurement date are summarized below.

Asset Class	Allocation at Measurement Date	Long-Term Expected Real Rate of Return	Long-Term Expected Nominal Rate of Return
Domestic equity	40.33 %	4.76 %	7.26
International equity	9.45	5.41	7.91
Fixed income	2.63	2.01	4.51
Real estate and alternatives	0.55	4.53	7.03
Cash and equivalents	47.04	0.74	3.24
Total	<u>100 %</u>		5.73
	Investment expense		<u>(0.5)</u>
	Net assumed investment return		<u>5.25</u>

The discount rate used to measure the total pension liability was 5.25%. Assets were projected using expected benefit payments and expected asset returns. Expected benefit payments by year were discounted using the expected asset return assumption for years in which the assets were sufficient to pay all benefit payments. Any remaining benefit payments after the trust fund is exhausted are discounted at the municipal bond rate. The equivalent single rate is the discount rate.

**City of Mora**  
**Notes to Financial Statements**

**NOTE 9 – PENSION PLANS (CONTINUED)**

**Defined Benefit Pension Plan – Volunteer Firefighter's Relief Association (Continued)**

**F. Changes in the Net Pension Liability**

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2018	\$ 428,916	\$ 804,285	\$ (375,369)
Changes for the year			
Service cost	26,091	-	26,091
Interest cost	23,888	-	23,888
State and municipal contributions	-	61,770	(61,770)
Donations and other income contributions	-	10	(10)
Net investment income	-	108,266	(108,266)
Change in benefit terms	83,266	-	83,266
Administrative expense	-	(4,134)	4,134
Net changes	133,245	165,912	(32,667)
Balances at December 31, 2019	\$ 562,161	\$ 970,197	\$ (408,036)

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 5.25%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.25%) or 1-percentage-point higher (6.25%) than the current rate:

	1% Decrease 4.25%	Current Discount 5.25%	1% Increase 6.25%
Net pension asset	\$ 388,084	\$ 408,036	\$ 427,392

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued relief association financial report.

**City of Mora**  
**Notes to Financial Statements**

**NOTE 9 – PENSION PLANS (CONTINUED)**

**Defined Benefit Pension Plan – Volunteer Firefighter's Relief Association (Continued)**

**G. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended December 31, 2020, the City recognized pension expense of (\$25,360). At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual investment earnings	\$ -	\$ 24,727
Contributions paid to Association subsequent to the measurement date	62,346	-
Total	\$ 62,346	\$ 24,727

The \$62,346 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending</u>			
2021			\$ (3,877)
2022			(3,877)
2023			(3,877)
2024			(13,096)
Total			\$ (24,727)

**NOTE 10 – POST EMPLOYMENT HEALTH CARE PLAN**

**A. Plan Description**

The City's defined benefit OPEB plan provides a single-employer defined benefit health care plan to eligible retirees. The plan offers medical coverage. No assets are acclimated in a trust. A separate report is not issued for this plan.

**City of Mora**  
**Notes to Financial Statements**

**NOTE 10 – POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)**

**B. Benefits Provided**

Retirees and their spouses can participate in the health care plan at the same premium rate as City employees. Retirees and their spouses are responsible for 100% of these rates. This results in the retirees receiving an implicit rate subsidy.

**C. Contributions**

Retirees and their spouses contribute to the health care plan at the same rate as City employees. This results in the retirees receiving an implicit rate subsidy. Contribution requirements are established by the City, based on the contract terms with PEIP. The required contributions are based on projected pay-as-you-go financing requirements. For 2020, the City contributed \$15,395 to the plan.

**D. Members**

As of the December 31, 2018, valuation date, the following were covered by the benefit terms:

Total retirees	2
Total active employees	<u>21</u>
Total	<u><u>23</u></u>

**E. Actuarial Assumptions**

The total OPEB liability, measured as of December 31, 2019, was determined by an actuarial valuation as of December 31, 2018, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Key Methods and Assumptions Used in Valuation of Total OPEB Liability

Inflation	2.50%
Healthcare cost trend increases	Rate 6.4% for 2019, gradually decreasing over several decades to an ultimate rate of 3.80% in 2075 and later years.
Mortality assumption	From the July 1, 2019 PERA of Minnesota General Employees Retirement Plan actuarial valuations, mortality rates were based on the RP-2014 mortality tables with projected mortality improvements based on scale MP-2018 and other adjustments.

The discount rate used to measure the total OPEB liability was 2.75% based on Fidelity 20-Year Municipal GO AA Index.

**City of Mora**  
**Notes to Financial Statements**

**NOTE 10 – POST EMPLOYMENT HEALTH CARE PLAN**

**F. Total OPEB Liability**

The City's total OPEB liability of \$135,854 was measured as of December 31, 2019, and was determined by an actuarial valuation as of December 31, 2018.

Changes in the total OPEB liability are as follows:

	<u>Total OPEB Liability</u>
Balances at January 1, 2020	<u>\$ 131,392</u>
Changes for the year	
Service cost	6,226
Interest	4,836
Changes of assumptions	7,939
Employer contributions	<u>(14,539)</u>
Net changes	<u>4,462</u>
Balances at December 31, 2020	<u><u>\$ 135,854</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.17% at the December 31, 2018, measurement date to 2.75% at the December 31, 2019, measurement date.

The General Fund and Liquor, Electric Utility, Water, Wastewater, and Storm Water Utility funds typically liquidate the Liability related to OPEB.

**G. OPEB Liability Sensitivity**

The following presents the City's total OPEB liability calculated using the discount rate of 2.75% as well as the liability measured using 1% lower and 1% higher than the current discount rate.

Total OPEB Liability		
1% decrease (1.75%)	Current (2.75%)	1% increase (3.75%)
\$ 144,517	\$ 135,854	\$ 127,594

**City of Mora**  
**Notes to Financial Statements**

**NOTE 10 – POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)**

**G. OPEB Liability Sensitivity (Continued)**

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower and 1% higher than the current healthcare cost trend rates.

Total OPEB Liability		
1% decrease (5.4% decreasing to 2.8%)	Current (6.4% decreasing to 3.8%)	1% increase (7.4% decreasing to 4.8%)
\$ 122,906	\$ 135,854	\$ 150,977

**H. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended December 31, 2020, the City recognized OPEB expense of \$3,606. At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions made subsequent to the measurement date	\$ 15,395	\$ -

The \$15,395 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended December 31, 2021.

**NOTE 11 – CONTRACT COMMITMENTS AND CONTINGENCIES**

**A. Electric Utility Commitment**

The Public Utilities Commission purchases power from Sothern 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 Diesel Generating Facilities.

**City of Mora**  
**Notes to Financial Statements**

**NOTE 11 – CONTRACT COMMITMENTS AND CONTINGENCIES (CONTINUED)**

**B. Contingencies**

On March 13, 2020, a national emergency was declared for the COVID-19 outbreak in the United States of America. This event affects the economy and financial markets. The extent of the impact on the City may be both direct and indirect and will vary based on the duration of the outbreak and various other factors. An estimate of the financial effect on the City's financial statements at December 31, 2020, cannot be determined at this time.

**NOTE 14 – TAX INCREMENT FINANCING**

The City has entered into three Tax Increment Financing agreements which meet the criteria for disclosure under *Governmental Accounting Standards Board Statement No. 77 Tax Abatement Disclosures*. The City's authority to enter into these agreements comes from *Minnesota Statute 469*. The City entered into these agreements for the purpose of economic development.

Under each agreement, the City and developer agree on an amount of development costs to be reimbursed to the developer by the City through tax revenues from the additional taxable value of the property generated by the development (tax increment). A "pay-as-you-go" note is established for this amount, on which the City makes payments for a fixed period of time with available tax increment revenue after deducting for certain administrative costs.

During the year ended December 31, 2020, the City generated \$125,704 in tax increment revenue and made \$87,616 in payments to developers.

**NOTE 15 – HOUSING REVENUE AGREEMENT**

The City entered into a Housing Revenue Agreement with the HRA of the City of Mora on October 15, 2019. The HRA undertook a housing development project granted under *Minnesota Statutes*, 469.001 to 469.047 which was financed by the HRA's issuance of \$3,000,000 Housing Revenue Bonds, Series 2009B. The HRA refunded these bonds with the issuance of \$3,095,000 Housing Development Refunding Bonds, Series 2019A in November 2019, which was issued with the City's pledge of its full faith and credit and taxing power. The revenues of the housing project are pledged to pay this debt and the HRA makes payments to the City, which then makes the respective semi-annual bond payments. The final payment on the 2019A bond is due on January 1, 2040.

**NOTE 16 – NEW STANDARDS ISSUED BUT NOT YET IMPLEMENTED**

GASB Statement No. 87, Leases establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. This statement will be effective for the year ending December 31, 2022.

**City of Mora**  
**Notes to Financial Statements**

**NOTE 16 – NEW STANDARDS ISSUED BUT NOT YET IMPLEMENTED (CONTINUED)**

GASB Statement No. 89, Accounting for Interest Cost Incurred Before the End of a Construction Period enhances the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and simplifies accounting for interest cost incurred before the end of a construction period. This statement will be effective for the year ending December 31, 2021.

**REQUIRED SUPPLEMENTARY INFORMATION OTHER  
THAN MANAGEMENT'S DISCUSSION AND ANALYSIS**

**City of Mora**  
**Schedule of Changes in Total OPEB Liability**  
**and Related Ratios**

	December 31, 2019	December 31, 2020
Total OPEB Liability		
Service cost	\$ 6,280	\$ 6,226
Interest	4,531	4,836
Changes of assumptions	(3,224)	7,939
Benefit payments	(13,601)	(14,539)
Net change in total OPEB liability	(6,014)	4,462
Beginning of year	137,406	131,392
End of year	\$ 131,392	\$ 135,854
Covered-employee payroll	\$ 1,311,357	\$ 1,742,912
Total OPEB liability as a percentage of covered-employee payroll	10.02%	7.79%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

**City of Mora**  
**Schedule of City's Proportionate Share**  
**of Net Pension Liability**  
**General Employees Retirement Fund**  
**Last Ten Years**

For Fiscal Year Ended June 30,	City's Proportionate Share (Percentage) of the Net Pension Liability (Asset)	City's Proportionate Share (Amount) of the Net Pension Liability (Asset)	State's Proportionate Share (Amount) of the Net Pension Liability Associated with the City	City's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with the City	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.0205%	\$ 1,062,416	\$ -	\$ 1,062,416	\$ 1,183,280	89.79%	78.19%
2016	0.0199%	1,615,781	21,145	1,636,926	1,234,320	130.90%	68.91%
2017	0.0199%	1,270,403	15,977	1,286,380	1,282,213	99.08%	75.90%
2018	0.0189%	1,048,495	34,357	1,082,852	1,267,373	82.73%	79.53%
2019	0.0208%	1,149,985	35,665	1,185,650	1,470,187	78.22%	80.23%
2020	0.0219%	1,313,005	40,533	1,353,538	1,564,053	83.95%	79.06%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

**City of Mora**  
**Schedule of City Contributions**  
**General Employees Retirement Fund**  
**Last Ten Years**

Year Ending December 31,	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 93,262	\$ 93,262	\$ -	\$ 1,243,493	7.50%
2016	93,128	93,128	-	1,241,707	7.50%
2017	94,439	94,439	-	1,259,187	7.50%
2018	102,603	102,603	-	1,368,040	7.50%
2019	114,409	114,409	-	1,525,453	7.50%
2020	118,483	118,483	-	1,579,773	7.50%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

**City of Mora**  
**Schedule of Changes in Net Pension Liability**  
**and Related Ratios - Mora Fire Department Relief Association**

	Measurement Date December 31, 2018	Measurement Date December 31, 2019
Total Pension Liability (TPL)		
Service cost	\$ 25,455	\$ 26,091
Interest costs	21,395	23,888
Change of benefit terms	-	83,266
Net change in total pension liability	<u>46,850</u>	<u>133,245</u>
Beginning of year	<u>382,066</u>	<u>428,916</u>
End of year	<u>\$ 428,916</u>	<u>\$ 562,161</u>
Plan Fiduciary Net Pension (FNP)		
State and municipal contributions	\$ 57,478	\$ 61,770
Donations and other income contributions	-	10
Net investment income	(5,856)	108,266
Administrative expense	(3,840)	(4,134)
Net change in plan fiduciary net position	<u>47,782</u>	<u>165,912</u>
Beginning of year	<u>756,503</u>	<u>804,285</u>
End of year	<u>\$ 804,285</u>	<u>\$ 970,197</u>
Net Pension Liability (NPL)	<u>\$ (375,369)</u>	<u>\$ (408,036)</u>
FNP as a percentage of the TPL	187.52%	172.58%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

**City of Mora**  
**Schedule of City Contributions -**  
**Mora Fire Department Relief Association**

	December 31, 2018	December 31, 2019	December 31, 2020
City			
Statutorily determined contribution (SDC)	\$ -	\$ -	\$ -
Actual contribution	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
State Pass Through			
2% Aid	<u>\$ 57,478</u>	<u>\$ 58,770</u>	<u>\$ 62,346</u>

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

**City of Mora**  
**Notes to Required Supplementary Information**

**General Employees Fund**

**2020 Changes**

Changes in Actuarial Assumptions

- The price inflation assumption was decreased from 2.5% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.0%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019, experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019, experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019, experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019, experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the Pub-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint and Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint and Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

Changes in Plan Provisions

- Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023, and 0.0% thereafter. Augmentation was eliminated for privatizations occurring after June 30, 2020.

**2019 Changes**

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2017 to MP-2018.

Changes in Plan Provisions

- The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The State's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

**2018 Changes**

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.0% per year through 2044 and 2.5% per year thereafter to 1.25% per year.

**City of Mora**  
**Notes to Required Supplementary Information**

**General Employees Fund (Continued)**

**2018 Changes Continued)**

Changes in Plan Provisions

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.00% to 3.00%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Postretirement benefit increases were changed from 1.00% per year with a provision to increase to 2.50% upon attainment of 90.00% funding ratio to 50.00% of the Social Security Cost of Living Adjustment, not less than 1.00% and not more than 1.50%, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

**2017 Changes**

Changes in Actuarial Assumptions

- The CSA loads were changed from 0.8% for active members and 60% for vested and non-vested deferred members. The revised CSA loads are now 0.0% for active member liability, 15% for vested deferred member liability and 3% for non-vested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.0% per year for all years to 1.0% per year through 2044 and 2.5% per year thereafter.

Changes in Plan Provisions

- The State's contribution for the Minneapolis Employees Retirement Fund equals \$16,000,000 in 2017 and 2018, and \$6,000,000 thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21,000,000 to \$31,000,000 in calendar years 2019 to 2031. The State's contribution changed from \$16,000,000 to \$6,000,000 in calendar years 2019 to 2031.

**2016 Changes**

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2035 and 2.5% per year thereafter to 1.0% per year for all future years.
- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate was changed from 7.9% to 7.5%.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, the inflation was decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

**City of Mora**  
**Notes to Required Supplementary Information**

**General Employees Fund (Continued)**

**2015 Changes**

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2030 and 2.5% per year thereafter to 1.0% per year through 2035 and 2.5% per year thereafter.

Changes in Plan Provisions

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised; the State's contribution of \$6.0 million, which meets the special funding situation definition, was due September 2015.

**Mora Fire Relief Association**

**2020 Changes**

Changes in Plan Provisions

- The lump sum benefit multiplier increased from \$2,000 to \$2,500 effective January 1, 2020, and approved October 2019

Changes in Economic Assumptions

- There have been no changes since the prior valuation

Changes in Demographic and Other Assumptions

- There have been no changes since the prior valuation

**Other Post-Employment Benefits**

**2020 Changes**

Changes in Plan Provisions

- There have been no changes since the prior valuation.

Changes in Economic Assumptions

- The discount rate was changed from 3.71% to 2.75%

Changes in Demographic and Other Assumptions

- There have been no changes since the prior valuation

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**SUPPLEMENTARY INFORMATION**

## **City of Mora Special Revenue Funds**

### **Special Revenue Funds**

EDA Fund – To account for the EDA blended component unit.

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.

EDA 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 expenditures associated with the City Development Program.

COVID-19 Emergency Assistance Fund - To account for the revenue and expenditures associated with the COVID-19 pandemic.

TIF 1-15 Mysa Fund - To account for revenues and expenditures, including tax increments received and distributed for Mysa building project.

### **Capital Project Funds**

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

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

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

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

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

**City of Mora  
Special Revenue Funds**

**Capital Project Funds (Continued)**

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

2012 7th and Grove Street Improvements Fund - To account for revenues and expenditures related to improvements.

9th & Wood Street Improvements Fund - To account for revenues and expenditures related to the project.

**Debt Service Funds**

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

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

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

2017A Refunding Fund - 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**  
**Combining Balance Sheet -**  
**Nonmajor Governmental Funds**  
**December 31, 2020**

	Special Revenue			
	EDA (227)	Fire (222)	Cemetery (225)	EDA Revolving Loan (230)
<b>Assets</b>				
Cash and investments	\$ 60,187	\$ -	\$ 2,072	\$ 90,258
Restricted cash	-	-	-	-
Taxes receivable	-	-	-	-
Special assessments receivable	-	2,973	-	-
Accounts receivable	3	25,618	14	-
	<u>\$ 60,190</u>	<u>\$ 28,591</u>	<u>\$ 2,086</u>	<u>\$ 90,258</u>
<b>Liabilities</b>				
Accounts payable	137	7,765	1,174	-
Escrows payable	-	-	1,000	-
Due to other funds	-	3,528	-	-
Advances from other funds	-	-	-	-
Salaries and benefits payable	265	29	17	-
Total liabilities	<u>402</u>	<u>11,322</u>	<u>2,191</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue - taxes	-	-	-	-
Unavailable revenue - special assessments	-	2,973	-	-
Total deferred inflows of resources	<u>-</u>	<u>2,973</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>				
Nonspendable	-	-	-	-
Restricted	59,788	-	-	90,258
Committed	-	14,296	-	-
Assigned	-	-	-	-
Unassigned	-	-	(105)	-
Total fund balances	<u>59,788</u>	<u>14,296</u>	<u>(105)</u>	<u>90,258</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 60,190</u>	<u>\$ 28,591</u>	<u>\$ 2,086</u>	<u>\$ 90,258</u>

(Continued)

Special Revenue

MIC Loan (232)	TIF 2-2 Intrepid (237)	TIF 1-11 KSB (248)	Small Cities Development Program (270)	COVID-19 Emergency Assistance (231)	TIF 1-15 Mysa (252)
\$ 4,685	\$ 9,733	\$ 74,110	\$ 35,771	\$ 71,256	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 4,685</u>	<u>\$ 9,733</u>	<u>\$ 74,110</u>	<u>\$ 35,771</u>	<u>\$ 71,256</u>	<u>\$ -</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	25
-	-	263,530	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>263,530</u>	<u>-</u>	<u>-</u>	<u>25</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
4,685	9,733	-	35,771	71,256	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(189,420)	-	-	(25)
<u>4,685</u>	<u>9,733</u>	<u>(189,420)</u>	<u>35,771</u>	<u>71,256</u>	<u>(25)</u>
<u>\$ 4,685</u>	<u>\$ 9,733</u>	<u>\$ 74,110</u>	<u>\$ 35,771</u>	<u>\$ 71,256</u>	<u>\$ -</u>

**City of Mora**  
**Combining Balance Sheet -**  
**Nonmajor Governmental Funds**  
**December 31, 2020**

	Capital Projects			
	Future Fire Equipment (407)	Future Improvements (409)	Howe Avenue Reconstruction (439)	Downtown Feed Mill Redevelopment (440)
<b>Assets</b>				
Cash and investments	\$ 749,974	\$ 487,965	\$ -	\$ -
Restricted cash	-	-	-	-
Taxes receivable	-	-	-	-
Special assessments receivable	-	-	132,086	-
Accounts receivable	-	-	-	-
<b>Total assets</b>	<b>\$ 749,974</b>	<b>\$ 487,965</b>	<b>\$ 132,086</b>	<b>\$ -</b>
<b>Liabilities</b>				
Accounts payable	-	-	-	-
Escrows payable	-	-	-	-
Due to other funds	-	-	26,039	30,351
Advances from other funds	-	-	-	-
Salaries and benefits payable	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>26,039</b>	<b>30,351</b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue - taxes	-	-	-	-
Unavailable revenue - special assessments	-	-	132,086	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>132,086</b>	<b>-</b>
<b>Fund Balances</b>				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	749,974	487,965	-	-
Unassigned	-	-	(26,039)	(30,351)
<b>Total fund balances</b>	<b>749,974</b>	<b>487,965</b>	<b>(26,039)</b>	<b>(30,351)</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 749,974</b>	<b>\$ 487,965</b>	<b>\$ 132,086</b>	<b>\$ -</b>

(Continued)

Capital Projects				Debt Service	
Airport Kastenbauer House (442)	Crosswind/ Yank Property (444)	2012 7th and Grove Street Improvements (451)	9th and Wood Street Improvements (455)	Fire Station 2003 (525)	2008-2011 Street Reconstruction (530)
\$ -	\$ -	\$ -	\$ 10,243	\$ 50,985	\$ 166,087
-	-	-	-	-	-
-	-	-	-	1,426	3,319
-	-	-	-	-	-
-	-	-	-	156	1,370
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,243</u>	<u>\$ 52,567</u>	<u>\$ 170,776</u>
-	-	-	-	-	-
-	-	-	-	-	-
97,389	19,912	313,936	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>97,389</u>	<u>19,912</u>	<u>313,936</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	1,426	3,319
-	-	-	-	-	-
-	-	-	-	<u>1,426</u>	<u>3,319</u>
-	-	-	-	-	-
-	-	-	-	51,141	167,457
-	-	-	-	-	-
-	-	-	10,243	-	-
<u>(97,389)</u>	<u>(19,912)</u>	<u>(313,936)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(97,389)</u>	<u>(19,912)</u>	<u>(313,936)</u>	<u>10,243</u>	<u>51,141</u>	<u>167,457</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,243</u>	<u>\$ 52,567</u>	<u>\$ 170,776</u>

**City of Mora**  
**Combining Balance Sheet -**  
**Nonmajor Governmental Funds**  
**December 31, 2020**

	Debt Service			
	HRA Eastwood (531)	2015B Wood and Grove (532)	2015C Refunding (533)	2017A Refunding (535)
<b>Assets</b>				
Cash and investments	\$ 99,688	\$ 55,958	\$ 233,701	\$ 131,003
Restricted cash	250,000	-	-	-
Taxes receivable	-	2,464	4,595	1,120
Special assessments receivable	-	-	302,548	121,323
Accounts receivable	-	1,120	1,630	702
Total assets	\$ 349,688	\$ 59,542	\$ 542,474	\$ 254,148
<b>Liabilities</b>				
Accounts payable	332,127	-	-	-
Escrows payable	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Salaries and benefits payable	-	-	-	-
Total liabilities	332,127	-	-	-
<b>Deferred Inflows of Resources</b>				
Unavailable revenue - taxes	-	2,464	4,595	1,120
Unavailable revenue - special assessments	-	-	302,548	121,323
Total deferred inflows of resources	-	2,464	307,143	122,443
<b>Fund Balances</b>				
Nonspendable	-	-	-	-
Restricted	17,561	57,078	235,331	131,705
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	17,561	57,078	235,331	131,705
Total liabilities, deferred inflows of resources, and fund balances	\$ 349,688	\$ 59,542	\$ 542,474	\$ 254,148

<u>Permenant</u>	
<u>Perpetual Care (301)</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 125,495	\$ 2,459,171
-	250,000
-	12,924
-	558,930
-	30,613
<u>\$ 125,495</u>	<u>\$ 3,311,638</u>
-	341,203
-	1,000
-	491,180
-	263,530
-	311
<u>-</u>	<u>1,097,224</u>
-	12,924
<u>-</u>	<u>558,930</u>
<u>-</u>	<u>571,854</u>
123,519	123,519
1,976	933,740
-	14,296
-	1,248,182
-	(677,177)
<u>125,495</u>	<u>1,642,560</u>
<u>\$ 125,495</u>	<u>\$ 3,311,638</u>

**City of Mora**  
**Combining Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances - Nonmajor Governmental Funds**  
**Year Ended December 31, 2020**

	Special Revenue			
	EDA (227)	Fire (222)	Cemetery (225)	EDA Revolving Loan (230)
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Tax increments	-	-	-	-
Special assessments	-	550	-	-
Intergovernmental	-	3,184	-	-
Charges for services	-	34,288	54,120	-
Miscellaneous				
Investment income	127	303	157	18,656
Contributions and donations	-	18,401	-	-
Other	1,144	106,313	3,780	-
Total revenues	<u>1,271</u>	<u>163,039</u>	<u>58,057</u>	<u>18,656</u>
<b>Expenditures</b>				
Current				
Public safety	-	175,003	-	-
Economic development	38,156	-	-	-
Cemetery	-	-	48,794	-
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay				
Public safety	-	73,960	-	-
Public works	-	-	-	-
Cemetery	-	-	11,070	-
Total expenditures	<u>38,156</u>	<u>248,963</u>	<u>59,864</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(36,885)</u>	<u>(85,924)</u>	<u>(1,807)</u>	<u>18,656</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of capital asset	-	10,000	-	-
Transfers in	41,110	111,349	11,880	-
Transfers out	(652)	(16,808)	(6,418)	-
Total other financing sources (uses)	<u>40,458</u>	<u>104,541</u>	<u>5,462</u>	<u>-</u>
Net change in fund balances	3,573	18,617	3,655	18,656
<b>Fund Balances</b>				
Beginning of year	<u>56,215</u>	<u>(4,321)</u>	<u>(3,760)</u>	<u>71,602</u>
End of year	<u>\$ 59,788</u>	<u>\$ 14,296</u>	<u>\$ (105)</u>	<u>\$ 90,258</u>

(Continued)

Special Revenue						Capital Projects
MIC Loan (232)	TIF 2-2 Intrepid (237)	TIF 1-11 KSB (248)	Small Cities Development Program (270)	COVID-19 Emergency Assistance (231)	TIF 1-15 Maysa (252)	Future Fire Equipment (407)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	55,522	49,075	-	-	21,107	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
317	-	-	-	-	-	1,253
-	-	-	-	-	-	106,863
-	-	-	18,098	8,256	-	-
<u>317</u>	<u>55,522</u>	<u>49,075</u>	<u>18,098</u>	<u>8,256</u>	<u>21,107</u>	<u>108,116</u>
-	-	-	-	-	-	-
-	52,772	15,823	47	36,500	19,021	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	52,772	15,823	47	36,500	19,021	-
317	2,750	33,252	18,051	(28,244)	2,086	108,116
-	-	-	-	-	-	-
-	-	-	-	99,500	-	38,137
(90,000)	(2,776)	(15,864)	-	-	(2,111)	(17,800)
<u>(90,000)</u>	<u>(2,776)</u>	<u>(15,864)</u>	<u>-</u>	<u>99,500</u>	<u>(2,111)</u>	<u>20,337</u>
(89,683)	(26)	17,388	18,051	71,256	(25)	128,453
94,368	9,759	(206,808)	17,720	-	-	621,521
<u>\$ 4,685</u>	<u>\$ 9,733</u>	<u>\$ (189,420)</u>	<u>\$ 35,771</u>	<u>\$ 71,256</u>	<u>\$ (25)</u>	<u>\$ 749,974</u>

**City of Mora**  
**Combining Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances - Nonmajor Governmental Funds**  
**Year Ended December 31, 2020**

	Capital Projects			
	Future Improvements (409)	Howe Avenue Reconstruction (439)	Downtown Feed Mill Redevelopment (440)	Airport Kastenbauer House (442)
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Tax increments	-	-	-	-
Special assessments	-	15,312	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous				
Investment income	1,336	-	-	-
Contributions and donations	-	-	-	-
Other	-	-	-	-
Total revenues	<u>1,336</u>	<u>15,312</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>				
Current				
Public safety	-	-	-	-
Economic development	-	-	-	-
Cemetery	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay				
Public safety	-	-	-	-
Public works	-	-	124	-
Cemetery	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>124</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,336</u>	<u>15,312</u>	<u>(124)</u>	<u>-</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of capital asset	-	-	-	-
Transfers in	-	-	-	-
Transfers out	<u>(98,251)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(98,251)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(96,915)	15,312	(124)	-
<b>Fund Balances</b>				
Beginning of year, as restated	<u>584,880</u>	<u>(41,351)</u>	<u>(30,227)</u>	<u>(97,389)</u>
End of year	<u>\$ 487,965</u>	<u>\$ (26,039)</u>	<u>\$ (30,351)</u>	<u>\$ (97,389)</u>

(Continued)

Crosswind/Yank Property (444)	Capital Projects		Debt Service			
	2012 7th and Grove Street Improvements (451)	9th and Wood Street Improvements (455)	Fire Station 2003 (525)	2008-2011 Street Reconstruction (530)	HRA Eastwood (531)	2015B Wood and Grove (532)
\$ -	\$ -	\$ -	\$ 253	\$ 83,742	\$ -	\$ 77,149
-	-	-	-	-	-	-
-	-	-	-	-	-	-
151,012	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	34	-	-	1,460	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>151,012</u>	<u>-</u>	<u>34</u>	<u>253</u>	<u>83,742</u>	<u>1,460</u>	<u>77,149</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	75,000	-	45,000
-	-	-	-	6,548	-	29,750
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>81,548</u>	<u>-</u>	<u>74,750</u>
<u>151,012</u>	<u>-</u>	<u>34</u>	<u>253</u>	<u>2,194</u>	<u>1,460</u>	<u>2,399</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>151,012</u>	<u>-</u>	<u>34</u>	<u>253</u>	<u>2,194</u>	<u>1,460</u>	<u>2,399</u>
<u>(170,924)</u>	<u>(313,936)</u>	<u>10,209</u>	<u>50,888</u>	<u>165,263</u>	<u>16,101</u>	<u>54,679</u>
<u>\$ (19,912)</u>	<u>\$ (313,936)</u>	<u>\$ 10,243</u>	<u>\$ 51,141</u>	<u>\$ 167,457</u>	<u>\$ 17,561</u>	<u>\$ 57,078</u>

**City of Mora**  
**Combining Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances - Nonmajor Governmental Funds**  
**Year Ended December 31, 2020**

**(Concluded)**

	Debt Service		Permanent Fund	Total Nonmajor Governmental Funds
	2015C Refunding (533)	2017A Refunding (535)	Perpetual Care (301)	
<b>Revenues</b>				
Taxes	\$ 89,612	\$ 49,950	\$ -	\$ 300,706
Tax increments	-	-	-	125,704
Special assessments	39,036	16,649	-	71,547
Intergovernmental	-	-	-	154,196
Charges for services	-	-	-	88,408
Miscellaneous				
Investment income	-	-	420	24,063
Contributions and donations	-	-	-	125,264
Other	-	-	-	137,591
Total revenues	128,648	66,599	420	1,027,479
<b>Expenditures</b>				
Current				
Public safety	-	-	-	175,003
Economic development	-	-	-	162,319
Cemetery	-	-	-	48,794
Debt service				
Principal	93,793	45,732	-	259,525
Interest and other charges	22,248	32,277	-	90,823
Capital outlay				
Public safety	-	-	-	73,960
Public works	-	-	-	124
Cemetery	-	-	-	11,070
Total expenditures	116,041	78,009	-	821,618
Excess (deficiency) of revenues over (under) expenditures	12,607	(11,410)	420	205,861
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of capital asset	-	-	-	10,000
Transfers in	-	-	-	301,976
Transfers out	-	-	-	(250,680)
Total other financing sources (uses)	-	-	-	61,296
Net change in fund balances	12,607	(11,410)	420	267,157
<b>Fund Balances</b>				
Beginning of year	222,724	143,115	125,075	1,375,403
End of year	\$ 235,331	\$ 131,705	\$ 125,495	\$ 1,642,560

**City of Mora**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance -**  
**Budget and Actual - EDA Special Revenue Fund**  
**Year Ended December 31, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original and Final		Amounts	Over (Under)
<b>Revenues</b>				
Miscellaneous				
Investment income	\$ 190		\$ 127	\$ (63)
Other	1,144		1,144	-
Total revenues	1,334		1,271	(63)
<b>Expenditures</b>				
Current				
Economic development	46,191		38,156	(8,035)
Excess of revenues over (under) expenditures	(44,857)		(36,885)	7,972
<b>Other Financing Sources (Uses)</b>				
Transfers In	40,000		41,110	1,110
Transfers out	-		(652)	(652)
Total other financing sources (uses)	40,000		40,458	458
Net change in fund balance	\$ (4,857)		3,573	\$ 8,430
<b>Fund Balance</b>				
Beginning of year			56,215	
End of year			\$ 59,788	

**City of Mora**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance -**  
**Budget and Actual - Fire Special Revenue Fund**  
**Year Ended December 31, 2020**

	Budgeted Amounts		Variance with Final Budget - Over (Under)
	Original and Final	Actual Amounts	
<b>Revenues</b>			
Special assessments	\$ -	\$ 550	\$ 550
Intergovernmental	5,945	3,184	(2,761)
Charges for services	40,000	34,288	(5,712)
Miscellaneous			
Investment income	370	303	(67)
Contributions and donations	-	18,401	18,401
Other	106,308	106,313	5
Total revenues	<u>152,623</u>	<u>163,039</u>	<u>10,416</u>
<b>Expenditures</b>			
Current			
Public safety	170,247	175,003	4,756
Capital outlay			
Public safety	-	73,960	73,960
Total expenditures	<u>170,247</u>	<u>248,963</u>	<u>78,716</u>
Deficiency of revenues (Under) expenditures	(17,624)	(85,924)	(68,300)
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Capital Asset	-	10,000	10,000
Transfers in	39,801	111,349	71,548
Transfers out	(15,336)	(16,808)	(1,472)
Total other financing sources (Uses)	<u>24,465</u>	<u>104,541</u>	<u>80,076</u>
Net change in fund balance	<u>\$ 6,841</u>	18,617	<u>\$ 11,776</u>
<b>Fund Balance</b>			
Beginning of year		<u>(4,321)</u>	
End of year		<u>\$ 14,296</u>	

**City of Mora**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance -**  
**Budget and Actual - Cemetery Special Revenue Fund**  
**Year Ended December 31, 2020**

	Budgeted Amounts		Variance with Final Budget - Over (Under)
	Original and Final	Actual Amounts	
<b>Revenues</b>			
Charges for services	\$ 49,400	\$ 54,120	\$ 4,720
Miscellaneous			
Investment income	140	157	17
Other	100	3,780	3,680
Total revenues	<u>49,640</u>	<u>58,057</u>	<u>8,417</u>
<b>Expenditures</b>			
Current			
Cemetery	53,500	48,794	(4,706)
Capital outlay			
Cemetery	17,000	11,070	(5,930)
Total expenditures	<u>70,500</u>	<u>59,864</u>	<u>(10,636)</u>
Excess of revenues over (under) expenditures	(20,860)	(1,807)	19,053
<b>Other Financing Sources (Uses)</b>			
Transfers In	16,500	11,880	(4,620)
Transfers out	(6,533)	(6,418)	115
Total Other Financing Sources (Uses)	<u>9,967</u>	<u>5,462</u>	<u>(4,505)</u>
Net change in fund balance	<u>\$ (10,893)</u>	3,655	<u>\$ 14,548</u>
<b>Fund Balance</b>			
Beginning of year		<u>(3,760)</u>	
End of year		<u>\$ (105)</u>	

**City of Mora**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance -**  
**Budget and Actual - Economic Development Revolving Loan Special Revenue Fund**  
**Year Ended December 31, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original and Final			
<b>Revenues</b>				
Miscellaneous				
Investment income	\$ 18,750		\$ 18,656	\$ (94)
Net change in fund balance	\$ 18,750		18,656	\$ (94)
<b>Fund Balance</b>				
Beginning of year			71,602	
End of year			\$ 90,258	

**City of Mora**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance -**  
**Budget and Actual - MIC Loan Special Revenue Fund**  
**Year Ended December 31, 2020**

	Budgeted Amounts	Actual	Variance with
	Original and Final	Amounts	Final Budget - Over (Under)
<b>Revenues</b>			
Miscellaneous			
Investment income	\$ 690	\$ 317	\$ (373)
<b>Other Financing Uses</b>			
Transfers out	-	(90,000)	(90,000)
Net change in fund balance	\$ 690	(89,683)	\$ (90,373)
<b>Fund Balance</b>			
Beginning of year		94,368	
End of year		\$ 4,685	

**City of Mora**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual -**  
**Future Fire Equipment Capital Project Fund**  
**Year Ended December 31, 2020**

	Budgeted Amounts	Actual	Variance with
	Original and Final	Amounts	Final Budget - Over (Under)
<b>Revenues</b>			
Miscellaneous			
Investment income	\$ 2,050	\$ 1,253	\$ (797)
Contributions and donations	101,863	106,863	5,000
Total revenues	103,913	108,116	4,203
<b>Other Financing Sources (Uses)</b>			
Transfers in	38,137	38,137	-
Transfers Out	-	(17,800)	(17,800)
Total other financing sources (uses)	38,137	20,337	(17,800)
Net change in fund balance	\$ 142,050	128,453	\$ (13,597)
<b>Fund Balance</b>			
Beginning of year		621,521	
End of year		\$ 749,974	

**City of Mora**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual -**  
**Future Improvements Capital Project Fund**  
**Year Ended December 31, 2020**

	Budgeted Amounts	Actual	Variance with
	Original and Final	Amounts	Final Budget - Over (Under)
<b>Revenues</b>			
Miscellaneous			
Investment income	\$ 2,180	\$ 1,336	\$ (844)
<b>Other Financing Uses</b>			
Transfers out	(139,200)	(98,251)	40,949
Net change in fund balance	\$ (137,020)	(96,915)	\$ 40,105
<b>Fund Balance</b>			
Beginning of year		584,880	
End of year		\$ 487,965	

**City of Mora**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance -**  
**Budget and Actual - 2008-2011 Street Reconstruction Debt Service Fund**  
**Year Ended December 31, 2020**

	Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
	Original and Final	Actual Amounts	Over (Under)
<b>Revenues</b>			
Taxes	\$ 83,958	\$ 83,742	\$ (216)
<b>Expenditures</b>			
Debt service			
Principal	75,000	75,000	-
Interest and other charges	6,600	6,548	(52)
Total expenditures	81,600	81,548	(52)
Net change in fund balance	\$ 2,358	2,194	\$ (164)
<b>Fund Balance</b>			
Beginning of year		165,263	
End of year		\$ 167,457	

**City of Mora**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance -**  
**Budget and Actual - Series 2015B Wood and Grove Debt Service Fund**  
**Year Ended December 31, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 77,543	\$ 77,543	\$ 77,149	\$ (394)
<b>Expenditures</b>				
Debt service				
Principal	60,000	45,000	45,000	-
Interest and other charges	38,420	29,850	29,750	(100)
Total expenditures	<u>98,420</u>	<u>74,850</u>	<u>74,750</u>	<u>(100)</u>
Excess revenues over (under) expenditures	(20,877)	2,693	2,399	(294)
<b>Other Financing Sources</b>				
Transfers in	<u>23,568</u>	-	-	-
Net change in fund balance	<u>\$ 2,691</u>	<u>\$ 2,693</u>	2,399	<u>\$ (294)</u>
<b>Fund Balance</b>				
Beginning of year			<u>54,679</u>	
End of year			<u>\$ 57,078</u>	

**City of Mora**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance -**  
**Budget and Actual - Series 2015C Refunding Debt Service Fund**  
**Year Ended December 31, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 89,655	\$ 89,655	\$ 89,612	\$ (43)
Special assessments	37,985	37,985	39,036	1,051
Total revenues	127,640	127,640	128,648	1,008
<b>Expenditures</b>				
Debt service				
Principal	102,000	93,793	93,793	-
Interest and other charges	24,140	22,348	22,248	(100)
Total expenditures	126,140	116,141	116,041	(100)
Excess revenue over expenditures	1,500	11,499	12,607	1,108
<b>Other Financing Sources</b>				
Transfers in	10,000	-	-	-
Net change in fund balance	\$ 11,500	\$ 11,499	12,607	\$ 1,108
<b>Fund Balance</b>				
Beginning of year			222,724	
End of year			\$ 235,331	

**City of Mora**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance -**  
**Budget and Actual - Series 2017A Refunding Debt Service Fund**  
**Year Ended December 31, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 50,353	\$ 50,353	\$ 49,950	\$ (403)
Special assessments	11,000	11,000	16,649	5,649
Total revenues	<u>61,353</u>	<u>61,353</u>	<u>66,599</u>	<u>5,246</u>
<b>Expenditures</b>				
Debt service				
Principal	55,000	45,732	45,732	-
Interest and other charges	38,750	32,377	32,277	(100)
Total expenditures	<u>93,750</u>	<u>78,109</u>	<u>78,009</u>	<u>(100)</u>
Excess of revenues over (under) expenditures	(32,397)	(16,756)	(11,410)	5,346
<b>Other Financing Sources</b>				
Transfers in	<u>15,641</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ (16,756)</u>	<u>\$ (16,756)</u>	(11,410)	<u>\$ 5,346</u>
<b>Fund Balance</b>				
Beginning of year			<u>143,115</u>	
End of year			<u>\$ 131,705</u>	

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**STATISTICAL SECTION**

## **City of Mora Statistical Section**

This part of the City of Mora's comprehensive annual financial report presents detailed information to assist the reader in understanding the preceding financial statements and reports in the context of the City's overall financial health. The statistical section is designed to complement the comprehensive annual financial report by providing an historical analysis of financial indicators.

### **CONTENTS**

#### **Financial Trend Data**

These schedules contain trend information to illustrate how the City of Mora's financial performance has changed over time. They include an analysis of revenues and expenses and changes in net position for governmental activities and business-type activities.

Table 1	Net Position by Component
Table 2	Changes in Net Position
Table 3	Fund Balances of Governmental Funds
Table 4	Changes in Fund Balances of Governmental Funds

#### **Revenue Capacity Data**

These schedules contain historical information about the City of Mora's most significant local revenue source, property taxes. Information contained within these schedules includes an illustration of how the City's tax capacity and tax rates have changed over time. Also included is a more comprehensive look at how tax rates of overlapping governments have changed over time.

Table 5	Taxable Assessed Value of Taxable Property
Table 6	Direct and Overlapping Property Tax Rates
Table 7	Principal Property Taxpayers
Table 8	Property Tax Levies and Collections

#### **Debt Capacity Data**

These schedules present information designed to help the reader assess the affordability of the City of Mora's current level of outstanding debt and the City's ability to issue additional debt in the future.

Table 9	Ratios of Outstanding Debt by Type
Table 10	Ratios of General Bonded Debt Outstanding
Table 11	Direct and Overlapping Governmental Activities Debt
Table 12	Legal Debt Margin Information
Table 13	Pledged Revenue Coverage

**City of Mora  
Statistical Section**

**CONTENTS (CONTINUED)**

**Demographic and Economic Information**

These schedules provide demographic and economic indicators to illustrate the overall environment in which the City of Mora's financial activities take place.

Table 14 Demographic and Economic Statistics

Table 15 Principal Employers

**Operating Indicators**

These schedules contain information about City services and capital assets to assist the reader in understanding how the information contained within the City of Mora's comprehensive annual financial report relates to the services the City provides and the activities it performs.

Table 16 Full-Time City Government Employees by Function

Table 17 Operating Indicators by Function

Table 18 Capital Asset Statistics by Function

**City of Mora**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**Unaudited**

	2011	2012	2013	2014
<b>Governmental Activities</b>				
Net investment in capital assets	\$ 9,077,983	\$ 9,920,486	\$ 9,531,383	\$ 9,888,253
Restricted	746,871	1,123,326	605,922	927,431
Unrestricted	213,740	(1,307,923)	(495,696)	(227,352)
	<u>\$ 10,038,594</u>	<u>\$ 9,735,889</u>	<u>\$ 9,641,609</u>	<u>\$ 10,588,332</u>
<b>Business-Type Activities</b>				
Net investment in capital assets	\$ 7,569,240	\$ 8,657,456	\$ 8,335,737	\$ 8,458,679
Restricted	2,067,870	664,161	660,481	661,206
Unrestricted	6,156,251	6,845,866	7,692,579	7,593,374
	<u>\$ 15,793,361</u>	<u>\$ 16,167,483</u>	<u>\$ 16,688,797</u>	<u>\$ 16,713,259</u>
<b>Primary Government</b>				
Net investment in capital assets	\$ 16,647,223	\$ 18,577,942	\$ 17,867,120	\$ 18,346,932
Restricted	2,814,741	1,787,487	1,266,403	1,588,637
Unrestricted	6,369,991	5,537,943	7,196,883	7,366,022
	<u>\$ 25,831,955</u>	<u>\$ 25,903,372</u>	<u>\$ 26,330,406</u>	<u>\$ 27,301,591</u>

Note: In 2012, the City implemented GASB Statement No. 63, which retitled Net Assets as Net Position.

**Table 1**

2015	2016	2017	2018	2019	2020
\$ 10,344,435	\$ 10,710,096	\$ 11,556,594	\$ 11,611,079	\$ 11,730,600	\$ 11,678,848
1,038,255	589,285	764,168	841,797	1,456,706	1,472,905
(883,484)	(841,935)	(650,772)	(243,619)	1,991,400	2,552,123
<u>\$ 10,499,206</u>	<u>\$ 10,457,446</u>	<u>\$ 11,669,990</u>	<u>\$ 12,209,257</u>	<u>\$ 15,178,706</u>	<u>\$ 15,703,876</u>
\$ 11,359,753	\$ 12,050,343	\$ 11,515,650	\$ 11,589,424	\$ 10,855,383	\$ 10,527,549
661,968	36,812	1,356,930	1,357,082	-	-
7,336,418	9,142,290	8,953,874	8,827,765	11,601,659	13,016,566
<u>\$ 19,358,139</u>	<u>\$ 21,229,445</u>	<u>\$ 21,826,454</u>	<u>\$ 21,774,271</u>	<u>\$ 22,457,042</u>	<u>\$ 23,544,115</u>
\$ 21,704,188	\$ 22,760,439	\$ 23,072,244	\$ 23,200,503	\$ 22,585,983	\$ 22,206,397
1,700,223	626,097	2,121,098	2,198,879	1,456,706	1,472,905
6,452,934	8,300,355	8,303,102	8,584,146	13,593,059	15,568,689
<u>\$ 29,857,345</u>	<u>\$ 31,686,891</u>	<u>\$ 33,496,444</u>	<u>\$ 33,983,528</u>	<u>\$ 37,635,748</u>	<u>\$ 39,247,991</u>

**City of Mora**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**Unaudited**

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

Table 2 (Continued)

2015	2016	2017	2018	2019	2020
\$ 636,825	\$ 524,732	\$ 549,250	\$ 573,960	\$ 474,247	\$ 627,901
992,749	990,412	679,097	868,520	1,006,076	1,151,488
832,453	899,069	647,172	1,218,149	1,295,146	1,188,951
322,420	410,756	364,861	325,858	407,854	280,603
117,556	676,903	500,669	267,417	96,951	162,786
73,064	70,931	39,845	47,538	27,885	54,796
375,513	83,907	811,872	449,426	-	-
84,388	83,034	115,890	112,847	98,063	89,676
<u>3,434,968</u>	<u>3,739,744</u>	<u>3,708,656</u>	<u>3,863,715</u>	<u>3,406,222</u>	<u>3,556,201</u>
2,751,495	2,845,219	2,848,151	3,098,021	3,052,355	3,845,195
5,139,160	5,233,142	5,380,104	5,730,054	5,144,174	4,954,573
591,704	594,067	610,671	749,392	726,154	712,296
860,989	732,519	979,108	1,139,110	1,145,180	1,056,454
-	-	-	-	82,242	52,031
<u>9,343,348</u>	<u>9,404,947</u>	<u>9,818,034</u>	<u>10,716,577</u>	<u>10,150,105</u>	<u>10,620,549</u>
<u>\$ 12,778,316</u>	<u>\$ 13,144,691</u>	<u>\$ 13,526,690</u>	<u>\$ 14,580,292</u>	<u>\$ 13,556,327</u>	<u>\$ 14,176,750</u>
\$ 492,582	\$ 353,641	\$ 328,958	\$ 329,748	\$ 38,153	\$ 29,695
239,819	239,448	326,855	246,978	244,073	189,778
47,941	112,263	120,301	145,707	75,568	61,936
167,364	157,762	147,141	154,861	145,745	1,277
-	-	-	-	1,144	1,144
45,335	62,600	48,510	56,655	71,315	54,750
10,400	8,400	910	-	-	-
1,125,972	1,285,474	1,557,087	1,276,675	208,793	538,192
161,878	150,209	805,216	34,024	1,262,210	519,032
<u>2,291,291</u>	<u>2,369,797</u>	<u>3,334,978</u>	<u>2,244,648</u>	<u>2,047,001</u>	<u>1,395,804</u>
3,072,768	3,197,563	3,193,135	3,283,903	3,407,656	4,446,608
5,469,025	5,618,004	5,480,407	5,719,120	5,850,513	5,333,279
669,507	680,043	734,543	768,010	742,756	782,430
3,337,175	1,993,661	1,144,778	1,101,131	1,028,004	1,032,854
-	-	-	-	99,496	101,910
-	-	-	-	-	-
-	-	-	-	324,452	53,461
<u>12,548,475</u>	<u>11,489,271</u>	<u>10,552,863</u>	<u>10,872,164</u>	<u>11,452,877</u>	<u>11,750,542</u>
<u>\$ 14,839,766</u>	<u>\$ 13,859,068</u>	<u>\$ 13,887,841</u>	<u>\$ 13,116,812</u>	<u>\$ 13,499,878</u>	<u>\$ 13,146,346</u>

**City of Mora**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**Unaudited**

	2011	2012	2013	2014
<b>Program Revenues</b>				
Net (expense)/revenue				
Governmental activities	\$ (1,980,407)	\$ (1,510,538)	\$ (1,441,454)	\$ (1,323,805)
Business-type activities	162,381	(196,158)	681,997	616,661
	<u>\$ (1,818,026)</u>	<u>\$ (1,706,696)</u>	<u>\$ (759,457)</u>	<u>\$ (707,144)</u>
<b>General Revenues and Other</b>				
<b>Changes in Net Position</b>				
Governmental activities				
General revenues				
Property taxes	\$ 576,629	\$ 615,824	\$ 605,942	\$ 625,105
Special assessments	163,858	12,695	780	-
Tax increment	174,918	131,818	121,599	131,854
Unrestricted state aid	-	-	-	-
Unrestricted investment earnings	41,750	73,077	82,746	53,802
Other general revenue	667,798	104,419	266,107	738,566
Gain on sale of assets	-	-	-	1,200
Transfers	270,000	270,000	270,000	720,001
Total governmental activities	<u>1,894,953</u>	<u>1,207,833</u>	<u>1,347,174</u>	<u>2,270,528</u>
Business-type activities				
General revenues				
Unrestricted investment earnings	\$ 196,135	\$ 840,280	\$ 109,317	\$ 137,802
Gain on sale of assets	-	-	-	-
Transfers	(270,000)	(270,000)	(270,000)	(730,001)
Total business-type activities	<u>(73,865)</u>	<u>570,280</u>	<u>(160,683)</u>	<u>(592,199)</u>
Total primary government	<u>\$ 1,821,088</u>	<u>\$ 1,778,113</u>	<u>\$ 1,186,491</u>	<u>\$ 1,678,329</u>
Change in net position				
Governmental activities	\$ (85,454)	\$ (302,705)	\$ (94,280)	\$ 946,723
Business-type activities	88,516	374,122	521,314	24,462
Total primary government	<u>\$ 3,062</u>	<u>\$ 71,417</u>	<u>\$ 427,034</u>	<u>\$ 971,185</u>

Note: In 2012, the City implemented GASB Statement No. 63, which retitled Net Assets as Net Position.

Table 2 (Concluded)

2015	2016	2017	2018	2019	2020
\$ (1,143,677)	\$ (1,369,947)	\$ (373,678)	\$ (1,619,067)	\$ (1,359,221)	\$ (2,160,397)
3,205,127	2,084,324	734,829	155,587	1,302,772	1,129,993
<u>\$ 2,061,450</u>	<u>\$ 714,377</u>	<u>\$ 361,151</u>	<u>\$ (1,463,480)</u>	<u>\$ (56,449)</u>	<u>\$ (1,030,404)</u>
\$ 623,338	\$ 653,211	\$ 697,963	\$ 815,950	\$ 830,963	\$ 892,255
198,346	121,236	376,534	144,541	-	-
123,271	118,742	112,999	114,454	107,743	134,395
-	-	-	-	930,998	994,224
36,900	53,105	30,113	31,411	79,453	63,594
421,101	20,259	65,963	737,668	308,721	304,777
-	68,002	71,964	9,500	6,212	10,000
694,440	293,633	230,686	304,810	352,755	286,322
<u>2,097,396</u>	<u>1,328,188</u>	<u>1,586,222</u>	<u>2,158,334</u>	<u>2,616,845</u>	<u>2,685,567</u>
\$ 134,193	\$ 150,528	\$ 137,745	\$ 146,893	\$ 299,301	\$ 242,902
-	-	-	-	911	500
(694,440)	(363,546)	(275,565)	(354,663)	(352,755)	(286,322)
<u>(560,247)</u>	<u>(213,018)</u>	<u>(137,820)</u>	<u>(207,770)</u>	<u>(52,543)</u>	<u>(42,920)</u>
<u>\$ 1,537,149</u>	<u>\$ 1,115,170</u>	<u>\$ 1,448,402</u>	<u>\$ 1,950,564</u>	<u>\$ 2,564,302</u>	<u>\$ 2,642,647</u>
\$ 953,719	\$ (41,759)	\$ 1,212,544	\$ 539,267	\$ 1,257,624	\$ 525,170
2,644,880	1,871,306	597,009	(52,183)	1,250,229	1,087,073
<u>\$ 3,598,599</u>	<u>\$ 1,829,547</u>	<u>\$ 1,809,553</u>	<u>\$ 487,084</u>	<u>\$ 2,507,853</u>	<u>\$ 1,612,243</u>

**City of Mora**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**Unaudited**

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

Note: The City implemented GASB Statement No. 54 in 2011, resulting in a change in fund balance classifications.

**Table 3**

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 361,186	\$ -	\$ -	\$ -	\$ -	\$ 29,279
1,290,128	1,158,986	1,115,118	1,126,538	1,525,168	1,866,866
<u>\$ 1,651,314</u>	<u>\$ 1,158,986</u>	<u>\$ 1,115,118</u>	<u>\$ 1,126,538</u>	<u>\$ 1,525,168</u>	<u>\$ 1,896,145</u>
\$ 9,827	\$ -	\$ -	\$ -	\$ -	\$ 123,519
330,233	390,319	640,136	717,266	1,027,509	933,740
-	-	-	-	-	14,296
123,519	123,636	124,032	124,531	1,216,610	1,248,182
(446,334)	(721,800)	(744,068)	(176,064)	(214,889)	(189,550)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(558,096)</u>	<u>(1,312,720)</u>	<u>(1,107,755)</u>
<u>\$ 17,245</u>	<u>\$ (207,845)</u>	<u>\$ 20,100</u>	<u>\$ 107,637</u>	<u>\$ 716,510</u>	<u>\$ 1,022,432</u>

**City of Mora**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**Unaudited**

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

**Table 4**

		Fiscal Year									
		2015	2016	2017	2018	2019	2020				
\$	623,338	\$	663,581	\$	710,951	\$	828,075	\$	811,165	\$	890,337
	123,271		108,372		101,010		102,328		107,743		134,395
	70,300		100,290		160,333		143,624		110,729		60,021
	198,346		103,157		376,520		75,527		124,675		115,581
	1,283,162		1,651,715		2,287,145		1,226,965		1,808,464		1,771,595
	753,030		688,885		665,774		713,216		655,525		464,606
	21,227		18,452		16,535		15,121		15,798		12,285
	36,900		69,535		23,711		18,748		79,453		63,594
	-		-		-		9,500		105,752		141,264
	584,673		284,210		310,194		252,684		123,712		153,424
	<u>3,694,247</u>		<u>3,688,197</u>		<u>4,652,173</u>		<u>3,385,788</u>		<u>3,943,016</u>		<u>3,807,102</u>
	489,714		499,528		580,989		530,517		483,499		578,190
	879,060		890,992		965,431		939,538		962,396		965,140
	419,584		494,872		1,039,319		1,058,502		824,458		681,864
	316,436		344,588		300,443		319,069		357,429		218,929
	105,590		676,903		500,669		154,570		99,444		162,319
	55,113		65,416		33,833		27,172		27,685		48,794
	2,238,898		667,486		2,259,304		224,871		349,625		457,715
	261,536		448,210		66,556		5,798		-		-
	1,944,504		192,500		231,000		211,000		229,990		259,525
	34,583		93,753		84,579		120,604		103,925		95,999
	<u>6,745,018</u>		<u>4,374,248</u>		<u>6,062,123</u>		<u>3,591,641</u>		<u>3,438,451</u>		<u>3,468,475</u>
	(3,050,771)		(686,051)		(1,409,950)		(205,853)		504,565		338,627
	-		-		-		-		6,212		10,000
	1,593,712		1,022,822		1,124,511		743,432		853,157		778,378
	(899,272)		(729,189)		(893,825)		(438,622)		(500,402)		(492,056)
	-		-		-		-		77,604		41,950
	-		-		38,341		79,439		-		-
	3,003,084		-		1,325,000		-		-		-
	<u>3,697,524</u>		<u>293,633</u>		<u>1,594,027</u>		<u>384,249</u>		<u>436,571</u>		<u>338,272</u>
\$	<u>646,753</u>	\$	<u>(392,418)</u>	\$	<u>184,077</u>	\$	<u>178,396</u>	\$	<u>941,136</u>	\$	<u>676,899</u>
	43.9%		7.7%		8.3%		9.8%		10.8%		11.8%

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

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Other Taxable Property	Total Estimated Market Value
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
2019	160,337,000	40,951,800	9,234,700	1,512,800	212,036,300
2020	166,160,000	51,219,500	10,892,400	1,451,100	229,723,000

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

**Table 5**

<u>Total Tax Capacity of Taxable Property</u>	<u>Total Direct Tax Rate as a Per Cent of Tax Capacity</u>
\$ 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
2,337,141	39.351
2,664,948	39.304

**City of Mora, MN**  
**Direct and Overlapping Property Tax Rates**  
**as a Percentage of Net Tax Capacity**  
**Last Ten Fiscal Years**

Fiscal Year	Direct City Rates				Overlapping Rates	
	General Fund	Debt Service	Total City Tax Rate	School	County	Region (ECRDC)
2011	17.107	12.358	29.465	17.347	80.318	0.175
2012	18.564	17.423	35.987	16.500	97.876	0.216
2013	20.560	17.899	38.459	19.410	103.078	0.226
2014	23.861	15.193	39.054	19.697	111.355	0.257
2015	22.216	18.052	40.268	7.216	104.869	0.235
2016	20.619	19.430	40.049	26.106	100.155	0.229
2017	20.927	21.417	42.344	27.979	100.815	0.234
2018	24.781	17.946	42.727	28.106	96.536	0.218
2019	25.164	14.187	39.351	27.060	93.131	0.212
2020	25.981	13.323	39.304	25.464	92.419	0.201

**Table 6**

<u>Region (KCEDA)</u>	<u>Total Direct and Overlapping Rates</u> <u>Total Tax Rate</u>
	127.305
	150.579
	161.173
	170.363
	152.588
	166.539
1.661	173.033
1.496	169.083
1.386	161.140
1.361	158.749

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

Taxpayer	2020		
	Net Taxable Tax Capacity	Rank	Percentage of Total Net City Tax Capacity
Engineered Polymers Corp.	\$ 74,866	1	2.81%
Recovering Hope Treatment Center (RHTC LLC)	61,676	2	2.31%
First Citizens Bank (FKA Kanabec State Bank)	43,672	3	1.64%
Coborn's Inc.	40,567	4	1.52%
Birchwood Investment Prop LLC (FKA Gorham Housing Partners LLP)	38,344	5	1.44%
Minmor, LLC (FKA Fingerhut)	37,970	6	1.42%
Spire Credit Union (FKA Greater MN Credit Union)	31,418	7	1.18%
Daniel G Kamin Mora LLC (Shopko)	21,216	8	0.80%
Eldris, LLC	20,010	9	0.75%
Living Services Foundation	19,518	10	0.73%
Kanabec County			
Living Solutions II			
Total	<u>389,257</u>		14.61%
Total Net Taxable Tax Capacity	<u>\$ 2,664,948</u>		

**Table 7**

2011		
<u>Net Taxable Tax Capacity</u>	<u>Rank</u>	<u>Percentage of Total Net City Tax Capacity</u>
\$ 58,240	1	2.95%
44,982	3	2.28%
32,522	8	1.65%
41,124	5	2.08%
33,488	6	1.70%
32,982	7	1.67%
16,484	9	0.83%
48,563	2	2.46%
43,418	4	2.20%
15,794	10	0.80%
<u>367,597</u>		18.62%
<u>\$ 1,974,492</u>		

**City of Mora, MN**  
**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		Collections in Subsequent Years
				Amount	Percentage of Levy	
2011	\$ 337,780	\$ 244,007	\$ 581,787	\$ 543,800	93.47%	\$ 37,836
2012	308,033	289,098	597,131	576,120	96.48%	20,877
2013	319,051	277,752	596,803	573,151	96.04%	23,355
2014	298,775	287,802	586,577	575,120	98.05%	10,914
2015	339,794	276,112	615,906	609,110	98.90%	6,186
2016	322,514	338,000	660,514	645,242	97.69%	14,783
2017	336,815	344,722	681,537	668,219	98.05%	13,042
2018	442,988	320,801	763,789	754,367	98.77%	4,953
2019	517,063	291,522	808,585	797,797	98.67%	6,034
2020	587,933	301,509	889,442	878,018	98.72%	(0)

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

\*Mobile home taxes not included, because MH taxes are not levied.

**Table 8**

<u>Total Collections to Date</u>		<u>Outstanding Delinquent Taxes</u>
<u>Amount</u>	<u>Percentage of Levy</u>	
\$ 581,636	99.97%	\$ 151
596,997	99.98%	134
596,506	99.95%	297
586,034	99.91%	543
615,297	99.90%	609
660,025	99.93%	489
681,261	99.96%	276
759,321	99.41%	4,468
803,831	99.41%	4,754
878,018	98.72%	11,424

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

Fiscal Year	General Obligation Bonds	Special Assessment Bonds	Equipment Certificates	Electric Bonds	Storm Water Bonds	Water Bonds
2011	\$ 1,695,000	\$ 2,470,000	\$ -	\$ -	\$ -	\$ 1,561,000
2012	875,000	1,710,995	-	-	-	1,774,688
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
2016	1,850,000	1,710,000	-	-	-	1,151,000
2017	1,715,000	2,900,000	-	-	-	1,078,000
2018	1,590,000	2,770,000	-	-	-	1,004,000
2019	1,180,000	1,944,760	-	-	567,735	1,129,854
2020	1,069,247	1,841,587	-	-	544,321	1,033,198

\* Personal Income figures are not available.  
NA = not available

**Table 9**

Total Primary Government	Percentage of Personal Income*	Per Capita
\$ 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
7,720,958	NA	2,162
7,220,961	NA	2,022

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

Fiscal Year	General Obligation Bonds	LESS: Amounts Available in Debt Service Funds	Net General Bonded Debt	Taxable Market Value	GO Bond Percentage of Taxable Market Value
2011	\$ 1,695,000	\$ 169,406	\$ 1,525,594	\$ 177,753,100	0.86%
2012	875,000	229,920	645,080	164,724,200	0.39%
2013	770,000	186,627	583,373	154,897,700	0.38%
2014	665,000	156,038	508,962	149,988,641	0.34%
2015	1,945,000	146,833	1,798,167	162,151,829	1.11%
2016	1,850,000	179,425	1,670,575	159,678,645	1.05%
2017	1,715,000	204,294	1,510,706	169,004,825	0.89%
2018	1,590,000	212,121	1,377,879	190,046,055	0.73%
2019	1,460,000	219,942	1,240,058	207,264,615	0.60%
2020	1,060,000	224,535	835,465	225,249,310	0.37%

**Table 10**

<u>Population</u>		<u>Per Capita</u>
3,571	\$	427
3,571		181
3,528		165
3,523		144
3,518		511
3,518		475
3,504		431
3,507		393
3,598		345
3,615		231

**City of Mora**  
**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	\$ -	\$ 6,450,000	\$ 6,450,000	\$ 14,157,357
Independent School District 332	-	79,605,000	79,605,000	9,504,996
Subtotal		<u>86,055,000</u>	<u>86,055,000</u>	<u>23,662,353</u>
City of Mora	<u>2,910,834</u>	<u>-</u>	<u>2,910,834</u>	<u>2,664,948</u>
Grand Total	<u><u>2,910,834</u></u>	<u><u>86,055,000</u></u>	<u><u>88,965,834</u></u>	<u><u></u></u>

Figures from Kanabec County Auditor & Assessor

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.

**Table 11**

Taxable Net Tax Capacity Within the City's Boundaries	Percentage of Direct and Overlapping Debt Applicable to the City*	City's Estimated Share of Debt
\$ 2,664,948	18.82%	\$ 1,214,133
<u>2,664,948</u>	<u>28.04%</u>	<u>22,319,124</u>
5,329,896	22.52%	23,533,257
<u>2,664,948</u>	<u>100.00%</u>	<u>2,910,834</u>
		<u>26,444,091</u>

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

**Table 12**

Fiscal Year	Taxable Market Value	Debt Limit 3.00%	Debt Applicable to Limit	Legal Debt Margin	Debt Percentage of Limit
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%
2019	207,264,615	6,217,938	1,460,000	4,757,938	23.48%
2020	225,249,310	6,757,479	1,060,000	5,697,479	15.69%

**City of Mora**  
**Pledged-Revenue Coverage**  
**Last Ten Fiscal Years**

**Table 13**

**Water Revenue Bonds**

Fiscal Year	Utility Revenues	Less: Expenses	Net Available Revenue	Principal	Interest	Coverage
2011	\$ 571,820	\$ 606,162	\$ -	\$ 846,326	\$ 65,117	0%
2012	580,054	619,187	-	149,606	41,522	0%
2013	585,937	582,613	3,324	87,446	39,709	3%
2014	626,049	659,693	-	88,186	38,536	0%
2015	670,645	773,259	-	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%
2019	822,238	744,947	77,291	97,182	24,818	63%
2020	827,414	728,535	98,879	98,182	24,378	81%

**Sewer Revenue Bonds**

Fiscal Year	Utility Revenues	Less: Expenses	Net Available Revenue	Principal	Interest	Coverage
2011	\$ 780,801	\$ 807,184	\$ -	\$ 291,974	\$ 45,850	0%
2012	782,258	738,246	44,012	756,474	19,812	6%
2013	923,213	732,007	191,206	15,974	11,630	693%
2014	836,366	730,607	105,759	16,814	11,268	377%
2015	3,345,883	1,035,318	2,310,564	17,654	10,857	8104%
2016	2,003,611	733,112	1,270,499	58,011	30,788	1431%
2017	1,224,070	980,043	244,028	178,494	37,138	113%
2018	1,110,230	982,930	127,300	181,178	36,167	59%
2019	1,208,536	1,171,633	36,903	179,818	34,063	17%
2020	1,136,779	1,070,370	66,410	176,234	34,149	32%

**Storm Water Revenue Bonds**

Fiscal Year	Utility Revenues	Less: Expenses	Net Available Revenue	Principal	Interest	Coverage
2011	\$ -	\$ -	\$ -	\$ -	\$ -	-
2012	-	-	-	-	-	-
2013	-	-	-	-	-	-
2014	-	-	-	-	-	-
2015	-	-	-	-	-	-
2016	-	-	-	-	-	-
2017	-	-	-	-	-	-
2018	-	-	-	-	-	-
2019	230,075	84,655	145,420	32,009	16,509	300%
2020	104,372	56,582	47,790	32,475	16,205	98%

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

Year	Population (1)	Total Personal Income	Per Capita Personal Income (1)	Median Age (1)	Per Cent HS Degree or Higher (1)	Per Cent BA Degree or Higher (1)
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
2019	3,598	NA	NA	NA	NA	NA
2020	3,615	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

**Table 14**

<u>School Enrollment (2)</u>	<u>Unemployment Rate-December (3)</u>
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%
1,593	8.80%
1,580	7.60%

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

Employer	2020	
	Employees	Rank
Welia Health (formerly FirstLight Health System)	525	1
Mora Public Schools	320	2
Kanabec County	217	3
Commercial Plastics (formerly Imperial Plastics, formerly EPC)	133	4
Coborns, Inc.	132	5
St. Clare Living Community (formerly Villa Health Care Center)	129	6
Lakes & Pines Community Action Council	97	7
RJ Mechanical	82	8
OlymPak	71	9
Recovering Hope Treatment Center	69	10
City of Mora *	-	-
<b>Total</b>	<b>1,775</b>	

Source: City Survey of Employers, completed annually in April

\* City of Mora was eliminated from the 2020 survey, due to loss of seasonal employees

**Table 15**

2020		2011	
Percent of Total	Employees	Rank	Percent of Total
29.6%	373	1	20.2%
18.0%	327	2	17.7%
12.2%	214	4	11.6%
7.5%	221	3	12.0%
7.4%	163	5	8.8%
7.3%	160	6	8.7%
5.5%	109	7	5.9%
4.6%	80	10	4.3%
4.0%	112	7	6.1%
3.9%	-	-	0.0%
0.0%	87	9	4.7%
100.0%	1,846		100.0%

**City of Mora, MN**  
**Full-time Equivalent Employees by Function/Program**

Function/Program	Full-time Equivalent Employees as of June 30*					
	2020	2019	2018	2017	2016	2015
General Government						
Management Services	3	2	3	3	2	2
Finance**	5	5	4	4	4	3
Planning	1	1	1	1	1	1
Building	1	1	1	1	1	1
Streets & Parks**	4	4	5	5	4	5
Aquatic Center	0	3	1	1	2	2
Electric	3	3	3	3	3	3
Water/Wastewater**	4	4	4	4	3	5
Liquor Store	2	2	2	2	2	2
<b>Total</b>	<b>23</b>	<b>25</b>	<b>24</b>	<b>24</b>	<b>22</b>	<b>24</b>

\*Data from city payroll records

\*\* Information different in this table than was previously recorded. Adjustments were first published with the 2013 annual report,

**Table 16**

Full-time Equivalent Employees as of June 30*			
2014	2013	2012	2011
2	2	2	2
3	3	3	3
1	1	1	1
1	1	1	1
6	6	7	7
1	1	1	1
3	3	3	3
5	5	5	6
2	2	2	2
<u>24</u>	<u>24</u>	<u>25</u>	<u>26</u>

**City of Mora, MN**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

Function/Program	2020	2019	2018	2017	2016
Police-contracted with the sheriff starting March 1, 2010					
Physical arrests	27	92	76	69	75
Parking violations	151	200	186	6	21
Traffic violations	454	1,487	1,678	1,969	2,061
Fire					
Emergency responses	92	113	102	103	90
Fires extinguished	64	51	41	44	15
Inspections	7	10	16	-	10
Public Works					
Street resurfacing (miles)	1.25	0.75	1.00	0.75	2.75
Potholes repaired	720	630	405	220	410
Library					
Visits	6,324	29,856	31,983	37,603	39,517
Items in collection	17,677	16,403	12,460	20,984	21,523
Total items borrowed	19,563	42,194	47,282	51,147	52,460
Computer Use	10,890	25,781	9,540	6,592	6,471
Water					
Total connections	1,229	1,219	1,173	1,165	1,158
Water-main breaks	2	1	3	3	3

NA-not available

Data from City of Mora department managers

**Table 17**

2015	2014	2013	2012	2011
59	54	1,252	745	908
356	287	165	165	158
1,391	1,303	1,293	913	1,359
109	70	54	92	75
39	29	36	56	43
-	9	13	8	7
-	-	-	0.25	0.49
305	270	297	135	167
39,999	37,693	41,619	47,117	49,403
22,490	38,814	32,000	30,000	30,000
54,768	56,153	58,486	67,313	87,000
6,576	6,699	5,866	6,170	8,614
1,155	1,168	1,172	1,173	1,179
2	4	-	-	-

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

Function/Program	2020	2019	2018	2017
Law Enforcement-Contracted with Sheriff's Dept Starting in 2010				
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	699	695	693	690
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	5	5	5
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	7.00	7.00	6.87
Treatment capacity (gallons/day)	825,000	825,000	800,000	800,000

**Table 18**

2016	2015	2014	2013	2012	2011
1	1	1	1	1	1
5	5	5	5	5	5
1	1	1	1	1	1
24	24	24	24	24.16	24.16
690	458	458	458	458	458
28	28	28	28	28.44	28.44
4	4	4	4	4	4
3	3	3	3	3	3
5	5	5	5	4.80	4.80
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

**City of Mora  
Kanabec County, Minnesota**

**Communications Letter**

**December 31, 2020**

**City of Mora**  
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## Report on Matters Identified as a Result of the Audit of the Financial Statements

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

In planning and performing our audit of the financial statements of the governmental activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Mora as of and for the year ended December, 31, 2020, 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, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error, or fraud may occur and not be detected by such controls. However, as discussed below, we identified a deficiency in internal control that we consider to be a material weakness.

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 a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.
- *Probable.* The future event or events are likely to occur.

The material weakness identified is stated within this letter.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

During our audit, we also became aware of a deficiency in internal control other than significant deficiencies or material weaknesses, and other matters that is an opportunity for strengthening internal controls and operating efficiency. The item is described in the accompany letter under Other Deficiency.

The accompanying memorandum also includes financial analysis provided as a basis for discussion. The matters discussed herein were considered by us during our audit and they do not modify the opinion expressed in our Independent Auditor's Report dated March 23, 2021, on such statements.

This communication is intended solely for the information and use of management, the City Council, others within the City and state oversight agencies and is not intended to be, and should not be, used by anyone other than these specified parties.



St. Cloud, Minnesota  
March 23, 2021

**City of Mora**  
**Material Weakness**

**Lack of Segregation of Accounting Duties**

During the year ended December 31, 2020, the City had a lack of segregation of accounting duties due to a limited number of office employees. The lack of adequate segregation of accounting duties could adversely affect the Company's ability to initiate, record, process and report financial data consistent with the assertions of management in the financial statements.

The lack of segregation of accounting duties can be demonstrated in the following areas, which is not intended to be an all-inclusive list:

- Bank reconciliations are not reviewed
- Payroll is not reviewed prior to payment
- One staff has access to add employees, change pay rates, and process payroll
- The accountant has full access to the general ledger
- The accountant maintains the capital asset records without any review
- Any finance department staff can receipt cash and record deposits in the system

Management and the City Council are aware of this condition and have taken certain steps to compensate for the lack of segregation. However, due to the small staff needed to handle all of the accounting duties, the costs of obtaining desirable segregation of accounting duties can often exceed benefits which could be derived. However, management, along with the City Council must remain aware of this situation and should continually monitor the accounting system, including changes that occur.

**City of Mora**  
**Other Deficiency**

**Adopt a Fund Balance Policy in Accordance with GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions**

GASB Statement No. 54 was enacted to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. The initial distinction that is made in the reporting fund balance information is identifying amounts that are considered nonspendable, such as fund balance associated with inventories or prepaid expenses. This Statement also provides for additional classification as restricted, committed, assigned and unassigned based on the relative strength of the constraints that control how specific amounts can be spent.

The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed, unless that is a negative balance. Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts have been restricted, committed, or assigned.

Governments are allowed to have stabilization amounts which are formally set aside for use in emergency situations or when revenue shortages or budgetary imbalances arise. These funds must be restricted or committed for a specific purpose and cannot occur routinely.

Governments are required to have a fund balance policy which addresses a reasonable minimum level of unrestricted fund balance to be maintained, how the unrestricted fund balance can be used or spent down and how that fund balance will be replenished if it falls below the minimum level.

## **City of Mora Required Communication**

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City for the year ended December 31, 2020. Professional standards require that we advise you of the following matters related to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of these statements do not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether these statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgement, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Generally accepted accounting principles provide for certain Required Supplementary Information (RSI) to supplement the basic financial statements. Our responsibility with respect to the RSI, which supplements the basic audit financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI was not audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we do not express an opinion or provide any assurance on the RSI.

Our responsibility for the supplementary information accompanying the financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Our responsibility with respect to the introductory and statistical sections of the audit report does not extend beyond the financial information identified in the report. We have no responsibility for determining whether this other information is properly stated. This other information was not audited and we do not express an opinion or provide any assurance on it.

## **City of Mora Required Communication**

### **Our Responsibility in Relation to *Government Auditing Standards***

As communicated in our engagement letter, part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the City's compliance with certain provisions 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, the objective of our tests was not to provide an opinion on compliance with such provisions.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

### **Qualitative Aspects of Significant Accounting Practices**

#### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City is included in the notes to financial statements. There have been no initial selection of accounting policies and no changes to significant accounting policies or their application during 2020. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

#### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgements. Those judgements are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgements. The most sensitive estimates affecting the financial statements were:

Depreciation – The City is currently depreciating its capital assets over their estimated useful lives, as determined by management, using the straight-line method.

Total Other Post Employment Benefits (OPEB) Liability, Deferred Outflows of Resources Related to OPEB and Deferred Inflows of Resources Related to OPEB – These balances are based on an actuarial study using the estimates of future obligations of the City for post employment benefits.

Net Pension Liability, Deferred Outflows of Resources Relating to Pensions, and Deferred Inflows of Resources relating to Pensions – These balances are based on an allocation by the pension plans using estimates based on contributions.

**City of Mora  
Required Communication**

**Qualitative Aspects of Significant Accounting Practices (Continued)**

*Significant Accounting Estimates (Continued)*

We evaluated the key factors and assumptions used to develop the accounting estimates and determined that they are reasonable in relation to the financial statements taken as a whole and in relation to the applicable opinion units.

*Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

**Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

**Uncorrected and Corrected Misstatements**

For the purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effects of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements taken as a whole and each applicable opinion unit. Management did not identify and we did not notify them of any uncorrected financial statement misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole

**Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City's financial statements or the auditor's report. No such disagreements arose during the course of our audit.

**Representations Requested from Management**

We have requested certain written representations from management, which are included in the management representation letter.

**Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management has informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

## **City of Mora Required Communication**

### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the City, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the City, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City's auditor.

### **Other Information in Documents Containing Audited Financial Statements**

We applied certain limited procedures to the RSI that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the other information accompanying the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

## City of Mora Financial Analysis

The following pages provide graphic representations of select data pertaining to the financial position and operations of the City. Our analysis of each graph is presented to provide a basis for discussion of past performance and how implementing certain changes may enhance future performance. We suggest you view each graph and document if our analysis is consistent with yours. A subsequent discussion of this information should be useful for planning purposes.

### General Fund – Budget to Actual

	Original and Final Budget	Actual Amounts	Variance with Final Budget - Over (Under)
<b>Revenues</b>			
Taxes	\$ 589,933	\$ 589,631	\$ (302)
Tax increments	12,000	8,691	(3,309)
Special assessments	-	557	557
Licenses and permits	90,100	60,021	(30,079)
Intergovernmental	1,221,182	1,617,399	396,217
Charges for services	524,233	376,198	(148,035)
Fines and forfeitures	16,000	12,285	(3,715)
Miscellaenous	49,362	70,900	21,538
Total revenues	2,502,810	2,735,682	232,872
<b>Expenditures</b>			
General government	548,900	578,190	29,290
Public safety	817,760	790,137	(27,623)
Public works	808,921	681,864	(127,057)
Culture and recreation	444,766	218,929	(225,837)
Capital outlay	384,240	372,561	(11,679)
Total expenditures	3,004,587	2,641,681	(362,906)
Excess of revenues over (under) expenditures	(501,777)	94,001	595,778
<b>Other Financing Sources (Uses)</b>			
Insurance recoveries	-	41,950	41,950
Net transfers	413,622	235,026	(178,596)
Total other financing sources (uses)	413,622	276,976	(136,646)
<b>Net change in fund balances</b>	\$ (88,155)	\$ 370,977	\$ 459,132

General fund revenues were over budget by \$232,872, or 9.3%. The largest variance was in intergovernmental revenue, which was \$396,217 over budget. This was due to receiving Coronavirus Relief Funds not originally included in the budget. Charges for services was under budget \$148,035 as a result of the aquatic center closure due to COVID-19.

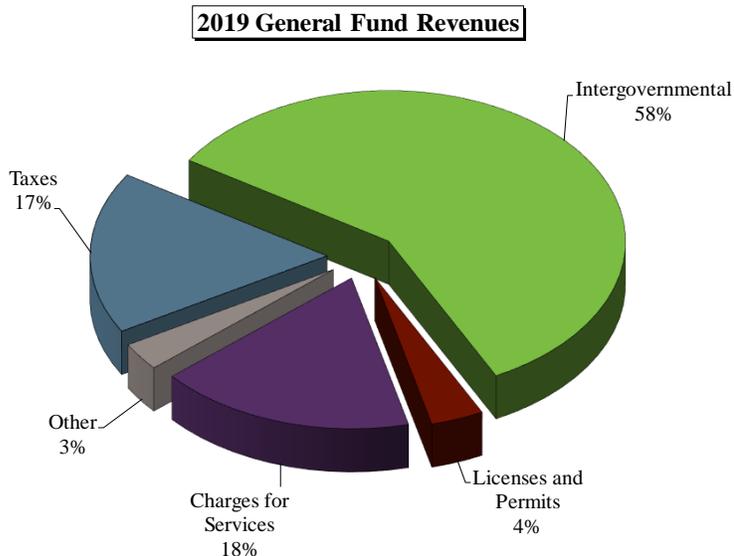
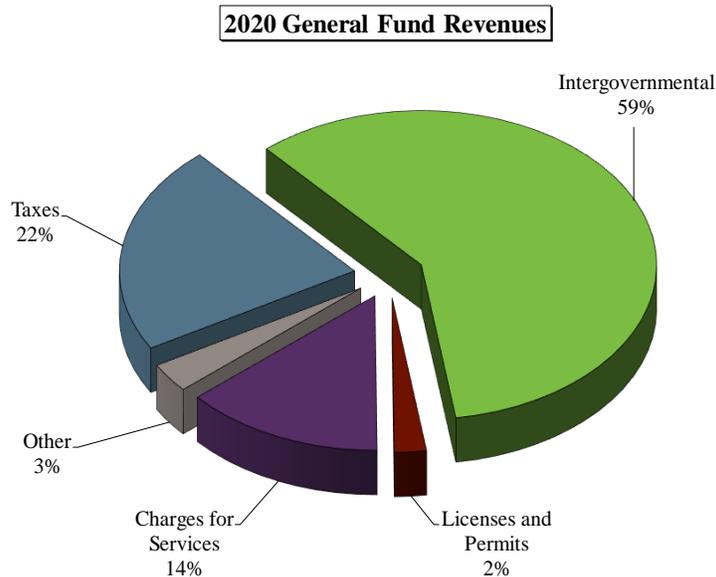
Expenditures were under budget by \$362,906, or 12.1%. The largest variance was in culture and recreation as a result of the aquatics center being closed due to COVID-19. Public Works was under budget, due to conservative budgeting and black-topping projects not completed due to COVID-19.

## City of Mora Financial Analysis

### General Fund – Revenues

For the year ended December 31, 2020, revenues for the City's General Fund totaled \$2,735,682. This represents a decrease of \$335,088, or 10.9%, compared to 2019. General Fund revenues allocated by source for 2020 and 2019 are depicted in the following pie charts.

The City's largest source of revenue, intergovernmental revenues, remained fairly consistent with the prior year. Charges for services decreased as a result of the aquatic center closure due to COVID-19. Tax revenues increased from the prior year from 17.4% in 2019 to 21.9% in 2020 primarily due to a decrease in the charges for services percentage. The City's main revenue streams are taxes and intergovernmental revenues. Combined, these sources total 81.0% of revenue in 2020, compared to 75.9% in 2019. The other categories remained a consistent percentage of total revenues compared the prior year.



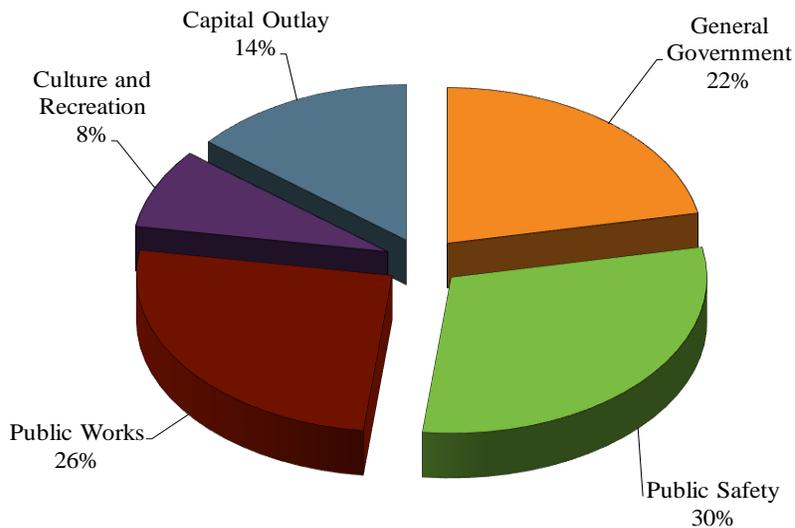
## City of Mora Financial Analysis

### General Fund – Expenditures

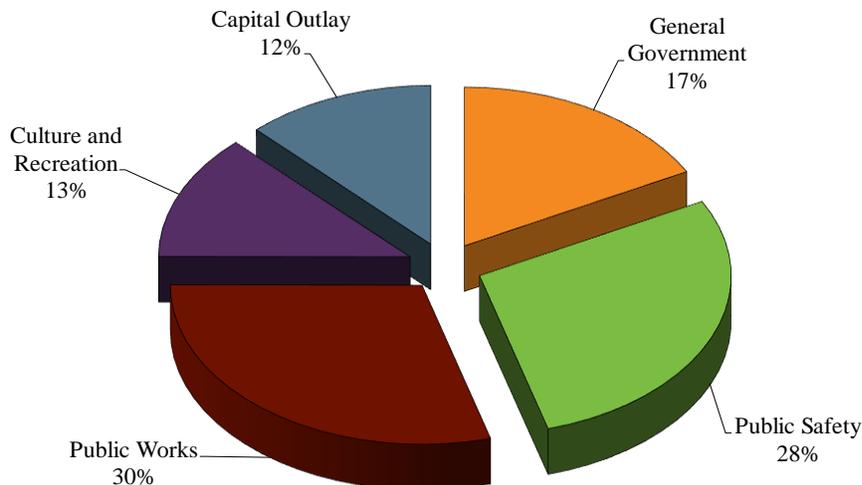
For the year ended December 31, 2020, expenditures for the City's General Fund totaled \$2,641,681. This represents a decrease of \$159,591, or 5.7%, compared to 2019. General Fund expenditures allocated by department for 2020 and 2019 are depicted in the following pie charts.

Public works expenditures decreased due to higher costs in 2019 related to a sidewalk project, truck purchase, and airport master plan update. Culture and recreation decreased from 12.8% in 2019 to 8.3% due to aquatic center closure in 2020 related to COVID-19. Capital outlay expenditures increased from 12.2% in 2019 to 14.1% in 2020 again due to the decrease in culture and recreation. The other categories remained a consistent percentage of total revenues compared to the prior year.

**2020 General Fund Expenditures**



**2019 General Fund Expenditures**



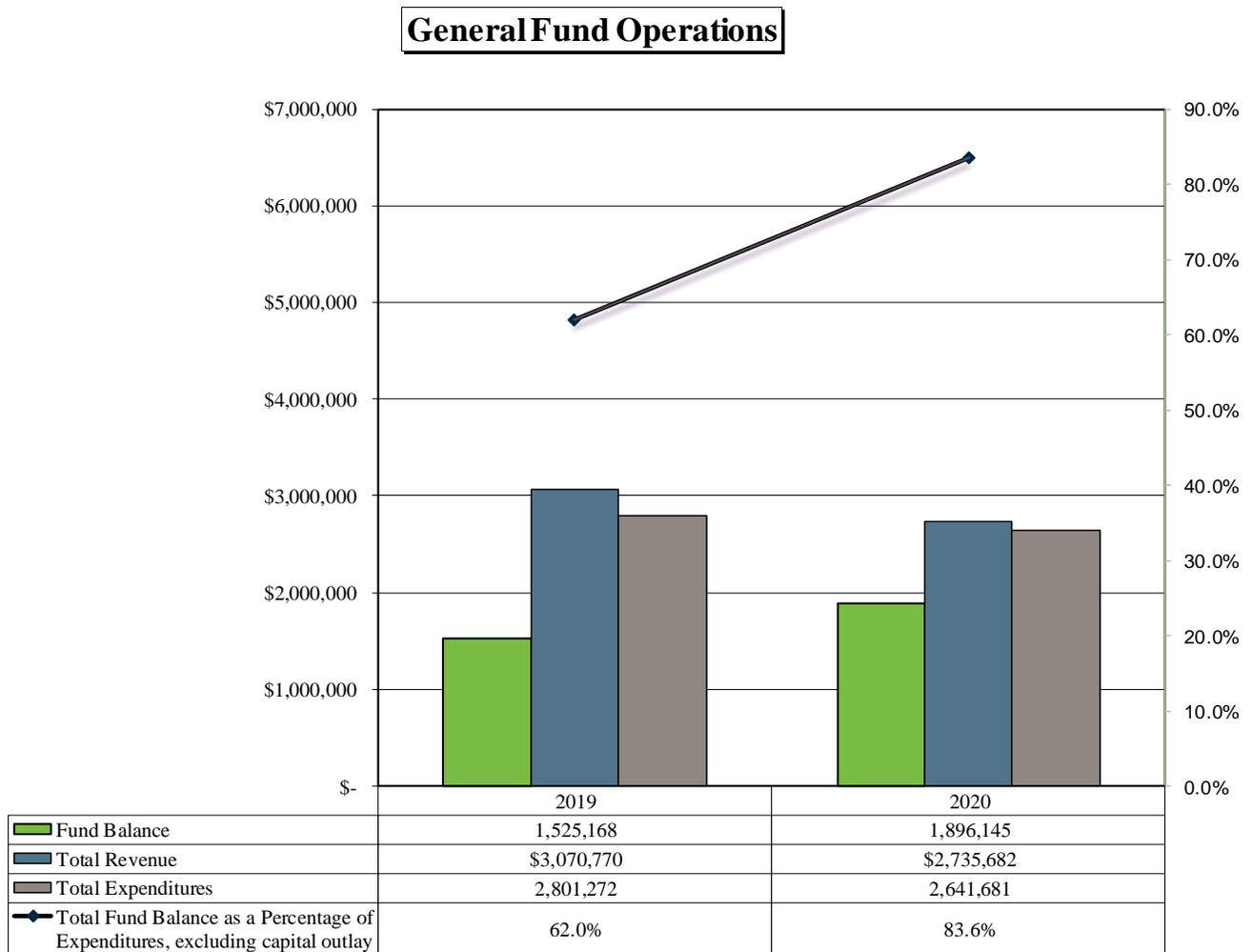
## City of Mora Financial Analysis

### General Fund Operations

As illustrated in the following graph, revenues exceeded expenditures before taking into consideration other financing sources/uses by \$94,001 in 2020. After taking into consideration transfers, and insurance recoveries, fund balance increased \$370,977 or 24.3% from 2019 to 2020.

The General Fund's unassigned fund balance of \$1,866,866 as of December 31, 2020, represents 82.3% of the year's expenditures, excluding capital outlay. This was an increase in unassigned fund balance of \$341,698 from 2019. The State Auditor's Statement of Position recommends cities maintain an unreserved fund balance of at least 35% to 50% of fund operating revenues, or five months of operating expenditures. However, given the City's heavy reliance on property taxes that are not received until half-way through the year, a larger fund balance may be warranted. The City's policy outlines a minimum of 40-50% of the annual operating expenditures.

The bar chart below highlights General Fund results for the 2019 and 2020.



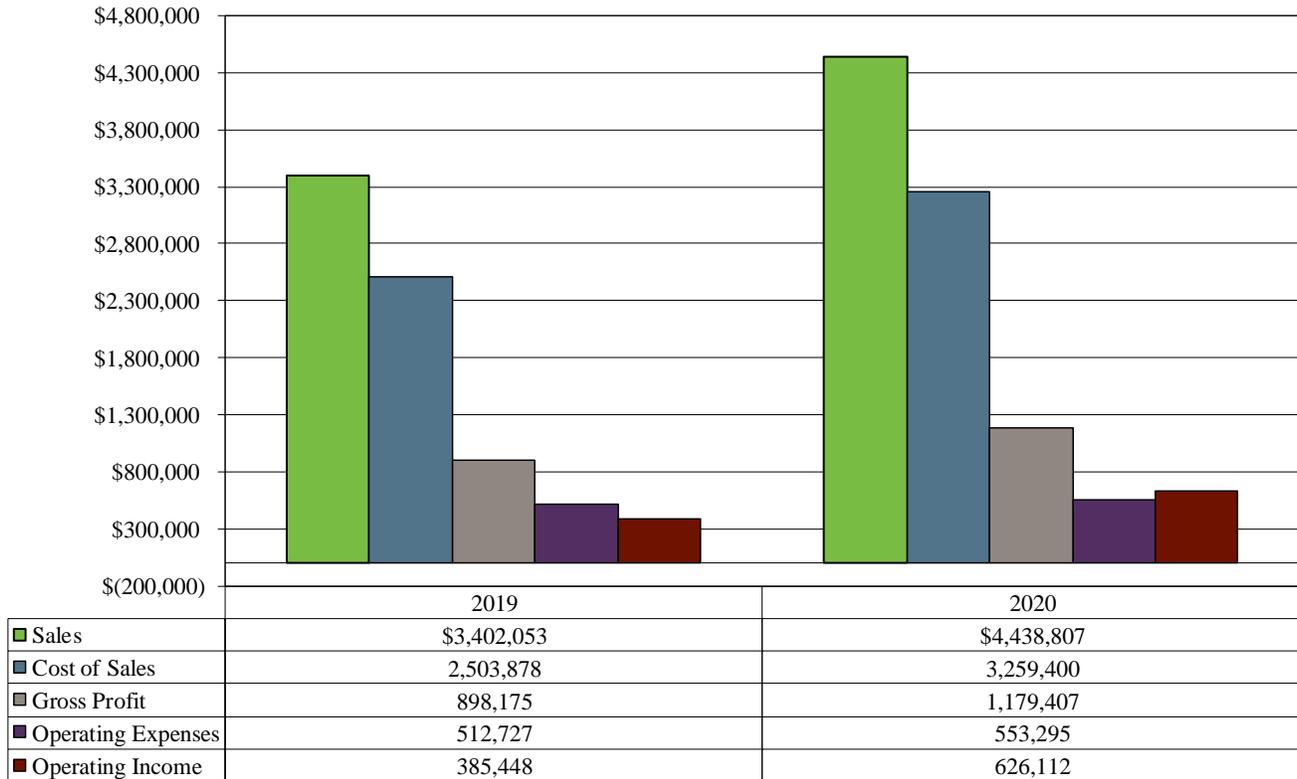
## City of Mora Financial Analysis

### Liquor Enterprise Fund

The graph below illustrates the operations of the Liquor Fund for the past two years.

The Liquor Fund had positive operations again in 2020. Gross profit increased from 2019 by \$281,232 bringing the total to \$1,179,407. Gross profit percentage in 2020 was 26.6%, which was consistent with 2019, at 26.4%. Both sales and cost of sales increased significantly in 2020. This was the result of increased sales with the closure of bars and restaurants for most of the year. Sales increased by \$1,036,754, or 30.5% while cost of sales increased by \$755,522 or 30.2%. This resulted in operating income of \$626,112, which was an increase of \$240,664 from 2019. The fund saw an increase in net position of \$307,188 from prior year after transfers to other funds of \$298,488.

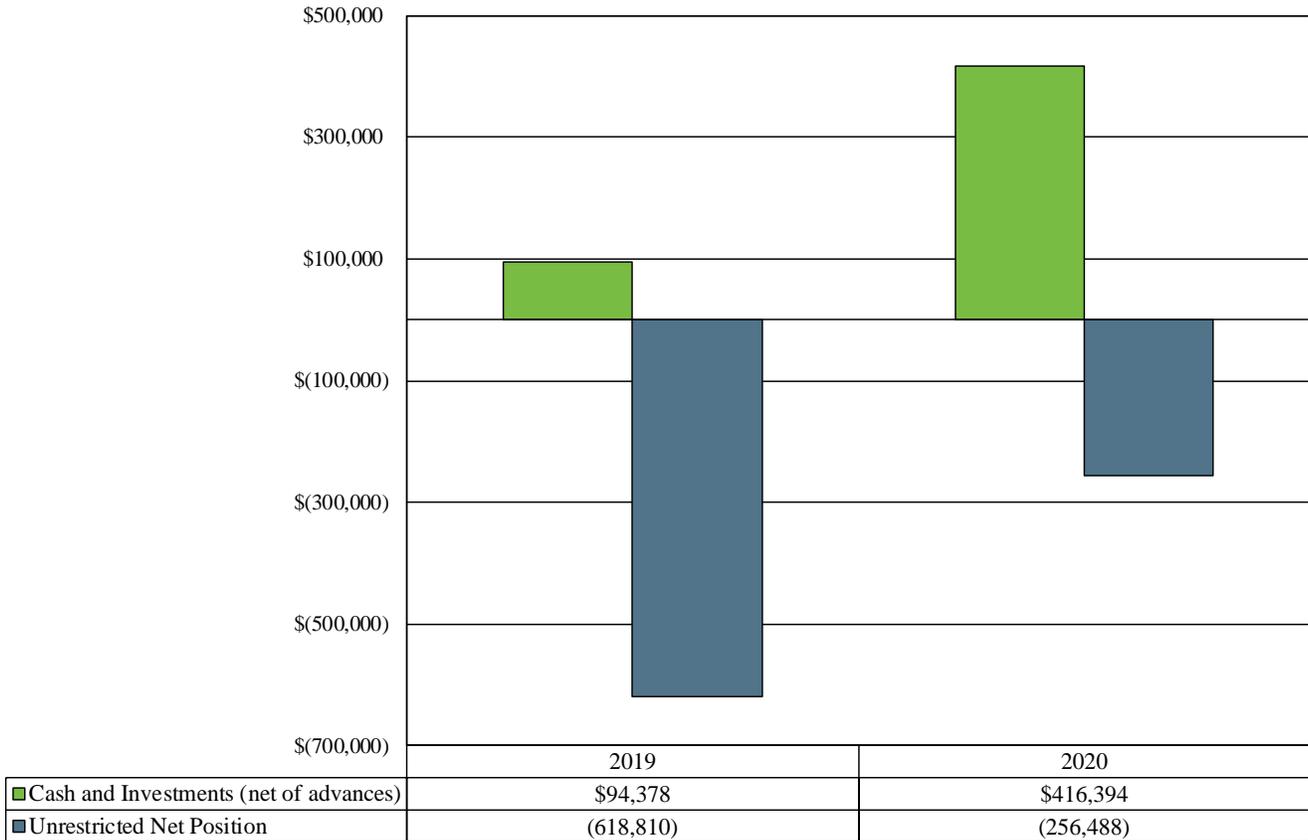
**Municipal Liquor Fund**



**City of Mora  
Financial Analysis**

**Liquor Enterprise Fund (Continued)**

**Liquor Fund Cash and Unrestricted Net Position**



The above graph shows the cash and investments (net of advances) and unrestricted net position balances as for the last two years. As indicated, the fund unrestricted net position is negative at year end again in 2020, due to a significant net investment in capital assets of \$1,219,237. Even though unrestricted net position is negative at year end, it did increase from 2019 by \$362,322.

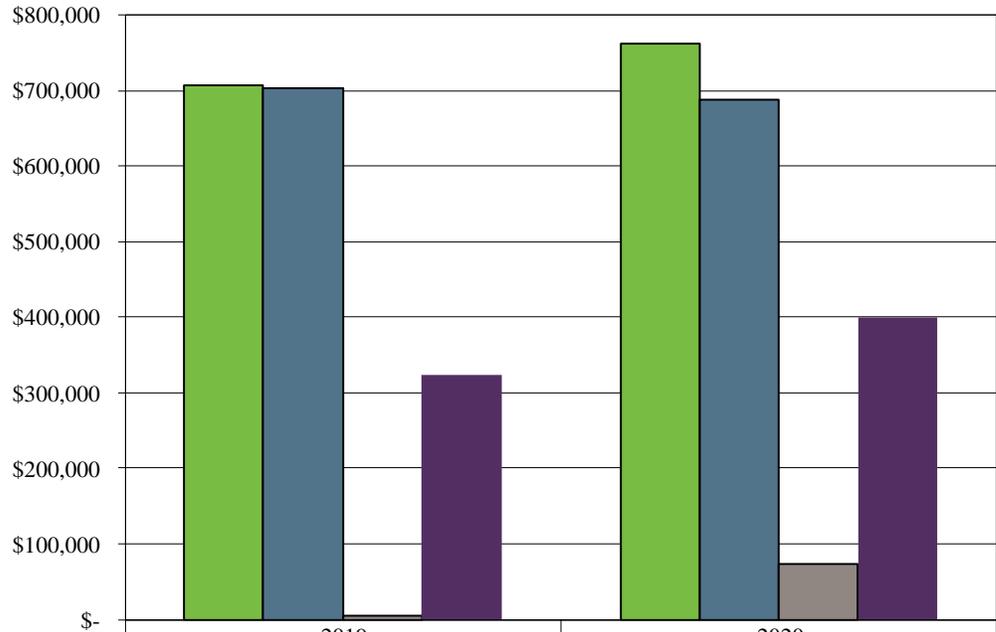
## City of Mora Financial Analysis

### Water Enterprise Fund

The graph below illustrates the operations of the Water Fund for the past two years.

The City's Water Fund had operating income of \$73,433 in 2020, with depreciation. When factoring out depreciation the Water Fund had operating income of \$399,047. Charges for services increased by 7.7%, or \$54,145, as a result of increased usage. Operating expenses decreased from the prior year by 2.1% or \$15,019. This was due to a new on-call process that reduced overtime costs. Adding nonoperating revenues and expenses, and transfers, the Water Fund experienced an increase in net position of \$108,364.

**Water Fund**

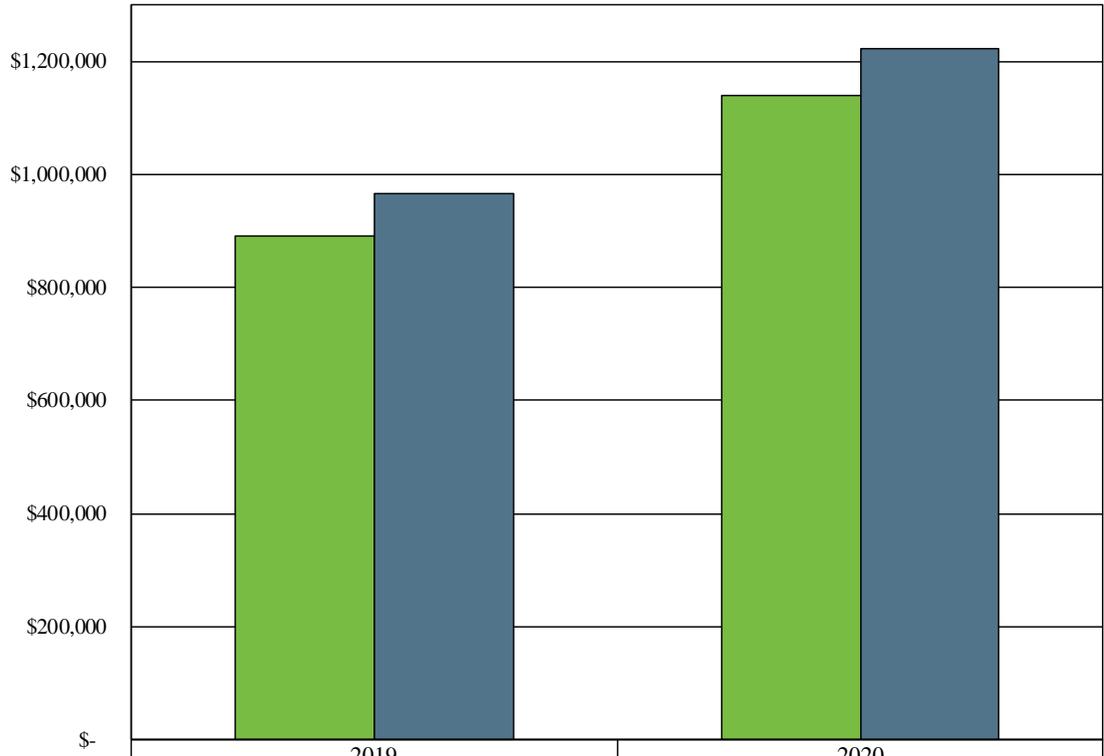


	2019	2020
■ Operating Revenues	\$707,206	\$761,351
■ Operating Expenses	702,937	687,918
■ Operating Income (Loss)	4,269	73,433
■ Operating Income without Depreciation	323,502	399,047

**City of Mora  
Financial Analysis**

**Water Enterprise Fund (Continued)**

**Water Fund Cash and Unrestricted Net Position**



	2019	2020
Cash and Investments (net of advances)	\$890,340	\$1,139,158
Unrestricted Net Position	966,070	1,222,085

The above graph shows the cash and investments (net of advances) and unrestricted net position balances as of December 31, 2020, for the water fund. Both cash and investments (net of advances) and unrestricted net position increased from 2019.

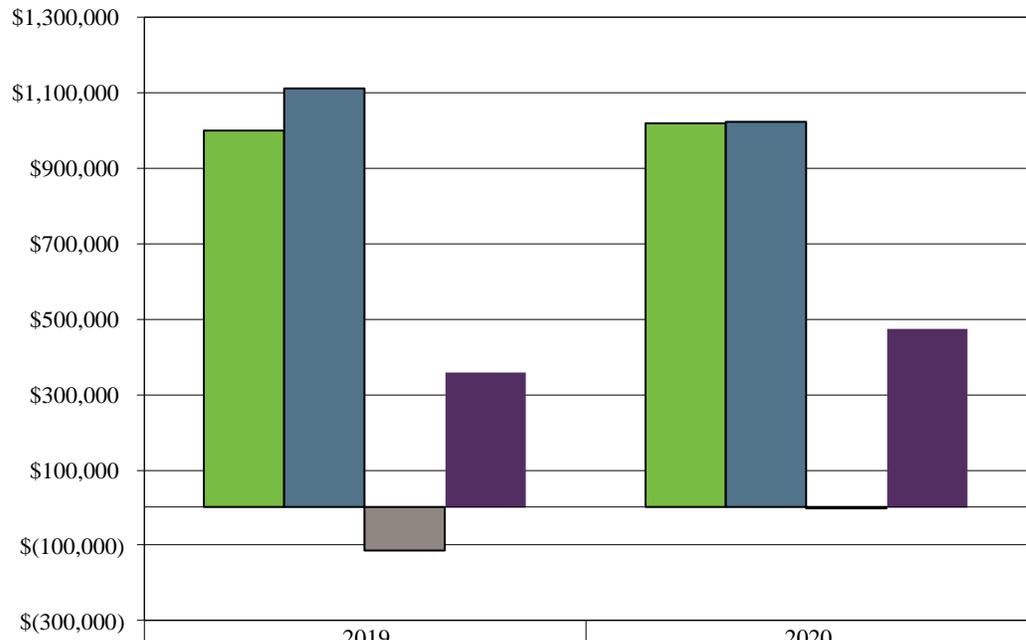
## City of Mora Financial Analysis

### Wastewater Enterprise Fund

The graph below illustrates the operations of the Wastewater Fund for the past two years.

The Wastewater Fund had negative operations again in 2020, however showed a decrease in operating loss of \$111,329, which includes depreciation expense. This was primarily due to a decrease in operating expenses. Adding nonoperating revenues and expenses, and transfers, the Wastewater Fund experienced an increase in net position of \$73,572.

**Wastewater Fund**

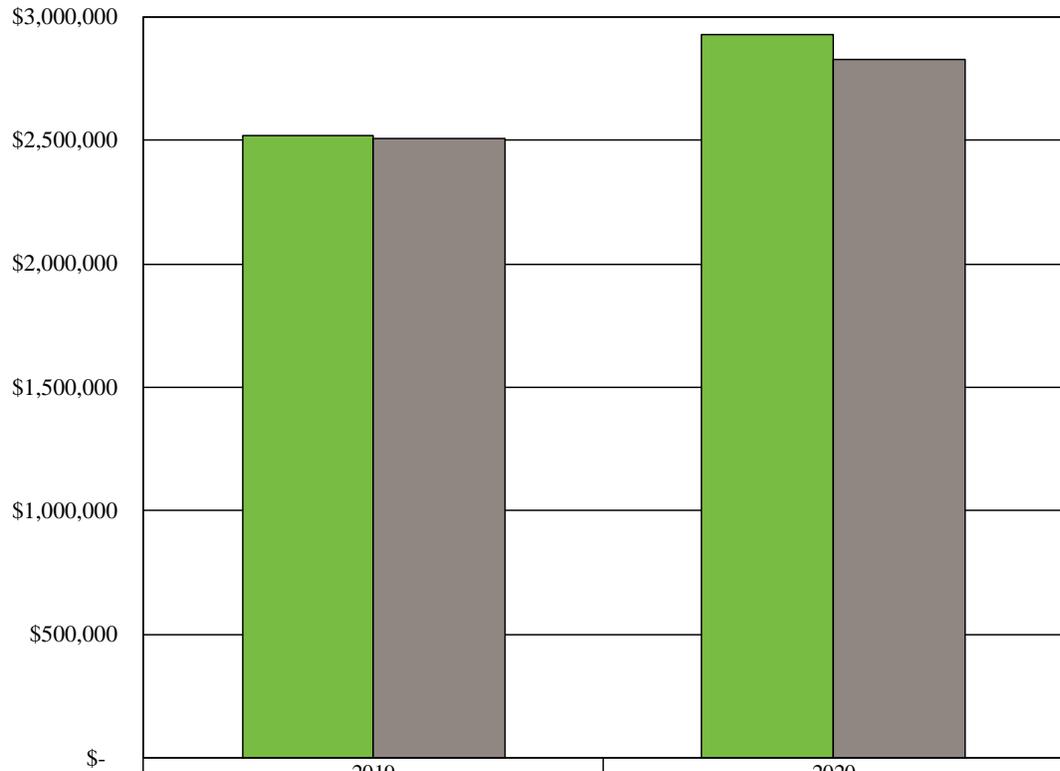


	2019	2020
Operating Revenues	\$998,859	\$1,019,247
Operating Expenses	1,113,246	1,022,305
Operating Income (loss)	(114,387)	(3,058)
Operating Income without Depreciation	358,612	472,396

**City of Mora  
Financial Analysis**

**Wastewater Enterprise Fund (Continued)**

**Wastewater Fund Cash and Unrestricted Net Position**



	2019	2020
Cash and Investments (net of advances)	\$2,521,825	\$2,929,324
Unrestricted Net Position	2,507,557	2,826,896

The above graph shows the cash and investments (net of advances) and unrestricted net position for the last two years, for the Wastewater fund.

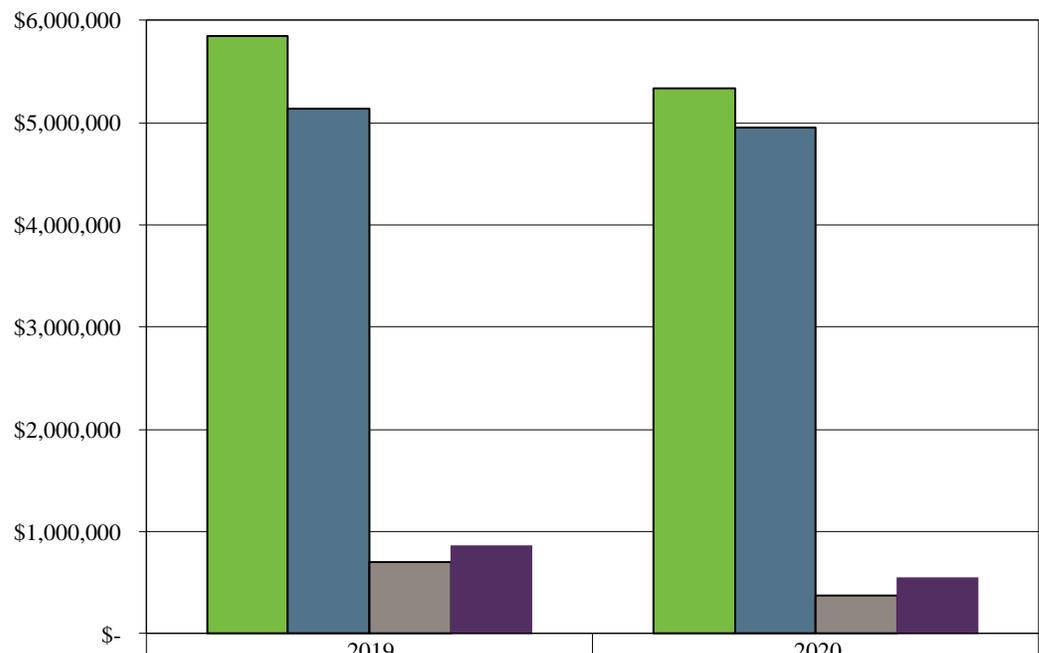
## City of Mora Financial Analysis

### Electric Enterprise Fund

The graph below illustrates the operations of the Electric Fund for the past two years.

The Electric Fund had positive operations again in 2020, however showed a decrease in operating income to \$379,080, which includes depreciation expense. This was primarily due to a decrease in charges for services due to decreased usage. Adding nonoperating revenues and expenses, and transfers, the Electric Fund experienced an increase in total net position of \$548,093 compared to 2019.

**Electric Fund**

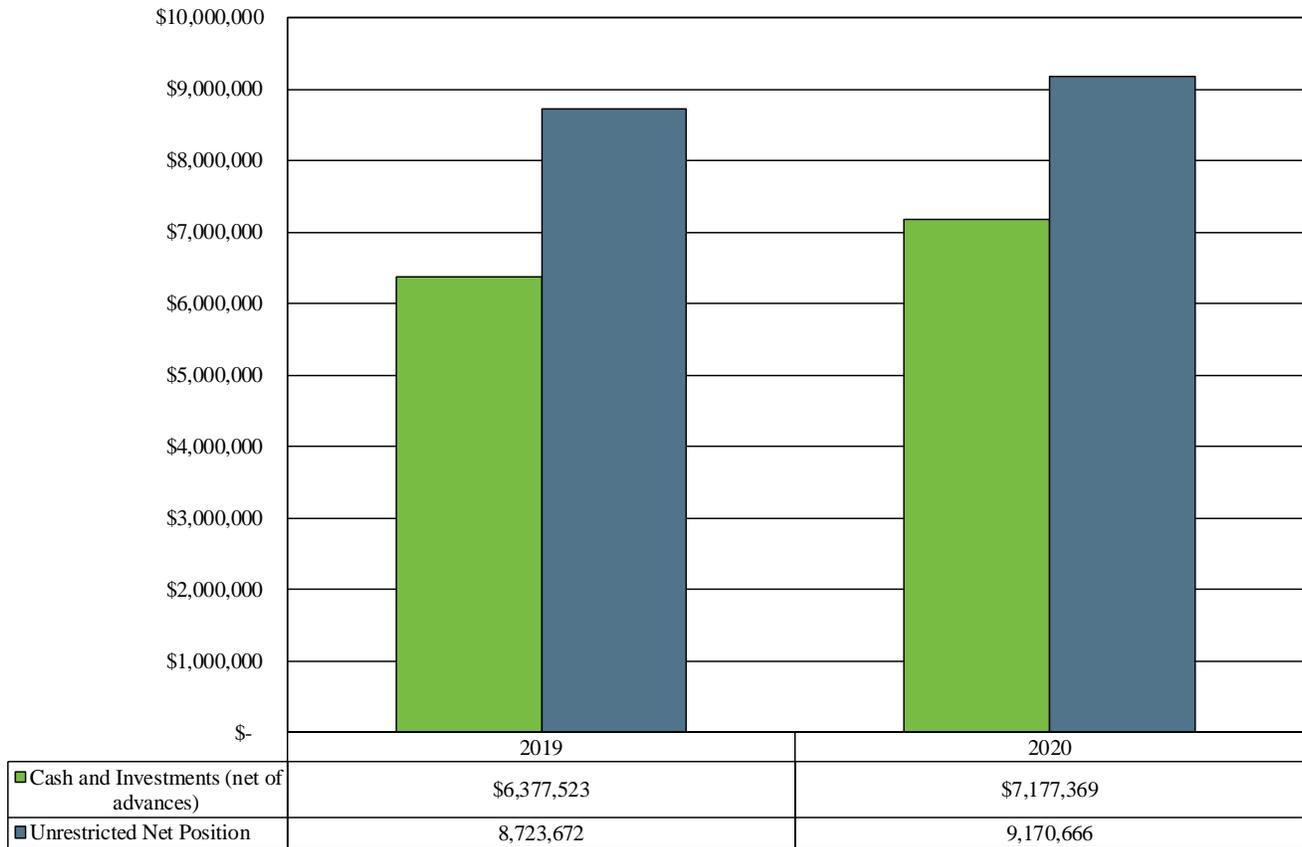


	2019	2020
Operating Revenues	\$5,849,127	\$5,333,279
Operating Expenses	5,143,410	4,954,199
Operating Income	705,717	379,080
Operating Income without Depreciation	871,198	552,957

**City of Mora  
Financial Analysis**

**Electric Enterprise Fund (Continued)**

**Electric Fund Cash and Unrestricted Net Position**



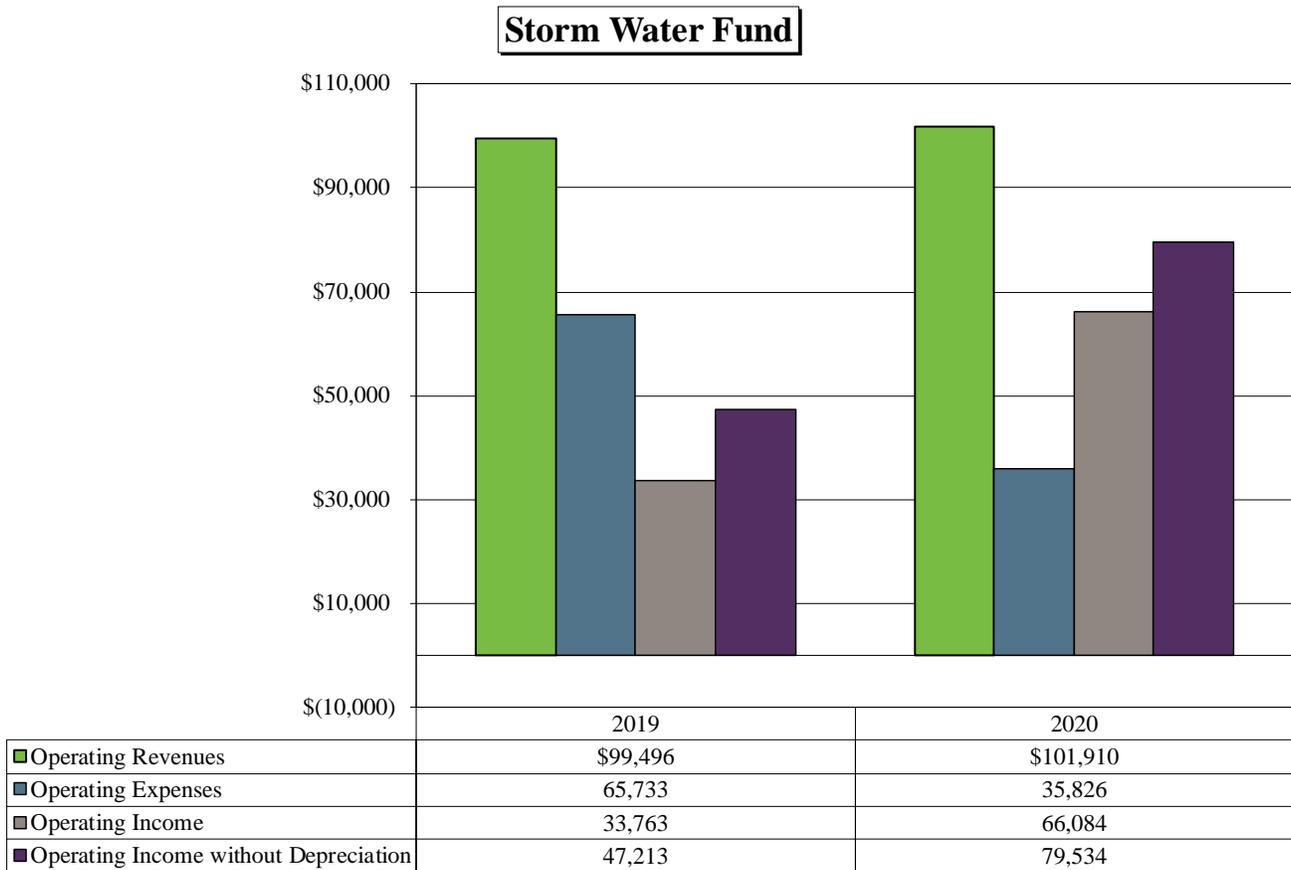
The above graph shows the cash and investments (net of advances) and unrestricted net position for the last two years, for the Electric Utility Fund.

## City of Mora Financial Analysis

### Storm Water Enterprise Fund

The graph below illustrates the operations of the Storm Water Fund for the past two years.

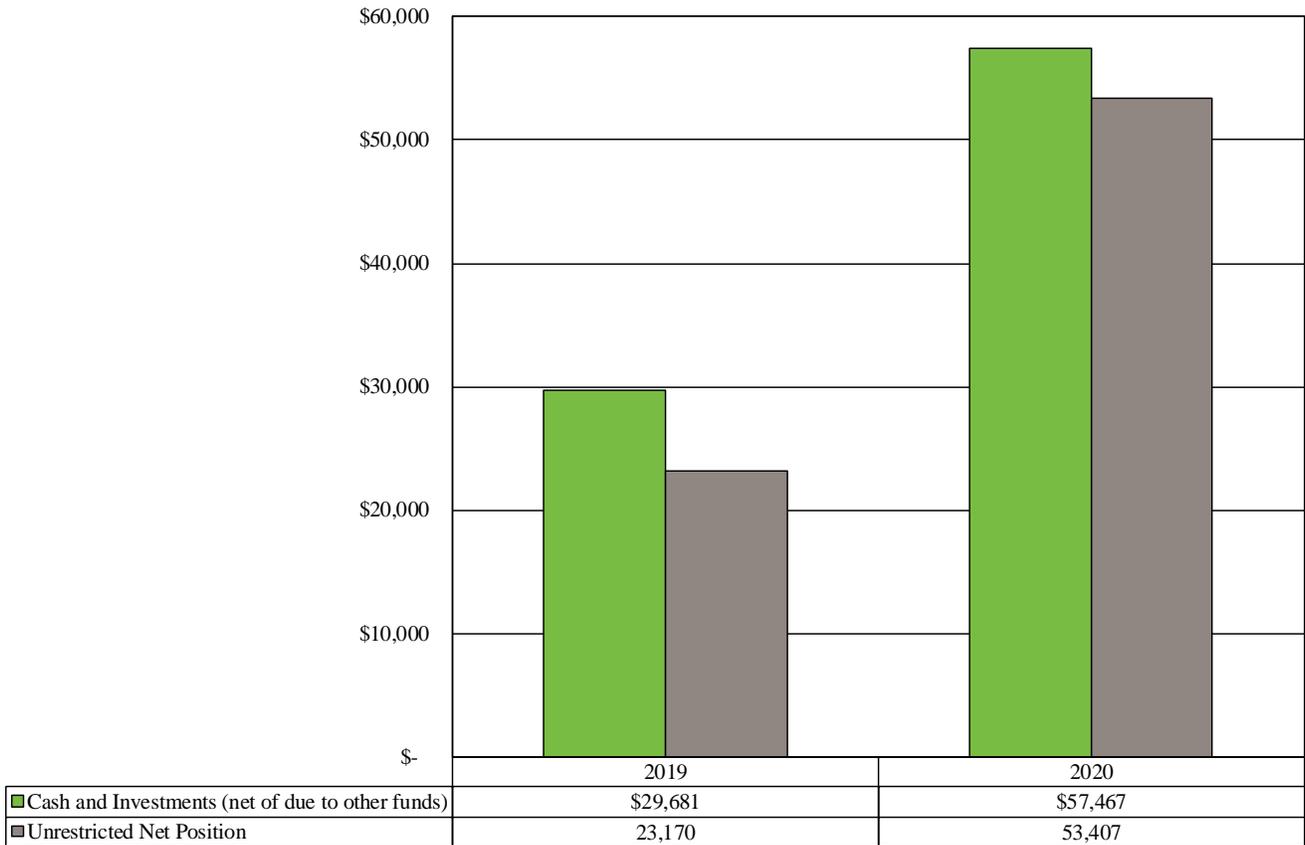
The Storm Water Fund operating revenue stayed consistent, increasing only \$2,414 from 2019. Operating expenses decreased \$29,907, or 45.5%, from 2019 to 2020. This decrease was due, in part, to a drainage study that was completed in 2019. Adding nonoperating revenues and expenses, and transfers, the Storm Water Fund experienced an increase in net position of \$49,856.



**City of Mora  
Financial Analysis**

**Storm Water Enterprise Fund (Continued)**

**Storm Water Fund Cash and Unrestricted Net Position**



The above graph shows the cash and investments (net of advances) and unrestricted net position for the last two years, for the last Storm Water Fund.

## **City of Mora Emerging Issue**

### **Executive Summary**

The following is an executive summary of financial and business related updates to assist you in staying current on emerging issues in accounting and finance. This summary will give you a preview of the new standards that have been recently issued and what is on the horizon for the near future. The most recent and significant update includes:

- **Accounting Standard Update – GASB Statement No. 87 – Leases** – GASB has issued GASB Statement No. 87 relating to accounting and financial reporting for leases. This new statement establishes a single model for lease accounting based on the principle that leases are financing of the right to use an underlying asset.

The following is an extensive summary of the current update. As your continued business partner, we are committed to keeping you informed of new and emerging issues. We are happy to discuss these issues with you further and their applicability to your city.

### **Accounting Standard Update – GASB Statement No. 87 – Leases**

The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment. Any contract that meets this definition should be accounted for under the leases guidance, unless specifically excluded in this Statement.

A short-term lease is defined as a lease that, at the commencement of the lease term, has a maximum possible term under the lease contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised. Lessees and lessors should recognize short-term lease payments as outflows of resources or inflows of resources, respectively, based on the payment provisions of the lease contract.

**City of Mora  
Emerging Issue**

**Accounting Standard Update – GASB Statement No. 87 – *Leases* (Continued)**

A lessee should recognize a lease liability and a lease asset at the commencement of the lease term, unless the lease is a short-term lease or it transfers ownership of the underlying asset. The lease liability should be measured at the present value of payments expected to be made during the lease term (less any lease incentives). The lease asset should be measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. A lessee should reduce the lease liability as payments are made and recognize an outflow of resources (for example, expense) for interest on the liability. The lessee should amortize the lease asset in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset. The notes to financial statements should include a description of leasing arrangements, the amount of lease assets recognized, and a schedule of future lease payments to be made.

A lessor should recognize a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset. A lessor should not derecognize the asset underlying the lease. The lease receivable should be measured at the present value of lease payments expected to be received during the lease term. The deferred inflow of resources should be measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods. A lessor should recognize interest revenue on the lease receivable and an inflow of resources (for example, revenue) from the deferred inflows of resources in a systematic and rational manner over the term of the lease. The notes to financial statements should include a description of leasing arrangements and the total amount of inflows of resources recognized from leases.

GASB Statement No. 87 is effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged.

Information provided above was obtained from [www.gasb.org](http://www.gasb.org).

**City of Mora  
Kanabec County, Minnesota**

**Independent  
Auditor's Reports**

**December 31, 2020**



**City of Mora**  
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**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***

**Independent Auditor's Report**

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

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, the discretely presented component unit, and the aggregate remaining fund information of the City of Mora, Minnesota as of and for the year ended December 31, 2020, and the related notes to financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 23, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing 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's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City'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 is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses on Internal Control and Legal Compliance that we consider to be a material weakness. Audit Finding 2020-001.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. 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*.

### **City's Response to Findings**

The City's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Responses on Internal Control and Legal Compliance. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **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 result of that testing, and not to provide an opinion on the effectiveness of the City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



St. Cloud, Minnesota  
March 23, 2021

**Minnesota Legal Compliance**

**Independent Auditor's Report**

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

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, the discretely presented component unit, and the aggregate remaining fund information of the City of Mora, Minnesota as of and for the year ended December 31, 2020, and the related notes to financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 23, 2021.

In connection with our audit, we noted that the City failed to comply with provisions of the deposits and investments and miscellaneous provisions of the *Minnesota Legal Compliance Audit Guide for Cities*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, insofar as they relate to accounting matters as described in the Schedule of Findings and Responses on Internal Control and Legal Compliance as items 2020-002 and 2020-003. Also, in connection with our audit, nothing came to our attention that caused us to believe that the City failed to comply with the provisions of the contracting and bidding, conflicts of interest, public indebtedness, claims and disbursements, and tax increment financing sections of the *Minnesota Legal Compliance Audit Guide for Cities*, insofar as they relate to accounting matters.

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose.



St. Cloud, Minnesota  
March 23, 2021

**City of Mora**  
**Schedule of Findings and Responses on**  
**Internal Control and Legal Compliance**

**CURRENT YEAR INTERNAL CONTROL FINDINGS**

**Material Weakness:**

**Audit Finding 2020-001 – Lack of Segregation of Accounting Duties**

During the year ended December 31, 2020, the City had a lack of segregation of accounting duties due to a limited number of office employees. The lack of adequate segregation of accounting duties could adversely affect the City's ability to initiate, record, process, and report financial data consistent with the assertions of management in the financial statements.

The lack of segregation of accounting duties can be demonstrated in the following areas, which is not intended to be an all-inclusive list:

- Bank reconciliations are not reviewed
- Payroll is not reviewed prior to payment
- One staff has access to add employees, change pay rates, and process payroll
- The accountant has full access to the general ledger
- The accountant maintains the capital asset records without any review
- Any finance department staff can receipt cash and record deposits in the system

Management and the City Council are aware of this condition and have taken certain steps to compensate for the lack of segregation. However, due to the small staff needed to handle all of the accounting duties, the costs of obtaining desirable segregation of accounting duties can often exceed benefits which could be derived. However, management, along with the City Council must remain aware of this situation and should continually monitor the accounting system, including changes that occur. We recommend the City implement a second review on bank reconciliations, journal entries, capital assets, and payroll prior to being paid.

**City's Response:**

The City has weighed the costs and benefits of additional staff to eliminate this risk and has determined it to be cost prohibitive to entirely eliminate the risk. The City will continue to review staff processes and the risks associated with a limited staff and the associated segregation of duties issues that result. The City will consider implementing a secondary review for bank reconciliations, journal entries, payroll prior to it being paid, and capital asset records.

**City of Mora**  
**Schedule of Findings and Responses on**  
**Internal Control and Legal Compliance**

**CURRENT AND PRIOR YEAR LEGAL COMPLIANCE FINDINGS**

**Audit Finding 2020-002 – Update Collateral Assignment Agreement**

*Minnesota Statutes* § 118A.03, subd. 4, requires the City's written collateral assignment shall recite that, upon default, the financial institution shall release to the government entity on demand, free of exchange or any other charges, the collateral pledged. This verbiage was absent from the City's written collateral assignments.

**Audit Finding 2020-003 – Out of State Travel Policy**

The City does not have a written policy regarding travel outside the State of Minnesota. *Minnesota Statutes* § 471.661 states all cities must have an approved policy that controls travel outside the State of Minnesota and specifies when out of state travel is appropriate, the expense limits of out of state travel, and procedures for approval of the travel.

**PRIOR YEAR LEGAL COMPLIANCE FINDINGS**

**Obtain Sufficient Collateral**

The depositories of public funds and public investment laws of *Minnesota Statutes* § 118A.01 and 118A.03 require that all deposits with financial institutions must be collateralized in an amount equal to 110% of deposits in excess of Federal Depository Insurance Corporation (FDIC) insurance. The City's deposits were fully collateralized at December 31, 2020.



# MEMORANDUM

Date: April 19, 2021  
To: Public Utilities Commission  
From: Lindy Crawford, Public Utilities General Manager  
RE: Electric Rate Study Proposal

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## SUMMARY

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The PUC will consider a proposal to conduct an electric rate study for the electric utility.

## BACKGROUND INFORMATION

---

Staff requested a proposal from Dave Berg Consulting, LLC to conduct an electric rate study. The purpose of the study is to analyze our existing cost for services and forecast the rate structure based on the electric utility's needs over the next five to ten years.

The study is anticipated to begin in June and conclude with a final presentation to the PUC at the regular September meeting. The cost for the proposal is a fixed fee of \$12,000 plus actual applicable expenses, for an approximate total of \$12,500.

## OPTIONS AND IMPACTS

---

- The rate study will assist staff and the PUC with setting future rates/fee schedules.
- An electric rate study has not been completed in several years. There are many ways to structure electric utility rates. Having a formal study completed from an outside source ensures the reliability of the rate structure.
- This project was included in the 2021 CIP at \$15,000. The proposal is in line with and below the budget.

## RECOMMENDATIONS

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Motion to accept the electric rate study proposal from Dave Berg Consulting, LLC in the amount not to exceed \$12,500.00.

### *Attachments*

Dave Berg Consulting, LLC Electric Rate Study Proposal





March 22, 2021

**Ms. Lindy Crawford – City Administrator**

City of Mora  
City Hall  
101 Lake Street South  
Mora, MN 55051

**Subject: Electric Rate Proposal**

Dear Ms. Crawford:

Based on our discussions, I prepared the attached scope of services for an electric cost of service and rate design study for the City of Mora. My compensation proposal for the study is included in the attachment after the scope. I typically perform studies like this on a fixed fee basis. I have also included a listing of my relevant experience.

There are several rate issues for most utilities which warrant examination, they include:

- The relative financial health of the electric utility
- Funding of upcoming capital improvements
- Cost of service considerations in rate design
- Consideration of internal rate policies and goals

I look forward to the prospect of being of service to Mora, let me know if you require any additional information.

Sincerely,

**Dave Berg Consulting, LLC**

A handwritten signature in black ink that reads 'David A. Berg'.

**David A. Berg, PE**  
**Principal**

***Dedicated to providing personal service to consumer-owned utilities***

Dave Berg Consulting, LLC | 15213 Danbury Ave W, Rosemount, MN 55068 | 612-850-2305

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

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## **Scope of Services:**

### **Task 1- Data Request**

Upon receiving notice to proceed, a written data request will be submitted to Mora detailing the data required for the study. The data is necessary to facilitate an in-depth understanding of the relationship between Mora's expenses, revenues and sales to retail customers.

### **Task 2 – Kickoff Meeting/Data Review**

Once Mora staff has compiled the information requested as part of Task 1, I will travel to Mora's offices to meet with staff to review goals for the study and the data compiled. During this meeting I will conduct a comprehensive study of the data provided.

### **Task 3 – Financial Forecast – Existing Rates**

Based on projected sales to retail customers and estimated utility revenue requirements, a 5-year forecast (the Study Period) of Mora's electric operating results will be prepared. Revenues for this forecast will be based on Mora's existing retail rates. This forecast will also include funding for expected capital improvements during the Study Period and an analysis of the resulting impact on Mora's reserve fund levels. The results of this task provide an important indication of the overall fiscal health of the utility and the need, if any, for additional revenues.

### **Task 4 – Cost of Service Analysis**

The results of Task 3 give an indication of overall revenue needs for the electric utility. The cost-of-service analysis is utilized to determine how the revenues should be collected from different classes of customers as well as through different components of the rates within each class. To facilitate the cost-of-service analysis, a 'test year' revenue requirement is established. The test year financial and operating statistics provide the basis for determining the relationship between sales and expenses for the utility. The test year revenue requirements are first functionalized by their operational category such as wholesale power, transmission, distribution and customer service. Within each function, the revenue

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requirements are then classified as demand, energy, customer, revenue-related or direct assignment. Based on the classified costs within each function, the revenue requirements are allocated to each of the customer classes. Specifically designed allocators appropriate to each cost classification are utilized to allocate costs. Based on this analysis, the allocated cost to serve each customer class is determined. The allocated cost to serve each class is then compared to the revenues received from that class to determine if any class-specific revenue adjustments are warranted. Additionally, the cost-of-service study yields specific function/classified costs for each class which can be utilized in the design of individual rate components for each class of customers.

### **Task 5 – Interim Report**

An interim report will be prepared summarizing the analyses prepared to date. This interim report will be sent to Mora staff for review and comment. The purpose of the interim report is to clearly demonstrate to Mora the basis for moving forward with rate design.

### **Task 6 – Rate Design Discussion**

A telephone conference call will be conducted with Mora staff to discuss specifics related to alternatives for consideration in the design of proposed retail rates.

### **Task 7 – Rate Design**

Based on the revenue needs of the utility, the results of the cost-of-service analysis and discussions with Mora staff, proposed rates will be developed for each of the retail customer classes. The rates will be designed to meet the overall revenue goals of the utility as well as specific rate design goals of Mora management. Specific items to be addressed in rate design will include any subsidies between classes of customers as determined by the cost-of-service analysis, continuation of special rates for certain acquired customers, and relative level of demand and energy charges for larger customers. Rate comparisons will be prepared to compare the class by class proposed rates to the existing rates as well as a comparison to current East Central Energy rates.

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### **Task 8 - Financial Forecast – Proposed Rates**

The financial forecast prepared as part of Task 3 will be revised to show the impact of the proposed rates on Mora’s five-year Study Period. A primary focus of the analysis will be the resulting cash balances in Mora’s reserve funds.

### **Task 9 – Preliminary Report**

The results of Tasks 6-8 will be added to the Interim Report prepared in Task 5 and submitted to Mora for review as a preliminary report for the study.

### **Task 10 – Report Review**

A telephone conference call will be held with Mora staff to discuss the preliminary report with a focus on any areas requiring additional explanation or areas of the study requiring additional analysis.

### **Task 11 – Final Report**

Based on the discussions in Task 10, the preliminary report will be finalized and both electronic and hard copies of the report will be provided to Mora.

### **Task 12 – Report Presentation**

A presentation will be prepared and delivered at a Mora Utility Commission meeting to explain the conduct of the study and resulting rate recommendations as well as to answer any questions.

### **Meetings**

The scope includes two meetings as part of tasks 2 and 12.

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**Fee for Services:**

Consultant will perform the scope of services outlined above for a fixed fee of \$12,000 plus actual applicable expenses. Applicable expenses would be for mileage, meals, copying services and shipping. Expenses are estimated to be \$350. Consultant will bill Mora for the \$12,000 fixed fee in two installments: 1) \$7,000 following the submittal of the interim report in Task 5; and 2) \$5,000 following the report presentations in Task 12 or completion of the study. Itemized expenses will be added to each applicable fixed fee invoice.

**Schedule:**

The study is anticipated to begin in June of 2021 with presentation to the Commission at their September 20<sup>th</sup> meeting.

# **Qualifications and Experience**

## **Personnel**

Dave Berg Consulting, LLC is a single person entity that specializes in financial services to municipal utilities such as Mora, especially rate related services. Dave would serve as project manager and rates analyst for this assignment. This approach ensures that Dave's experience and judgment will be applied to every phase of the study. At no time will any tasks be delegated to an inexperienced junior analyst. Dave formed Dave Berg Consulting in late 2012 after spending 28 years working for large consulting firms, the last 25 with R.W. Beck/SAIC located in the Minneapolis/St. Paul metro area. Dave has Bachelor's and Master's degrees in Electrical Engineering from North Dakota State University.

## **Experience**

Dave has more than 36 years of experience providing professional consulting services to utilities. These services have required a combination of technical and economic expertise to assist clients with important decisions affecting the operational and financial health of their utilities. Over the course of his career he has managed projects including retail and wholesale utility cost-of-service and rate design, power generation feasibility studies, power supply planning analyses, energy supply contract negotiations, consulting engineer reports in support of bond financings and utility education courses.

## **Retail Cost of Service and Rate Design**

Dave has directed retail cost-of-service and rate design studies for over 90 separate utilities, including multiple studies for many utility clients. These studies have been performed for electric, natural gas, water, wastewater, steam and hot water and communications utilities. He has an in-depth understanding of the analysis of utility costs and the design of rates with the goals of meeting utility revenue requirements, managing customer expectations and delivering proper price signals to end users. His rate design experience ranges from relatively simple rates to more complex time-based rates for use with advanced metering systems. He has worked with many utility clients to assist them in managing difficult transitions from current rate structures (that may have been established years ago) to updated rates that more properly reflect current utility costs. His client base has been predominately public power utilities ranging in size from a few hundred customers to more than one million customers.

In recent years, a focus of electric rate studies performed by Dave has been on emerging utility issues such as distributed generation, time-of-use and other specialized rates, storage, electric vehicles, conservation and advanced metering considerations.

Since 2004 he has been an instructor for an in-depth electric cost-of-service and rate design course that has been taught throughout the U.S. This course has been attended by U.S. and foreign based utility staff including investor and consumer owned utilities, state utility commissions, independent power producers, attorneys and other industry professionals. More than 1000 utility professionals have attended his training courses. He has also provided in-house training to both utility and state commission staff. In-house training sessions have been for entities such as the Iowa Utilities Board staff, California State PUC

staff, Utah State PUC staff, Texas State PUC staff, Hawaii PUC staff, Kauai Island Utility Cooperative staff, Caribbean Electric Utility Service Corporation members, Austin, TX utility staff, Southern Minnesota Municipal Power Agency members, Indiana Municipal Power Agency members, Duke Energy staff and New Brunswick Power staff.

He is a frequent speaker at various state and national conferences and has presented results of rate analyses to numerous city councils and public power boards and commissions. He has also testified in state PUC and court proceedings as an expert witness in rate related cases.

## Clients

Shown below is a representative list of clients that Dave has provided rate related services to during the last 30 years.

- Alameda, CA
- Alexandria, MN
- Ames, IA
- Anaheim, CA
- Anoka, MN
- Auburn, IN
- Austin, MN
- Austin, TX
- Bagley, MN
- Baudette, MN
- Brainerd, MN
- Brigham, UT
- Brownton, MN
- Bryan, TX
- Buffalo, MN
- Buhl, MN
- California Public Utilities Commission
- Cedar Falls, IA
- Del Rio, TX
- Denison, IA
- Detroit Lakes, MN
- Duluth, MN
- Elk River, MN
- Estherville, IA
- Eugene, OR
- Fairmont, MN
- Fosston, MN
- Grafton, ND
- Grand Marais, MN
- Grand Rapids, MN
- Halstad, MN
- Hannibal, MO
- Harlan, IA
- Hawarden, IA
- Hawley, MN
- Hutchinson, MN
- Imperial Irrigation District, CA
- Indiana Municipal Power Agency
- Iowa Utilities Board
- Keewatin, MN
- Lake City, MN
- Lehi, UT
- Levan, UT
- Litchfield, MN
- Logan City, UT
- Los Angeles, CA
- Manti, UT
- Marshall, MN
- Missouri River Energy Services, SD
- Moorhead, MN
- Murray, UT
- Muscatine, IA
- Nephi, UT
- New Braunfels, TX
- New Brunswick Power
- New Hampshire Electric Cooperative
- New Ulm, MN
- North Branch, MN
- Northern Tier Natural Gas
- Ohio Gas Company
- Owatonna, MN
- Palo Alto, CA
- Park River, ND
- Payson, UT
- Pella, IA
- Princeton, MN
- Provo, UT
- Redwood Falls, MN
- Riverside, CA
- Rochester, MN
- Rock Rapids, IA
- Roseau, MN
- Salem, UT
- Santee Cooper, SC
- Shakopee, MN
- Sioux Center, IA
- Southern Minnesota Municipal Power Agency
- Spanish Fork, UT
- Springfield, MO
- Stanton Co. Public Power District, NE
- Stephen, MN
- Thief River Falls, MN
- TransGas Energy
- Utah Municipal Power Agency
- Vermont DPS
- Vinton, IA
- Volga, SD
- Wadena, MN
- Warren, MN
- Warroad, MN
- Waseca, MN
- Watertown, SD
- Waukee, IA
- Waverly, IA
- West Bend, WI
- Willmar, MN



# MEMORANDUM

Date: April 19, 2021  
To: Public Utilities Commission  
From: Lindy Crawford, Public Utilities General Manager  
RE: Electric Plant/Line Supervisor Position Description

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## SUMMARY

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The PUC will review and consider a position description for the position of electric plant/line supervisor and direct staff to begin the recruitment process.

## BACKGROUND INFORMATION

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During the 2019 budget process staff was directed to budget for the addition of a line crew in the electric department. In September 2020 staff presented the option of including a non-union position of electric plant/line supervisor, at which time the PUC approved of the position. Therefore, the supervisor position was included in the 2021 budget and staff has now begun the process of creating a position description for the PUC's consideration.

Staff reviewed similar utility positions across the state of MN and recommends the attached position description. This position would directly supervise our three plant operators and future line crew and report to the public works director. The person filling this position would be a journeyman lineworker which would allow MMU to be more self-sufficient and allow our plant operators training to become lineworkers someone to work under for their apprenticeship, accelerating their training and certification process. The plant/line supervisor would also assist the general manager in long-range project planning and provide guidance on the addition of a full electric line crew.

Starting salary for this position is proposed at \$63,731- \$68,598 as previously approved in the 2021 salary schedule and pay plan.

## OPTIONS & IMPACTS

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1. Approve the position description as presented or revised.
2. Do nothing.

## RECOMMENDATIONS

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Review and discuss the electric plant/line supervisor position description. If approved, direct staff to begin the recruitment process for the position.

### *Attachments*

Draft Position Description



# City of Mora / Mora Municipal Utilities

## Position Description

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### ELECTRIC PLANT/ LINE SUPERVISOR

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Department:	Electric Department
Grade/Points Classification:	11/ 169
Reports to:	Public Works Director
FLSA Status:	Exempt/ Salaried
Union or Non-union Position:	Non-union

---

#### OBJECTIVE

To perform and supervise personnel on the operation, maintenance and new construction of the electric distribution and generation systems safely and in accordance with established codes and practices.

#### SUPERVISION RECEIVED

The employee working in this position usually works under general direction and is usually in charge of an organizational unit. The employee plans and carries out assignments with considerable independence, and has some latitude in developing procedures and methods. The employee reports to a superior by occasional conferences to discuss work progress or problems requiring upper advisement.

#### SUPERVISION EXERCISED

Middle management. Supervises electric plant and line staff and provides general guidance, direction, and policy interpretation in specialty areas. Is responsible for completing staff performance evaluations (as the Rater). Responsibilities may include assigning tasks, monitoring progress and work flow, checking the product for timeliness and correctness or soundness, establishing work standards, including scheduling work. May occasionally direct the work of consultants and contractors.

#### ESSENTIAL FUNCTIONS

To perform this job successfully, the employee must report to work on a timely and regular basis and be able to perform each essential function satisfactorily. The following duties are normal for this position. These are not to be construed as exclusive or all-inclusive. Other duties may be assigned. A valid Class B CDL with air brakes endorsement is required to perform the essential functions of this position.

1. Plans, organizes and directs the overall operation of the electric department in accordance with the public works director and utilities general manager.
2. Supervises and schedules activities of plant and line workers.
3. Provides prompt attention to the restoration of electric services in the event of interruption.
4. Monitors budget, policies, and safety procedures.
5. Schedules installation and maintenance of electric infrastructure and coordinates work with contractors and other utilities.
6. Ensures that construction, operation and maintenance is accomplished in accordance with approved plans, drawings and standards, with efficiency in the utilization of personnel, material and equipment, in a safe and professional manner.
7. Reviews and comments on all new residential and commercial construction plans.
8. Completes and maintains inventory and reports on activities, equipment, material orders, and work orders.
9. Regularly provides line work assistance, including such duties as stringing of wire, setting poles and anchors, installing and maintaining streetlights, hanging or setting transformers, fuse cutouts, cross-arms, insulators, and terminations.

# City of Mora / Mora Municipal Utilities

## Position Description

10. Regularly provides generation assistance, including such duties as operating and monitoring generation equipment as dispatched by SMMPA or others, operate and monitor pollution control equipment, ensure that the plant remains in compliance with all applicable state and federal and industry related regulations, accurately read gauges, dials and other instruments that depict and/or record data.
  11. Assigns tasks and reviews the work of staff involved in power plant operations, maintenance and repair work.
  12. Participate in various training activities required to gain increasing proficiency and train staff in correct and safe operating procedures.
  13. Evaluates operations and activities; recommends improvements and modifications.
  14. Inspects the work of staff while in progress; provides advice and assistance.
  15. Assists as needed in the development of the power plant annual work plan, state and federal reporting requirements, annual budget, and long-range planning.
  16. Assumes other shifts when scheduling problems arise.
  17. Using excellent customer service skills, establishes and maintains effective working relationships with other employees and all members of the general public.
  18. Responds to department emergencies during regular work hours and while on-call. Contacts and informs the public works director and utilities general manager and other team members of the emergency situation in a timely manner.
  19. Represents the City and department in a positive manner while on and off duty.
- Performs other related duties as assigned or apparent.

### MINIMUM QUALIFICATIONS

Knowledge equivalent to a trade school diploma or certificate, such as a Certificate of Completion from an accredited electrical line worker program, plus 6 or more years journeyman lineworker experience in the installation, maintenance, and repair of electrical transmission and/or distribution lines up to 69KV; or

An equivalent combination of education and experience sufficient to perform the essential functions of the position with extensive knowledge and experience in the installation, maintenance and repair of electrical transmission and/or distribution lines up to 69KV, generator operation, engine repair, and with preferred coursework in construction of overhead and underground distribution, equipment operation, poletop and bucket rescue, climbing training and qualification, rubber gloving work, meter tech training, pulling underground conductors in manholes, transformer theory and training, directional boring and trenching, excavation and shoring, fault finding, locating, and substation construction and operation.

Supervisory experience preferred.

Valid Minnesota Class B CDL required with air brakes endorsement. Must have the ability to promptly obtain a Class A CDL upon request. Must have a good driving record and be available for immediate call-out at any hour for emergency work. Must have the physical ability to perform heavy manual labor.

For basic first aid, CPR and emergency cardiovascular care, must have or be able to obtain upon request first aid and CPR/AED certificates. Must have or be able to obtain a Minnesota Class 2, Grade C boiler operator's license from the MN Department of Labor & Industry within six (6) months of hire.

All employees in this classification are subject to random drug and alcohol testing as mandated by the Omnibus Transportation Employee Testing Act.

# City of Mora / Mora Municipal Utilities

## Position Description

### **EQUIPMENT**

Tool belt, lines, hot sticks, locator, voltmeter primary and secondary, fault indicators, gloves and sleeves, straps and slings, trucks/bucket trucks/digger trucks, trailers, phasing sticks, chainsaw, telephone, common hand tools, voltmeters, ammeters, compression gauges, wrenches and analog circuit testers, hand tools, mobile radios, welder, grinders, copier, computer and related software, gloves, hard hat, safety goggles, hearing protection, masks, vehicle, and other job-related equipment. Materials include gasoline, diesel fuels, cleaning solvents, paint, welding supplies, and other job-related materials.

### **KNOWLEDGE, SKILLS, AND ABILITIES**

The requirements listed below are representative of the knowledge, skill, and/or ability required.

#### **Knowledge of:**

- Department, building, and City policies, procedures, and practices.
- Electrical codes, ordinances, and safety requirements.
- Precautionary, safety, and fire prevention methods involved in electrical work.
- Techniques, methods, and practices of the electrical trade.
- Fundamentals of electrical theory, pole climbing/construction, three-phase AC circuits and transformer banking, electrical distribution, and care and use of insulated and protective equipment.
- Excellent knowledge of all phases of generator and automatic transfer switch operation and repair, including a working comprehension of electrical distribution, and control panels.
- Design and functions of engine control systems, including AC/DC controls, air and hydraulic controls.
- Equipment operations, mechanical repair, and maintenance.
- Basic supervisory practices.

#### **Skill in:**

- Reading, writing, and speaking English, clearly and persuasively in positive or negative situations, responding well to questions, and participating in meetings.
- Using specialized hand and power tools related to this trade such as voltmeters, ammeters, compression gauges, wrenches and analog circuit testers.
- Diagnosing and troubleshooting various electrical and mechanical problems on generators and related equipment.
- Excellent interpersonal skills, including the ability to focus on solving conflict, not blaming; listening to others without interrupting, keeping emotions under control, and remaining open to others' ideas.
- Working as a team and contributing to building a positive team spirit.
- Reading and interpreting blueprints, schematic drawings and maps.
- Operating and maintaining tools, equipment, and vehicles.
- Computer skills, specifically GIS maps and spreadsheet, and word processing applications.
- Accomplishing work by delegating as needed and/or directing others.

#### **Ability to:**

- Develop and maintain effective working relationships with supervisors, staff, volunteers, and members of the public. Approach others in a tactful manner, maintain composure in stressful situations, treat others with respect, keep commitments, meet deadlines, work with integrity, and uphold organizational values.
- Learn the operation and maintenance of all of the power plant systems in a timely manner.
- Respond promptly to public requests for service and assistance. Show respect and sensitivity for cultural differences.
- Use discretion and judgement to make decisions and to work independently; prioritize responsibilities and use good judgment; research and evaluate data, solve problems and make sound recommendations.

# City of Mora / Mora Municipal Utilities

## Position Description

- Follow safety procedures, willingness to report potentially unsafe conditions, and use equipment and materials properly in addition to instructing others to do the same.
- Read and interpret written instructions and carry-out oral and written directives.
- Continuously build upon own knowledge and skills and share expertise with others.
- Demonstrate accuracy and thoroughness and to look for ways to continuously improve and promote quality. Work in a timely manner and strive to increase productivity.
- Communicate effectively, both orally and in writing, and to resolve disagreements and concerns.
- Adapt to changes in the work environment, manage competing demands, delays, or unexpected events.
- Follow instructions, respond to management direction, take responsibility for own actions, and to commit to long hours of work when necessary.
- Effectively manage workload in emergency and crisis situations, including work in inclement weather conditions.
- Identify and resolve mechanical and equipment problems in a timely manner, gather and analyze information skillfully, and develop alternative solutions as needed.
- Read and interpret information from charts, maps, diagrams, gauges, meters, and computers.
- Climb poles and work at heights and perform strenuous physical activity.
- Work in/for other departments or divisions occasionally, in addition to assigned department. This requires the ability to understand and maintain basic knowledge of other department's operations.

### WORK ENVIRONMENT AND PHYSICAL REQUIREMENTS

The physical demands described here are representative of those that must be met by the employee to successfully perform the essential functions of the job.

The noise level in the work environment ranges from moderate to extremely loud when generating. Employees in this classification are required to occasionally work in emergency situations indoors and outdoors, with exposure to extreme heat and cold, and are subject to being called to work at any time. Employees may be subject to working long hours when generating power. Occasional travel outside the city is required. The work includes a significant amount of strenuous physical activity including climbing, lifting, balancing, kneeling, digging, squatting, grasping, and reaching. See the physical activity requirements sheet, attached.

### ADA CONSIDERATIONS

The City of Mora is an equal opportunity employer. In compliance with the Americans with Disabilities Act, the City will provide reasonable accommodations to qualified individuals with disabilities and encourages both prospective and current employees to discuss potential accommodations with a representative of the Human Resources department.

3/30/2021

### ACKNOWLEDGMENT

I have read the requirements for this position and am able to perform all essential functions and physical demands associate with this position.

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Print Name

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Date

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Signature



# MEMORANDUM

Date: April 19, 2021  
To: Public Utilities Commission  
From: Jessica Bliss, Utility Billing Clerk I  
Lindy Crawford, Public Utilities General Manager  
RE: Utility Payment Arrangement Terms during COVID-19

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## SUMMARY

The PUC will review and discuss utility payment arrangements as it relates to the COVID-19 pandemic.

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## BACKGROUND INFORMATION

At the June 15, 2020 PUC meeting the term of utility payment arrangements was extended from three months to six months until the emergency COVID-19 pandemic was lifted.

While the six month extension has assisted some customers who have experienced financial hardship during the pandemic, staff has found customers become increasingly delinquent on their balance due to the extension of arrangements. Customers continue to carry a large balance month to month, dependent on their arrangement terms, which reflects poorly on the electric, water, and sewer funds and monies become increasingly more difficult to collect with balances continuing to grow during the current allotted timeframe.

Since restrictions within the state in relation to the pandemic have become looser, it is presumed most utility customers are back at work and can remit payment on their delinquent account within a three month period for payment arrangements, alike the arrangement term prior to the June 2020 decision.

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## OPTIONS & IMPACTS

1. Reverse the term extension of payment arrangements. Reversing the extension will revert the term back to three months, which would help collect funds faster on delinquent accounts.
2. Do nothing, keeping the current terms of the payment arrangements at six months until the COVID-19 pandemic has concluded. After the pandemic the term would automatically revert back to three months.

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## RECOMMENDATIONS

Motion to reverse the term extension of utility payment arrangements, reverting the term back to three months.

### *Attachments*

None



## Utility Billing Monthly Report Calendar Year 2021

Description	As of 1/31/2021	As of 2/28/2021	As of 3/31/2021	As of 4/30/2021	As of 5/31/2021	As of 6/30/2021	As of 7/31/2021	As of 8/31/2021	As of 9/30/2021	As of 10/31/2021	As of 11/30/2021	As of 12/31/2021
<b>Total Account Balances</b>	\$ 705,463.87	\$ 838,680.11	\$ 638,754.31									
Current Period	\$ 550,107.03	\$ 669,489.60	\$ 484,941.07									
1 Period Overdue	\$ 29,860.88	\$ 37,597.29	\$ 31,120.64									
2 Periods Overdue	\$ 8,883.94	\$ 16,142.17	\$ 8,959.81									
3 Periods Overdue	\$ 116,610.92	\$ 115,451.05	\$ 113,732.79									
<b>Total Penalty Balances on Accounts</b>	\$ 8,647.92	\$ 10,826.67	\$ 6,257.44									
<b>Past Due/Disconnection Notices Mailed (customer 30 days or more past due and missed payment on arrangements) *</b>	55	51	73									
<b>Utility Disconnects</b>	2	0	4									
Missed Payments on Payment Agreement	2	0	2									
No Response to Past Due/Disc Notice/Door Tag	0	0	2									

\* Does not include Quamba residents and water only accounts.

COMMENTS:

Credit balance for '3 Periods Overdue' is due to pre-payment on accounts, energy assistance, and a solar connection credits.

**Monthly Utility Account Adjustments Report  
For Adjustments \$50.00 or higher**

<b>DATE</b>	<b>SERVICE</b>	<b>QTY</b>	<b>AMOUNT</b>	<b>NOTES</b>
MM YYYY				
03/2021	Penalties		-\$63.93	Delinquent customer requested and received penalty removal upon agreement the service balance of \$603.78 be paid in full.

DCFC EV STATION QUARTERLY USAGE REPORT  
 DECEMBER 1, 2020 - MARCH 31, 2021

Start Time	Plug Duration (approx mins)	Charge Duration (approx mins)	Energy (kWh)
12/4/20 7:37 PM	6	5	1.2
12/6/20 11:42 PM	45	44	23.53
12/14/20 7:07 PM	42	41	21.34
12/20/20 5:57 PM	19	18	9.01
12/27/20 3:58 PM	7	6	2.73
12/27/20 4:17 PM	10	9	5.38
12/27/20 11:31 PM	56	54	28.63
1/3/21 6:57 PM	47	46	25.64
1/21/21 5:56 PM	25	23	5.75
1/21/21 6:38 PM	11	6	1.34
1/23/21 1:09 AM	56	55	30.02
1/25/21 12:21 AM	68	68	34.07
1/31/21 10:00 PM	21	20	16.48
2/1/21 1:43 AM	47	46	26.32
2/7/21 10:23 PM	94	93	43.08
2/20/21 2:20 PM	26	25	9.85
2/26/21 2:59 PM	25	25	11.25
3/17/21 5:07 PM	10	8	2.44
<b>Quarterly Total</b>	<b>10.25</b>	<b>9.87</b>	<b>298.06</b>
	<b>Hours</b>	<b>Hours</b>	<b>kWh</b>

L2 EV STATION QUARTERLY USAGE REPORT  
DECEMBER 1, 2020 - MARCH 31, 2021

Start Time	Plug Duration (approx hours)	Charge Duration (approx hours)	Energy (kWh)
12/4/20 7:55 PM	0.02	0.01	0.06
12/4/20 7:57 PM	0.01	0.01	0.03
12/4/20 7:58 PM	0.17	0.17	0.62
12/20/20 6:36 PM	0.30	0.30	2.02
12/29/20 7:05 PM	1.84	1.84	20.96
12/31/20 1:47 PM	4.14	4.05	46.75
1/2/21 5:13 PM	0.89	0.89	9.18
1/5/21 1:23 PM	2.39	2.34	25.93
1/6/21 5:11 PM	4.80	4.79	51.89
1/8/21 7:41 PM	0.25	0.25	1.95
1/12/21 1:23 PM	7.52	5.63	60.03
1/16/21 6:05 PM	0.84	0.83	8.58
1/19/21 4:41 PM	0.33	0.33	2.52
1/19/21 8:43 PM	1.28	1.27	12.57
1/20/21 8:38 PM	1.35	1.34	13.74
1/22/21 1:32 PM	8.59	5.97	61.96
1/28/21 1:33 PM	4.88	4.87	52.79
2/3/21 1:30 PM	4.41	4.40	40.63
2/6/21 8:13 PM	1.28	1.27	12.81
2/7/21 9:10 PM	0.83	0.82	8.34
2/7/21 9:56 PM	2.02	2.01	21.73
2/8/21 1:31 PM	6.71	5.97	60.47
2/12/21 2:16 PM	3.75	3.74	40.18
2/12/21 5:31 PM	1.78	1.77	20.01
2/12/21 6:34 PM	3.57	1.98	20.47
2/18/21 8:44 PM	1.29	1.29	13.47
2/20/21 1:45 PM	3.98	3.87	43.00
2/20/21 5:19 PM	4.31	4.29	31.12
2/20/21 7:50 PM	1.02	1.02	11.32
2/20/21 8:43 PM	0.12	0.12	0.39
2/20/21 10:52 PM	0.91	0.91	9.30
2/21/21 1:52 PM	4.59	4.58	34.74
2/22/21 9:12 PM	0.87	0.86	8.74
2/23/21 9:09 PM	0.89	0.89	9.12
2/26/21 1:57 PM	4.70	4.39	47.83
2/28/21 11:26 PM	0.59	0.59	5.51
3/1/21 1:41 PM	2.78	2.77	28.96
3/2/21 11:08 PM	0.27	0.26	1.88
3/3/21 5:32 PM	3.24	3.23	35.34
3/11/21 1:34 PM	8.06	4.74	51.77
3/18/21 3:41 PM	0.32	0.32	3.13
3/19/21 1:26 PM	8.55	4.02	42.16
3/23/21 5:13 PM	3.72	3.33	35.77
3/29/21 1:33 PM	4.86	4.85	49.54
<b>Quarterly Total</b>	<b>119.04</b> Hours	<b>103.19</b> Hours	<b>1,059.31</b> kWh

**MORA MUNICIPAL UTILITIES  
SANITARY SEWER RESPONSE REPORT  
2021**

<b>No.</b>	<b>Date</b>	<b>Time</b>	<b>Address</b>	<b>Sewage Back-up</b>	<b>Manholes Clear</b>	<b>Comments</b>
1	Thursday, January 14, 2021	3:20 PM	847 Howe Ave	No	No	Checking issue with manhole and found it to be backed up. Jetted clear. No one affected at this time.
2	Sat, January 23, 2021	3:28 PM	307 Walnut	Yes	No	Owner said there was sewage in basement. Checked downstream manhole and found line plugged. Jetted line clear. Advised owner to call city hall Monday morning. Heavy solids caused plug in line.
3	Fri, March 12, 2021	8:30 AM	600 Watkins	yes	yes	Home owner left email with City Hall the night before. Staff checked lines. All were clear. Advised homeowner to have service line cleaned.
4	Sun, March 28, 2021	8:50 AM	348 Watkins	yes	yes	Staff check up and down stream manholes, all flowing. Advised owners to have the service line cleaned.
5						
6						