CITY OF COLUMBUS, MINNESOTA

ANNUAL FINANCIAL REPORT

December 31, 2020

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I. INTRODUCTORY SECTION

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CITY OF COLUMBUS, MINNESOTA
ELECTED AND APPOINTED OFFICIALS
December 31, 2020

ELECTED OFFICIALS

	Term Expires
Mayor:	
Jesse Preiner	December 31, 2020
Councilmembers:	
Denny Peterson	December 31, 2020
Janet Hegland	December 31, 2022
Jeff Duraine	December 31, 2020
Shelly Logren	December 31, 2022

APPOINTED OFFICIALS

City Administrator	Elizabeth Mursko
Deputy Treasurer	Bill Werner
Building Official	Leon Ohman
Engineer	Bolton & Menk
Attorney	Larkin, Hoffman, Daly & Lindgren

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II. FINANCIAL SECTION

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REDPATH AND COMPANY

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Columbus, Minnesota, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the City of Columbus, Minnesota's 2019 financial statements, and we expressed an unmodified audit opinion on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information in our report dated August 13, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, the schedule of proportionate share of net pension liability, the schedule of pension contributions and the notes to RSI, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of 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 Columbus, Minnesota's basic financial statements. The introductory section and combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory section 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 4, 2021, on our consideration of the City of Columbus, Minnesota's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 the City of Columbus, Minnesota's 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 Columbus, Minnesota's internal control over financial reporting and compliance.

Redpath and Company, Ltd.

REDPATH AND COMPANY, LTD.
St. Paul, Minnesota

August 4, 2021

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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Columbus, Minnesota (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2020.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by $27,573,044 (net position). The components of net position are as follows:

Net investment in capital assets	$20,119,753
Restricted for debt service	2,066,507
Restricted for economic developr	100,000
Resticted for other purposes	60,556
Unrestricted	5,226,228

- At the end of the current fiscal year, the governmental fund balance was $14,800,369, a increase of $2,569,504 from prior year. The increase is primarily due to proceeds from refunding bonds which were placed in escrow and will be used to retire the 2015A bonds in February 2023.

- The City had total long-term debt outstanding of $13,082,653 at the end of the current fiscal year, which included $3,640,000 of 2020A refunding bonds.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (example uncollected taxes and earned but unused vacation leave).

The government-wide financial statements are statements 1 and 2 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near term financial decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures and change in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains eight individual major governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for the General Fund, Minnesota Investment Fund, Bonds of 2018A Fund, Bonds of 2012A- Refunding Portion Fund, G.O. Tax Abatement Bond Fund, Public Utilities Project Fund, EDA Quad 35 Project Fund and the EDA Quad Interfund Loan Fund which are considered to be major funds.

The City adopts an annual appropriated budget for its General Fund and the Economic Development Authority, EDA HRA Levy, and Sunrise River WMO Special Revenue Funds.

Budgetary comparison statements have been provided for these funds to demonstrate compliance with budget.

The basic governmental fund financial statements are statements 3 through 5 of this report.

Notes to the 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 the financial statements immediately follow statement 8 of this report.

Other information. Combining and individual fund financial statements and schedules are presented as statements 12 through 23 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $27,573,044 at the close of the most recent fiscal year.

A substantial portion of the City's net position ($20,119,753) reflects its net investment in capital assets (e.g. roads) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's net investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF COLUMBUS, MINNESOTA'S NET POSITION

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Current and other assets	$20,497,083	$18,429,411	$449,919	$357,931	$20,947,002	$18,787,342
Capital assets	11,584,330	9,313,622	9,581,666	9,747,338	21,165,996	19,060,960
Total assets	$32,081,413	$27,743,033	$10,031,585	$10,105,269	$42,112,998	$37,848,302
Total deferred outflows of resources	$95,886	$58,505	$0	$0	$95,886	$58,505
Long-term liabilities outstanding	$13,657,058	$11,219,389	$ -	$ -	$13,657,058	$11,219,389
Other liabilities	947,306	905,848	10,604	11,347	957,910	917,195
Total liabilities	$14,604,364	$12,125,237	$10,604	$11,347	$14,614,968	$12,136,584
Total deferred inflows of resources	$20,872	$82,261	$0	$0	$20,872	$82,261
Net position:						
Net investment in capital assets	$10,538,087	$7,833,146	$9,581,666	$9,747,338	$20,119,753	$17,580,484
Restricted for debt service	2,066,507	1,982,607	-	-	2,066,507	1,982,607
Restricted for economic developm	100,000	100,000	-	-	100,000	100,000
Restricted for other purposes	60,556	12,021	-	-	60,556	12,021
Unrestricted	4,786,913	5,666,266	439,315	346,584	5,226,228	6,012,850
Total net position	$17,552,063	$15,594,040	$10,020,981	$10,093,922	$27,573,044	$25,687,962

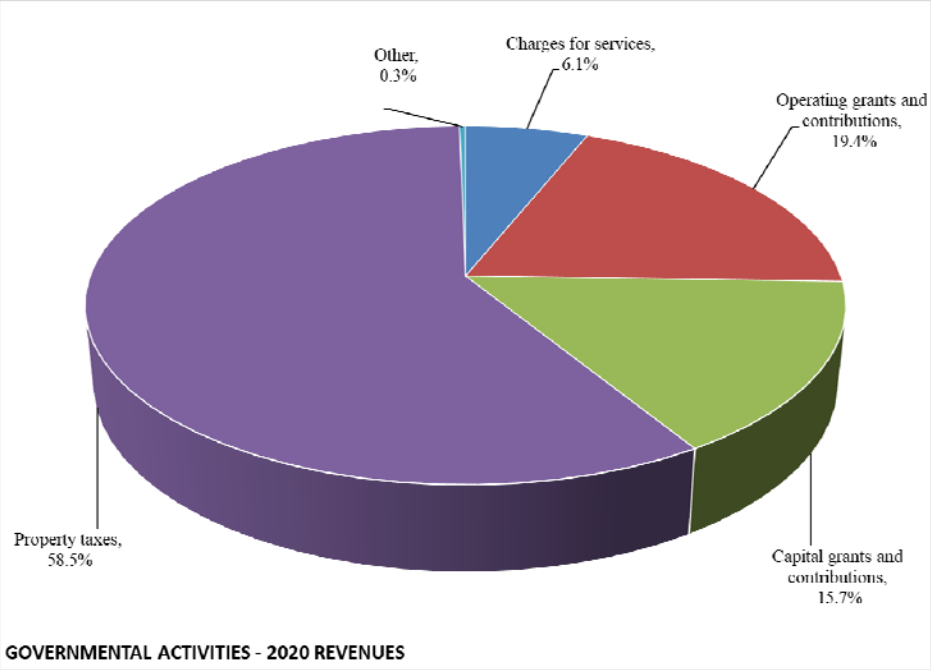
Governmental Activities

Governmental activities resulted in an increase of the City's net position by $1,958,023 while Business-Type activities resulted in a decrease of the City's net position by $72,941. The details of the change are as follows:

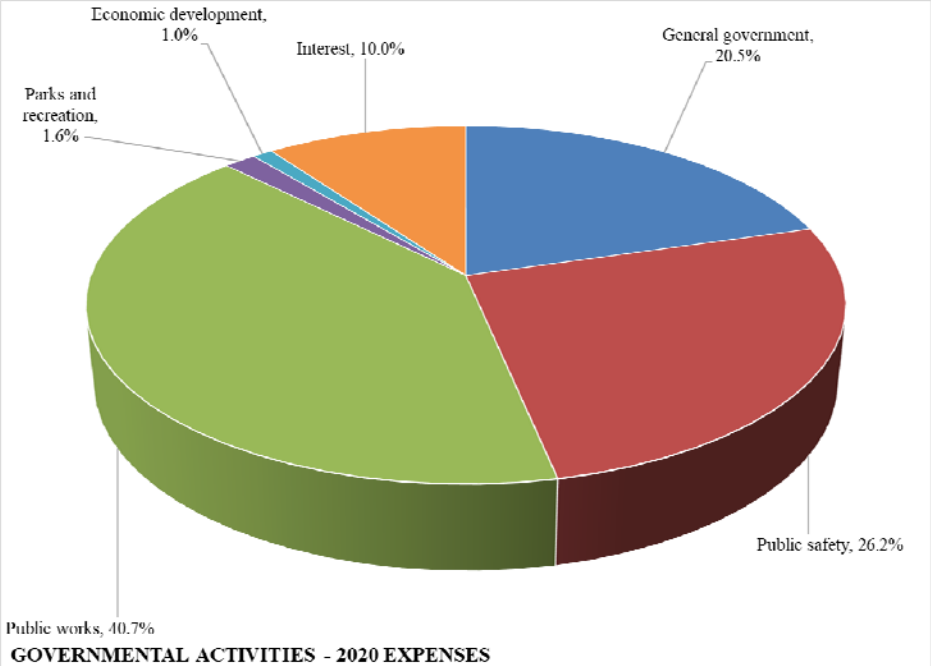
City of Columbus, Minnesota's Changes in Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Program revenues:						
Charges for services	$358,483	$476,377	$209,665	$294,404	$568,148	$770,781
Operating grants and contribution	1,143,524	1,182,956	-	-	1,143,524	1,182,956
Capital grants and contributions	929,848	1,620,356	-	144,800	929,848	1,765,156
General revenues:						
Property taxes	3,457,175	3,251,448	-	-	3,457,175	3,251,448
Tax increment collections	6,839	-	-	-	6,839	-
Grants and contributions not restricted to programs	6,330	6,206	262	-	6,592	6,206
Unrestricted investment earnings	2,921	22,542	-	517	2,921	23,059
Proceeds from the sale of assets	-	574,755	-	-	-	574,755
Total revenues	5,905,120	7,134,640	209,927	439,721	6,115,047	7,574,361
Expenses:						
General government	797,465	885,754	-	-	797,465	885,754
Public safety	1,017,826	650,211	-	-	1,017,826	650,211
Public works	1,580,571	1,094,085	-	-	1,580,571	1,094,085
Parks and recreation	61,989	55,786	-	-	61,989	55,786
Economic development	38,927	1,029,105	-	-	38,927	1,029,105
Water	-	-	190,281	161,799	190,281	161,799
Sewer	-	-	154,823	139,477	154,823	139,477
Interest and fees on long-term deb	388,083	311,803	-	-	388,083	311,803
Total expenses	3,884,861	4,026,744	345,104	301,276	4,229,965	4,328,020
Increase (decrease) in net position before transfers	2,020,259	3,107,896	(135,177)	138,445	1,885,082	3,246,341
Transfers	(62,236)	(1,248,804)	62,236	1,248,804	-	-
Change in net position	1,958,023	1,859,092	(72,941)	1,387,249	1,885,082	3,246,341
Net position - January 1	15,594,040	13,734,948	10,093,922	8,706,673	25,687,962	22,441,621
Net position - December 31	$17,552,063	$15,594,040	$10,020,981	$10,093,922	$27,573,044	$25,687,962

Below are specific graphs which provide comparisons of the governmental activities revenues and expenditures:



GOVERNMENTAL ACTIVITIES - 2020 REVENUES



GOVERNMENTAL ACTIVITIES - 2020 EXPENSES

Financial Analysis of the Government's Funds

Governmental Funds. The focus of the City'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's governmental funds reported combined ending fund balances of $14,800,369. Of this amount, $3,101,175 was unassigned.

The fund balance of the General Fund decreased by $896,810 in 2020.

Budgetary Highlights

General Fund. The City budgeted for a decrease of $180,994 in fund balance while the actual decrease was $896,810. Revenues and transfers in were over budget by $1,176,783 while expenditures and transfers out were over budget by $1,892,599.

Capital Asset and Debt Administration

Capital Assets. The City's net investment in capital assets as of December 31, 2020 amounted to $21,165,996. Detail of the capital assets is as follows.

City of Columbus, Minnesota's Capital Assets
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Land (not depreciated)	$571,002	$571,002	$32,800	$32,800	$603,802	$603,802
Buildings	1,510,930	1,464,408	-	-	1,510,930	1,464,408
Infrastructure	7,496,126	5,382,448	9,548,866	9,623,133	17,044,992	15,005,581
Vehicles and equipment	1,013,078	726,652	-	-	1,013,078	726,652
Construction in progress	993,194	1,169,112	-	91,405	993,194	1,260,517
	$11,584,330	$9,313,622	$9,581,666	$9,747,338	$21,165,996	$19,060,960

Additional information on the City's capital assets can be found in Note 5.

Long-term debt. At the end of the current fiscal year, the City had long-term debt outstanding of $13,082,653, an increase of $2,332,265 from 2019. Long-term debt increased by $3,640,000 due to the issuance of G.O. Tax Abatement Refunding Bonds of 2020A, the proceeds from which will be used to refund the 2015A bonds in February 2023. Other long-term debt activity consisted of routine debt service payments.

On July 29, 2020, Moody's Investors Service assigned an A1 rating to the City's general obligation debt.

City of Columbus, Minnesota's Outstanding Debt

	2020	2019
General Obligation Bonds	$12,219,000	$9,771,000
Loan payable	747,382	836,943
Unamortized bond premiums	116,271	142,445

Additional information of the City's long-term debt can be found in Note 6.

Requests for information. This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Columbus, City Administrator, 16319 Kettle River Boulevard, Columbus, Minnesota 55025.

BASIC FINANCIAL STATEMENTS

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CITY OF COLUMBUS, MINNESOTA
STATEMENT OF NET POSITION
December 31, 2020
With Comparative Totals for December 31, 2019

Statement 1

	Primary Government			
	Governmental Activities	Business-Type Activities	Totals 2020	Totals 2019
Assets:				
Cash and investments	$8,900,185	$344,669	$9,244,854	$10,249,392
Cash and investments with escrow	3,749,247	-	3,749,247	-
Accrued interest receivable	38,068	-	38,068	-
Accounts receivable - net	23,388	43,208	66,596	98,034
Due from other governments	42,184	-	42,184	160,882
Property taxes receivable	260,836	-	260,836	172,008
Special assessments receivable	4,033,649	-	4,033,649	4,435,894
Loan receivable	769,304	-	769,304	918,571
Connection charges receivable	-	62,042	62,042	72,339
Land held for resale	2,680,222	-	2,680,222	2,680,222
Capital assets (net of accumulated depreciation):				
Land	571,002	32,800	603,802	603,802
Buildings	1,510,930	-	1,510,930	1,464,408
Infrastructure	7,496,126	9,548,866	17,044,992	15,005,581
Vehicles and equipment	1,013,078	-	1,013,078	726,652
Construction in progress	993,194	-	993,194	1,260,517
Total assets	32,081,413	10,031,585	42,112,998	37,848,302
Deferred outflows of resources related to pensions	95,886	-	95,886	58,505
Liabilities:				
Accounts payable	298,321	3,767	302,088	243,103
Due to other governments	480,878	3,837	484,715	300,172
Salaries payable	24,871	-	24,871	18,390
Accrued interest payable	138,236	-	138,236	138,800
Deposits payable	5,000	3,000	8,000	216,730
Compensated absences payable:				
Due within one year	20,174	-	20,174	15,488
Due in more than one year	50,613	-	50,613	38,855
Bonds and loan payable:				
Due within one year	1,249,382	-	1,249,382	1,274,671
Due in more than one year	11,833,271	-	11,833,271	9,475,717
Net pension liability:				
Due in more than one year	503,618	-	503,618	414,658
Total liabilities	14,604,364	10,604	14,614,968	12,136,584
Deferred inflows of resources related to pensions	20,872	-	20,872	82,261
Net position:				
Net investment in capital assets	10,538,087	9,581,666	20,119,753	17,580,484
Restricted for:				
Debt service	2,066,507	-	2,066,507	1,982,607
Economic development	100,000	-	100,000	100,000
Other purposes	60,556	-	60,556	12,021
Unrestricted	4,786,913	439,315	5,226,228	6,012,850
Total net position	$17,552,063	$10,020,981	$27,573,044	$25,687,962

The accompanying notes are an integral part of these financial statements.

CITY OF COLUMBUS, MINNESOTA
STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2020
With Comparative Totals for the Year Ended December 31, 2019

Functions/Programs	Expenses	Program Revenues Charges For Services
Primary government:		
Governmental activities:		
General government	$797,465	$65,491
Public safety	1,017,826	240,733
Public works	1,580,571	9,904
Parks and recreation	61,989	10,593
Economic development	38,927	31,762
Interest and fees on long-term debt	388,083	-
Total governmental activities	3,884,861	358,483
Business-type activities:		
Water	190,281	130,821
Sewer	154,823	78,844
Total business-type activities	345,104	209,665
Total primary government	$4,229,965	$568,148

The accompanying notes are an integral part of these financial statements.

Program Revenues		Net (Expense) Revenue and Changes in Net Position Primary Government			
Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Totals 2020	Totals 2019
$22,514	$ -	($709,460)	$ -	($709,460)	($646,941)
353,094	-	(423,999)	-	(423,999)	(417,542)
758,616	929,848	117,797	-	117,797	577,628
6,000	-	(45,396)	-	(45,396)	3,043
3,300	-	(3,865)	-	(3,865)	48,560
-	-	(388,083)	-	(388,083)	(311,803)
1,143,524	929,848	(1,453,006)	0	(1,453,006)	(747,055)
-	-	-	(59,460)	(59,460)	186,430
-	-	-	(75,979)	(75,979)	(48,502)
0	0	0	(135,439)	(135,439)	137,928
$1,143,524	$929,848	(1,453,006)	(135,439)	(1,588,445)	(609,127)
General revenues:					
General property taxes		3,457,175	-	3,457,175	3,251,448
Tax increment collections		6,839	-	6,839	-
Grants and contributions not restricted to specific programs		6,330	-	6,330	6,206 23,059
Unrestricted investment earnings		2,921	262	3,183	574,755
Transfers		(62,236)	62,236	-	-
Total general revenues		3,411,029	62,498	3,473,527	3,855,468
Change in net position		1,958,023	(72,941)	1,885,082	3,246,341
Net position - January 1		15,594,040	10,093,922	25,687,962	22,441,621
Net position - December 31		$17,552,063	$10,020,981	$27,573,044	$25,687,962

The accompanying notes are an integral part of these financial statements.

CITY OF COLUMBUS, MINNESOTA
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2020
With Comparative Totals For December 31, 2019

	General Fund	(210) Minnesota Investment Fund	(308) Bonds of 2018A	(350) Bonds of 2012A - Refunding Portion
Assets				
Cash and investments	$5,049,007	$78,102	$667,966	$329,332
Cash and investments with escrow agent	-	-	-	-
Accrued interest receivable	-	-	-	-
Accounts receivable - net	20,892	-	-	-
Due from other governments	42,184	-	-	-
Due from other funds	1,018,996	-	-	-
Property taxes receivable	208,718	-	10,163	-
Special assessments receivable	149,364	-	2,249,440	1,536,977
Land held for resale	-	-	-	-
Loan receivable	-	769,304	-	-
Total assets	$6,489,161	$847,406	$2,927,569	$1,866,309
Liabilities, Deferred Inflows of Resources, and Fund Balance				
Liabilities:				
Accounts payable	$291,710	$ -	$ -	$ -
Due to other governments	480,878	-	-	-
Salaries payable	24,652	-	-	-
Deposits payable	5,000	-	-	-
Due to other funds	-	-	-	-
Total liabilities	802,240	0	0	0
Deferred inflows of resources:				
Unavailable revenue	234,055	769,304	2,249,440	1,536,977
Fund balance:				
Nonspendable	705,316	-	-	-
Restricted	-	78,102	678,129	329,332
Committed	1,766,758	-	-	-
Unassigned	2,980,792	-	-	-
Total fund balance	5,452,866	78,102	678,129	329,332
Total liabilities, deferred inflows of resources, and fund balance	$6,489,161	$847,406	$2,927,569	$1,866,309

The accompanying notes are an integral part of these financial statements.

(360) G.O. Tax Abatement Bond Fund	(419) Public Utilities Project Fund	(480) EDA Quad 35 Project Fund	(481) EDA Quad Interfund Loan Fund	Other Governmental Funds	Total Governmental Funds 2020	Total Governmental Funds 2019
$1,419,438	$ -	$15,000	$ -	$1,341,340	$8,900,185	$10,051,261
3,749,247	-	-	-	-	3,749,247	-
38,068	-	-	-	-	38,068	-
-	-	-	-	2,496	23,388	8,716
-	-	-	-	-	42,184	41,336
-	-	-	-	-	1,018,996	943,908
21,708	-	-	-	20,247	260,836	172,008
-	-	-	-	97,868	4,033,649	4,435,894
-	-	2,680,222	-	-	2,680,222	2,680,222
-	-	-	-	-	769,304	918,571
$5,228,461	$0	$2,695,222	$0	$1,461,951	$21,516,079	$19,251,916
$ -	$651	$ -	$ -	$5,960	$298,321	$233,071
-	-	-	-	-	480,878	298,857
-	-	-	-	219	24,871	18,390
-	-	-	-	-	5,000	216,730
-	301,478	-	705,316	12,202	1,018,996	822,505
0	302,129	0	705,316	18,381	1,828,066	1,589,553
-	-	-	-	97,868	4,887,644	5,431,498
-	-	-	-	-	705,316	943,908
5,228,461	-	2,695,222	-	738,898	9,748,144	6,288,777
-	-	-	-	619,006	2,385,764	3,436,003
-	(302,129)	-	(705,316)	(12,202)	1,961,145	1,562,177
5,228,461	(302,129)	2,695,222	(705,316)	1,345,702	14,800,369	12,230,865
$5,228,461	$0	$2,695,222	$0	$1,461,951	$21,516,079	$19,251,916

Fund balance reported above	$14,800,369	$12,230,865
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.	11,584,330	9,313,622
Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds	4,887,644	5,431,498
Deferred outflows of resources related to pensions are not current financial resources and, therefore, are not reported in the funds.	95,886	58,505
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Accrued interest payable	(138,236)	(138,800)
Bonds payable and loan payable, including unamortized bond premium	(13,082,653)	(10,750,388)
Compensated absences	(70,787)	(54,343)
Net pension liability	(503,618)	(414,658)
Deferred inflows of resources related to pensions are associated with liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	(20,872)	(82,261)
Net position of governmental activities (Statement 1)	$17,552,063	$15,594,040

The accompanying notes are an integral part of these financial statements.

CITY OF COLUMBUS, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2020
With Comparative Totals For the Year Ended December 31, 2019

	General Fund	(210) Minnesota Investment Fund	(308) Bonds of 2018A	(350) Bonds of 2012A - Refunding Portion
Revenues:				
General property taxes	$2,468,543	$ -	$313,364	$7,008
Tax increment collections	-	-	-	-
Licenses and permits	246,762	-	-	24
Intergovernmental	1,060,196	-	-	-
Special assessments	21,243	-	147,779	315,215
Investment income	6,571	22	390	207
Contributions and donations	85,000	-	-	-
Hotel lodging taxes	-	-	-	-
Miscellaneous	60,969	149,268	-	-
Total revenues	3,949,284	149,290	461,533	322,454
Expenditures:				
Current:				
General government	774,244	-	-	-
Public safety	1,003,162	-	-	-
Public works	886,475	-	-	-
Parks and recreation	50,550	-	-	-
Economic development	-	-	-	-
Capital outlay	1,983,178	-	-	-
Debt service	-	89,561	648,739	465,952
Fiscal and other charges	-	-	3,140	500
Total expenditures	4,697,609	89,561	651,879	466,452
Revenues over (under) expenditures	(748,325)	59,729	(190,346)	(143,998)
Other financing sources (uses):				
Refunding bonds issued	-	-	-	-
Proceeds from sale of land	-	-	-	-
Transfers in	66,815	-	161,162	-
Transfers out	(215,300)	-	-	-
Total other financing sources (uses)	(148,485)	0	161,162	0
Net change in fund balance	(896,810)	59,729	(29,184)	(143,998)
Fund balance - January 1	6,349,676	18,373	707,313	473,330
Fund balance - December 31	$5,452,866	$78,102	$678,129	$329,332

The accompanying notes are an integral part of these financial statements.

(360) G.O. Tax Abatement Bond Fund	(419) Public Utilities Project Fund	(480) EDA Quad 35 Project Fund	(481) EDA Quad Interfund Loan Fund	Other Governmental Funds	Total Governmental Funds 2020	Total Governmental Funds 2019
$296,366	$ -	$ -	$ -	$365,274	$3,450,555	$3,248,599
-	-	-	-	6,839	6,839	-
-	-	-	-	-	246,786	202,460
-	-	-	-	-	1,060,196	1,003,502
-	-	-	-	43,264	527,501	722,981
(6,618)	242	-	-	2,107	2,921	22,542
-	-	-	-	3,300	88,300	84,699
-	-	-	-	16,762	16,762	-
-	-	-	-	18,965	229,202	319,846
289,748	242	0	0	456,511	5,629,062	5,604,629
-	-	-	-	-	774,244	853,967
-	-	-	-	-	1,003,162	639,209
-	59,847	-	-	12,362	958,684	1,516,505
-	-	-	-	852	51,402	45,199
-	-	-	-	38,927	38,927	1,029,105
-	-	-	-	208,579	2,191,757	1,213,245
249,938	-	-	-	142,858	1,597,048	1,387,273
95,194	-	-	-	500	99,334	1,953
345,132	59,847	0	0	404,078	6,714,558	6,686,456
(55,384)	(59,605)	0	0	52,433	(1,085,496)	(1,081,827)
3,640,000	-	-	-	-	3,640,000	-
-	-	15,000	-	-	15,000	559,755
-	-	-	-	54,138	282,115	828,643
-	-	(52,815)	-	(14,000)	(282,115)	(828,643)
3,640,000	0	(37,815)	0	40,138	3,655,000	559,755
3,584,616	(59,605)	(37,815)	0	92,571	2,569,504	(522,072)
1,643,845	(242,524)	2,733,037	(705,316)	1,253,131	12,230,865	12,752,937
$5,228,461	($302,129)	$2,695,222	($705,316)	$1,345,702	$14,800,369	$12,230,865

The accompanying notes are an integral part of these financial statements.

CITY OF COLUMBUS, MINNESOTA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
For The Year Ended December 31, 2020
With Comparative Totals for the Year Ended December 31, 2019

Statement 5

		2020	2019
Amounts reported for governmental activities in the statement of activities are different because:			
Net changes in fund balances - total governmental funds (Statement 4)		$2,569,504	($522,072)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:			
Capital outlay		2,191,757	1,213,245
Depreciation expense		(461,389)	(373,264)
Current expenditures capitalized		516,025	981,260
Capital outlay not capitalized		(717,003)	(207,825)
Capital contributions		803,554	1,427,620
Transfer of capital assets to business-type activities		(62,236)	(1,248,804)
Gain on trade-in or disposal of capital assets		-	15,000
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:			
Change in delinquent taxes		6,620	2,849
Change in special assessments		(401,207)	(530,245)
Change in loan receivable		(149,267)	918,571
The issuance of long-term debt (e.g. bonds) provides current financial resources for governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The amounts of these differences are:			
Issuance of long-term debt		(3,640,000)	(864,000)
Principal payments on long-term debt		1,281,561	1,072,564
Amortization of bond premium/discount		26,174	(26,175)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. Expenses reported in the statement of activities include the effects of the changes in these expense accruals as follows:			
Change in accrued interest payable		564	21,309
Change in compensated absences payable		(16,444)	(7,722)
Governmental funds report pension contributions as expenditures, however, pension expense is reported in the statement of activities. This is the amount by which pension expense differed from pension contributions:			
Pension contributions	$46,227		
Pension expense	(36,417)	9,810	(13,219)
Change in net position of governmental activities (Statement 2)		$1,958,023	$1,859,092

The accompanying notes are an integral part of these financial statements.

CITY OF COLUMBUS, MINNESOTA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2020
With Comparative Totals for December 31, 2019

Statement 6

	(602) Sewer Fund	(601) Water Fund	Total Enterprise Funds	
			2020	2019
Assets:				
Current assets:				
Cash and investments	$249,829	$94,840	$344,669	$198,131
Accounts receivable - net	21,314	21,894	43,208	89,318
Due from other governments	-	-	-	119,546
Total current assets	271,143	116,734	387,877	406,995
Noncurrent assets:				
Connection charges receivable	-	62,042	62,042	72,339
Capital assets:				
Land	14,500	18,300	32,800	32,800
Construction in progress	-	-	-	91,405
Infrastructure	5,563,785	6,461,758	12,025,543	11,860,338
Less: accumulated depreciation	(1,232,355)	(1,244,322)	(2,476,677)	(2,237,205)
Total capital assets	4,345,930	5,235,736	9,581,666	9,747,338
Total assets	4,617,073	5,414,512	10,031,585	10,226,672
Liabilities:				
Current liabilities:				
Accounts payable	369	3,398	3,767	10,032
Due to other governments	-	3,837	3,837	1,315
Deposits payable	-	3,000	3,000	-
Due to other funds	-	-	-	121,403
Total current liabilities	369	10,235	10,604	132,750
Net position:				
Net investment in capital assets	4,345,930	5,235,736	9,581,666	9,747,338
Unrestricted	270,774	168,541	439,315	346,584
Total net position	$4,616,704	$5,404,277	$10,020,981	$10,093,922

The accompanying notes are an integral part of these financial statements.

CITY OF COLUMBUS, MINNESOTA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For The Year Ended December 31, 2020
With Comparative Totals For the Year Ended December 31, 2019

Statement 7

	(602) Sewer Fund	(601) Water Fund	Total Enterprise Funds	
			2020	2019
Operating revenues:				
Charges for services	$75,470	$92,430	$167,900	$169,242
Service availability charge	3,374	38,391	41,765	125,162
Total operating revenues	78,844	130,821	209,665	294,404
Operating expenses:				
Supplies	7,422	7,759	15,181	10,109
Other services and charges	36,645	53,806	90,451	80,365
Depreciation	110,756	128,716	239,472	210,802
Total operating expenses	154,823	190,281	345,104	301,276
Operating income (loss)	(75,979)	(59,460)	(135,439)	(6,872)
Nonoperating revenue:				
Investment income	255	7	262	517
Income (loss) before capital contributions	(75,724)	(59,453)	(135,177)	(6,355)
Capital contributions:				
Intergovernmental revenue	-	-	-	117,000
Contributions of capital assets	31,118	31,118	62,236	1,276,604
Total capital contributions	31,118	31,118	62,236	1,393,604
Change in net position	(44,606)	(28,335)	(72,941)	1,387,249
Net position - January 1	4,661,310	5,432,612	10,093,922	8,706,673
Net position - December 31	$4,616,704	$5,404,277	$10,020,981	$10,093,922

The accompanying notes are an integral part of these financial statements.

CITY OF COLUMBUS, MINNESOTA
STATEMENT OF CASH FLOWS **Statement 8**
PROPRIETARY FUNDS
For The Year Ended December 31, 2020
With Comparative Totals For the Year Ended December 31, 2019

	(602) Sewer Fund	(601) Water Fund	Total Enterprise Funds	
			2020	2019
Cash flows from operating activities:				
Receipts from customers and users	$95,878	$289,739	$385,617	$58,731
Payment to suppliers	(44,435)	(61,940)	(106,375)	(250,797)
Net cash flows provided by operating activities	51,443	227,799	279,242	(192,066)
Cash flows from noncapital financing activities:				
Advances to/from other funds	-	(121,403)	(121,403)	94,055
Cash flows from capital and related financing activities:				
Acquisition of capital assets	-	(11,563)	(11,563)	(168,476)
Intergovernmental revenue	-	-	-	117,000
Net cash flows provided by (used in) capital and related financing activities	-	(11,563)	(11,563)	(51,476)
Cash flows from investing activities:				
Investment income	255	7	262	517
Net increase in cash and cash equivalents	51,698	94,840	146,538	(148,970)
Cash and cash equivalents - January 1	198,131	-	198,131	347,101
Cash and cash equivalents - December 31	$249,829	$94,840	$344,669	$198,131
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	($75,979)	($59,460)	($135,439)	($6,872)
Adjustment to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	110,756	128,716	239,472	210,802
Changes in assets and liabilities:				
(Increase) decrease in receivables, connection charges receivable	17,034	158,918	175,952	(235,673)
Increase (decrease) in payables, due to other governments, and deposits payable	(368)	(375)	(743)	(160,323)
Total adjustments	127,422	287,259	414,681	(185,194)
Net cash provided by operating activities	$51,443	$227,799	$279,242	($192,066)

Noncash investing, capital and financing activities:
System assets in the amount of $31,118 and $31,118 were contributed to the Sewer Fund and Water Fund respectively in 2020.

The accompanying notes are an integral part of these financial statements.

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Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Columbus, Minnesota (the City) was formed and operates pursuant to applicable Minnesota laws and statutes. The governing body consists of a mayor and four council members. All members are elected on a nonpartisan, at-large basis and serve on a part-time basis. The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units by the Governmental Accounting Standards Board (GASB). The City's significant accounting policies are described below.

A. FINANCIAL REPORTING ENTITY

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the City of Columbus, Minnesota (the primary government) and its component units. Generally, component units are legally separate organizations for which the officials of the primary government are financially accountable.

COMPONENT UNITS

The City has two component units, the Economic Development Authority (EDA) and the Housing and Redevelopment Authority (HRA). Both the EDA and HRA are considered component units because the City is in a relationship of financial benefit or burden with each of the entities and because management of the City has operational responsibilities for the EDA and HRA.

The EDA and HRA component units are presented using the blended method, meaning the financial position and results of operations are reported together with the City's governmental funds using the modified accrual basis of accounting. Blended component units, although legally separate entities, are, in substance, part of the City's operations and so data from these units are combined with data of the primary government. Separate financial statements are not prepared for the EDA or HRA.

The EDA was created by the City to encourage the development of certain properties within the City. The EDA has seven members consisting of five council members, of which the mayor is president, and two at-large members. The City Administrator is the executive director. The EDA shall have all the rights, powers, duties, obligations, and limitations as set forth in Minnesota Statutes, Section 469.090 to 469.108. The HRA has seven Board members consisting of five council members and two at-large members and its activity is confined to the City.

JOINT VENTURE

The Forest Lake Area Joint Fire Board (the Board) was established in accordance with a Joint Powers Agreement entered into between the City of Columbus, Minnesota and the City of Forest Lake, Minnesota. The governing bodies of the two cities each appoint two of the four members of the Board. The Board was created for the public purpose of enabling Members to more effectively to consult and communicate on matters of mutual concern with respect to fire prevention and protection and rescue services, to provide representation for the individual Members with regard to the operation of the Fire Department, and to cooperate in other ways of mutual advantage.

The powers exercised by the Board include the power to approve or amend the operating budget of the Fire Department on an annual basis. The City of Forest Lake shall be responsible for the daily administration and management of the approved budget, including payroll and other expenses incurred in connection with its operation. Members shall pay their pro-rata share of these costs based on each Members' market valuation as a percentage of the total market valuation of all Members. Ownership

of individual capital equipment items exceeding $25,000 is also be based on the Members' pro-rata share. The City of Columbus, Minnesota's pro-rata share as of December 31, 2020 was 20.46%. Separate financial statements are not prepared for the Board.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, normally 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 are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *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 and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major 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. The City does not have any fiduciary funds.

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 all revenues, except reimbursement grants, to be available if they are collected within 60 days of the end of the current fiscal period. Reimbursement grants are considered available if they are collected within one year of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, special assessments, intergovernmental revenues, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable

due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The G*eneral Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Minnesota Investment Fund* accounts for all revenues and expenditures relating to the City's tax increment financing district.

The *Bonds of 2018A Fund* accounts for the debt service payments relating to the general improvement bonds of 2018A.

The *Bonds of 2012A Refunding Portion Debt Service Fund* accounts for the debt service payments relating to the bonds of 2012A.

The *G.O. Tax Abatement Bond Fund* accounts for the debt service payments relating to the 2015 G.O. Tax Abatement Bonds.

The *Public Utilities Project Fund* accounts for the bond proceeds and related expenses for the Southwest Area Sanitary Sewer and Watermain project that began in 2019.

The *EDA Quad 35 Project Fund* accounts for the EDA's development activities.

The *EDA Quad Interfund Loan Fund* accounts for amounts due to the general fund, to be repaid from the proceeds of sales of land that are currently held for resale.

The City reports the following major proprietary funds:

The *Sewer Fund* accounts for the sewer service charges, which are used to finance the sanitary sewer system operating expenses.

The *Water Fund* accounts for the water service charges, which are used to finance the water system operating expenses.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are transactions that would be treated as revenues, expenditures or expenses if they involved external organizations, such as buying goods and services or payments in lieu of taxes, are similarly treated when they involve other funds of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in

connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer proprietary 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. BUDGETS

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for the General and Special Revenue Funds with the exception of the Charitable Gambling Fund and the EDA Tourism Fund. Budgeted expenditure appropriations lapse at year end.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the appropriation, is not employed by the City because it is, at present, not considered necessary to assure effective budgetary control or to facilitate effective cash management.

E. LEGAL COMPLIANCE - BUDGETS

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

2. The City Council conducts a series of workshops for City Council discussion on the proposed budget.

3. A public hearing is conducted to obtain taxpayer comments.

4. Expenditures that have not been budgeted require specific Council approval.

The following is a listing of the General Fund departments whose expenditures exceed budget appropriations:

	Final Budget	Actual	Over Budget
Major Funds:			
General Fund:			
General Government	$762,906	$794,332	$31,426
Public Safety	881,175	1,169,245	288,070
Public Works	970,693	2,683,482	1,712,789
Parks and Recreation	45,536	50,550	5,014

The expenditures exceeding budget were funded by available fund balance.

F. CASH AND INVESTMENTS

Cash and investment balances from all funds are pooled and invested to the extent available in authorized investments. Investment income is allocated to individual funds on the basis of the fund's equity in the cash and investment pool.

Investments are stated at fair value, except for investments in external investment pools that meet GASB 79 requirements, which are stated at amortized cost. Investment income is accrued at the balance sheet date.

G. RECEIVABLES

Uncollectible property taxes, special assessments and other receivables are not material and have not been reported.

H. PROPERTY TAX REVENUE RECOGNITION

The City Council annually adopts a tax levy and certifies it to the county in December (levy/ assessment date) of each year for collection in the following year. The County is responsible for billing and collecting all property taxes for itself, the City, the local school district and other taxing authorities. Such taxes become a lien on January 1 and are recorded as receivables by the City at that date. Real property taxes are payable (by property owners) on May 15 and October 15 of each calendar year. Personal property taxes are payable by taxpayers on February 28 and June 30 of each year. These taxes are collected by the county and remitted to the City on or before July 7 and December 2 of the same year. Delinquent collections for November and December are received the following January. The City has no ability to enforce payment of property taxes by property owners. The county possesses this authority.

GOVERNMENT-WIDE FINANCIAL STATEMENTS
The City recognizes property tax revenue in the period for which the taxes were levied.

GOVERNMENTAL FUND FINANCIAL STATEMENTS
The City recognizes property tax revenue when it becomes both measurable and available to finance expenditures of the current period. In practice, current and delinquent taxes and State credits received by the City in July, December and January are recognized as revenue for the current year. Taxes collected by the County by December 31 (remitted to the City the following January) are classified as due from county taxes receivable. Taxes not collected by the county by December 31 are classified as delinquent taxes receivable. The portion of delinquent taxes not collected by the City in January are fully offset by deferred inflows of resources because they are not available to finance current expenditures.

I. SPECIAL ASSESSMENT REVENUE RECOGNITION

Special assessments are levied against benefited properties for the cost or a portion of the cost of special assessment improvement projects in accordance with state statutes. These assessments are collectible by the City over a term of years usually consistent with the term of the related bond issue. Collection of annual installments (including interest) is handled by the county in the same manner as property taxes. Property owners are allowed to (and often do) prepay future installments without interest or prepayment penalties.

Once a special assessment roll is adopted, the amount attributed to each parcel is a lien upon that property until full payment is made or the amount is determined to be excessive by the City Council or court action. If special assessments are allowed to go delinquent, the property is subject to tax forfeit sale. Proceeds of sales from tax forfeit properties are remitted to the City in payment of delinquent special assessments. Pursuant to state statutes, a property shall be subject to a tax forfeit sale after three years unless it is homesteaded, agricultural or seasonal recreational land in which event the property is subject to such sale after five years.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The City recognizes special assessment revenue in the period that the assessment roll was adopted by the City Council.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Revenue from special assessments is recognized by the City when it becomes measurable and available to finance expenditures of the current fiscal period. In practice, current and delinquent special assessments received by the City are recognized as revenue for the current year. All remaining delinquent and deferred assessments receivable in governmental funds are offset by deferred inflows of resources.

J. INVENTORIES

The original cost of materials and supplies have been recorded as expenditures at the time of purchase (purchases method). The City does not maintain material amounts of inventories of goods or supplies.

K. CAPITAL ASSETS

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the City as all land and other assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. 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. In the case of initial capitalization of general infrastructure assets, the City chose to include only those items constructed after 1980. 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.

Capital assets are depreciated using the straight line method over the following estimated useful lives:

Assets	
Buildings	50 years
Vehicles and equipment	10 years
Roads	30 years
Water and sewer infrastructure	50 years

L. COMPENSATED ABSENCES

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay and accumulated sick leave benefits that are vested as severance pay are accrued when incurred in the government-wide financial statements.

A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. In accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

M. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are amortized over the life of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts 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.

N. FUND BALANCE CLASSIFICATIONS

In the fund financial statements, governmental funds report fund balance in classifications that disclose constraints for which amounts in those funds can be spent. These classifications are as follows:

Nonspendable - consists of amounts that are not in spendable form, such as prepaid items.

Restricted - consists of amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.

Committed - consists of internally imposed constraints. These constraints are established by Resolution of the City Council.

Assigned - consists of internally imposed constraints. These constraints reflect the specific purpose for which it is the City's intended use. These constraints are established by the City Council and/or management.

Unassigned - is the residual classification for the General Fund and also reflects negative residual amounts in other funds.

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

When committed, assigned or unassigned resources are available for use, it is the City's policy to use resources in the following order: 1) committed 2) assigned and 3) unassigned.

O. INTERFUND TRANSACTIONS

Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. Interfund loans are reported as an interfund loan receivable or payable which offsets the movement of cash between funds. All other interfund transactions are reported as transfers.

P. USE OF ESTIMATES

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

Q. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and so will *not* be recognized as an outflow of resources (expense) until then. The City has one item that qualifies for reporting in this category. It is the pension related deferred outflows of resources reported in the government-wide Statement of Net Position.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has pension related deferred inflows of resources reported in the government-wide Statement of Net Position. The government also has a type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental fund balance sheet. The governmental funds report unavailable revenues from property taxes, special assessments and loans receivable.

R. DEFINED BENEFIT PENSION PLAN

For purposes of measuring the net pension liability, deferred outflows and inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to and deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA, 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.

S. COMPARATIVE TOTALS

The basic governmental funds financial statements and the individual fund financial statements and schedules include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended December 31, 2019, from which the summarized information was derived.

T. RECLASSIFICATIONS

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation. See Note 13 for further information regarding the General Fund.

Note 2 DEPOSITS AND INVESTMENTS

A. DEPOSITS

In accordance with Minnesota Statutes, the City maintains deposits at those depository banks authorized by the City Council. All such banks are members of the Federal Reserve System.

Minnesota Statutes require that all City deposits be protected by insurance, surety bond or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by insurance or bonds. Securities pledged as collateral are required to be held in safekeeping by the City Treasurer or in a financial institution other than that furnishing the collateral. Minnesota Statute 118.A.03 identifies allowable forms of collateral.

Custodial Credit Risk – Deposits – the risk that in the event of a bank failure, the City's deposits may not be returned to it. As of December 31, 2020, the bank balance of the City's deposits with financial institutions was $8,224,073 and the carrying amount was $8,034,608. All deposits were covered by federal depository insurance or covered by perfected collateral held in the City's name.

B. INVESTMENTS

Subject to rating, yield, maturity and issuer requirements as prescribed by statute, Minnesota Statutes 118A.04 and 118A.05 authorized the City to invest in United States securities, state and local securities, commercial paper, time deposits, high-risk mortgage-backed securities, temporary general obligation bonds, repurchase agreements, Minnesota joint powers investment trust and guaranteed investment contracts.

As of December 31, 2020, the City had the following investments and maturities:

Investment Type	Rating	Fair Value	Maturity: Less Than 1 Year	Maturity: 1-3 Years
Wells Fargo Money Market Fund	Aaa-mf	$610,195	$610,195	$ -
Brokered certificates of deposit	Not rated	600,051	600,051	-
Federal Nat'l Mortgage Assn note	Aaa	3,749,247	-	3,749,247
Total investments		$4,959,493	$1,210,246	$3,749,247
Total investments				$4,959,493
Deposits				8,034,608
Total cash and investments				$12,994,101

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. The hierarchy has three levels. Level 1 investments are valued using inputs that are based on quoted prices in active markets for identical assets. Level 2 investments are valued using inputs that are based on quoted prices for similar assets or inputs that are observable, either directly or indirectly. Level 3 investments are valued using inputs that are unobservable.

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

Investment Type	12/31/2020	Fair Value Measurement Using: Level 1	Level 2	Level 3
Investments at fair value:				
Brokered certificates of deposit	$600,051	$ -	$600,051	$ -
Federal Nat'l Mortgage Assn note	3,749,247	-	3,749,247	-
		$0	$4,349,298	$0
Investments not categorized:				
Money market funds	610,195			
Total	$4,959,493			

C. INVESTMENT RISKS

Custodial credit risk – investments – For investments in securities, custodial credit risk is the risk that in the event of failure of the counterparty to a transaction, the City will not be able to recover the value of its investment securities that are in the possession of an outside party. Investments in investment pools and money markets are not evidenced by securities that exist in physical or book entry form, and therefore are not subject to custodial credit risk disclosures. The City's investment policy does not address custodial risk. However, investments in securities are held by the City's broker-dealer of which $1,000,000 is insured through SIPC. Each broker-dealer has provided additional protection by providing additional insurance. This insurance is subject to aggregate limits applied to all of the broker-dealers' accounts.

Interest rate risk – Interest rate risk is the risk that changes in interest rates of debt investments could adversely affect the fair value of an investment. The City does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value loss arising from increasing interest rates.

Credit risk – Credit risk is the risk that an issuer or other counterparty to an investment will be unable to fulfill its obligation to the holder of the investment. State law limits investments to those listed in Note 2B. The City's investment policy does not place further restrictions on investment options.

Concentration of credit risk – Concentration of credit risk is the risk of loss that may be attributed to the magnitude of a government's investment in a single issuer. The City places no limit on the amount the City may invest in any one issuer.

As of December 31, 2020, the City's investment in a Federal National Mortgage Association note represented 29% of total cash and investments.

Note 3 RECEIVABLES

Significant receivable balances not expected to be collected within one year of December 31, 2020 are as follows:

	Delinquent Property Taxes	Special Assessments	Loan Receivable	Total
Major funds:				
General Fund	$51,000	$134,000	$ -	$185,000
Minnesota Investment Fund	-	-	643,000	643,000
Bonds of 2018A	-	2,162,000	-	2,162,000
Bonds of 2012A	-	1,337,000	-	1,337,000
Nonmajor funds	-	79,000	-	79,000
Total	$51,000	$3,712,000	$643,000	$4,406,000

Note 4 UNAVAILABLE REVENUE

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of unavailable revenue reported in the governmental funds were as follows:

	Delinquent Property Taxes	Delinquent Special Assessments	Special Assessments Not Yet Due	Loan Receivable	Total
Major funds:					
General Fund	$83,653	$1,643	$148,759	$ -	$234,055
Minnesota Investment Fund	-	-	-	769,304	769,304
Bonds of 2018A	-	59,179	2,190,261	-	2,249,440
Bonds of 2012A	-	21,086	1,515,891	-	1,536,977
Nonmajor funds	-	6,121	91,747	-	97,868
Total	$83,653	$88,029	$3,946,658	$769,304	$4,887,644

Note 5 CAPITAL ASSETS

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

Primary Government	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$571,002	$ -	$ -	$ -	$571,002
Construction in progress	1,169,112	993,194	(1,169,112)	-	993,194
Total capital assets, not being depreciated	1,740,114	993,194	(1,169,112)	0	1,564,196
Capital assets, being depreciated:					
Buildings	2,345,791	93,444	-	-	2,439,235
Roads	7,817,180	2,466,713	-	(62,236)	10,221,657
Vehicles and equipment	1,702,694	410,094	-	-	2,112,788
Total capital assets, being depreciated	11,865,665	2,970,251	0	(62,236)	14,773,680
Less accumulated depreciation for:					
Buildings	881,383	46,922	-	-	928,305
Roads	2,434,732	290,799	-	-	2,725,531
Vehicles and equipment	976,042	123,668	-	-	1,099,710
Total accumulated depreciation	4,292,157	461,389	0	0	4,753,546
Total capital assets being depreciated - net	7,573,508	2,508,862	0	(62,236)	10,020,134
Governmental activities capital assets - net	$9,313,622	$3,502,056	($1,169,112)	($62,236)	$11,584,330

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities:					
Capital assets, not being depreciated:					
Land	$32,800	$ -	$ -	$ -	$32,800
Construction in progress	91,405	-	(91,405)	-	-
Total capital assets, not being depreciated	124,205	0	(91,405)	0	32,800
Capital assets, being depreciated:					
Water infrastructure	6,419,077	11,563	-	31,118	6,461,758
Sewer infrastructure	5,441,261	91,406	-	31,118	5,563,785
Total capital assets being depreciated	11,860,338	102,969	0	62,236	12,025,543
Less accumulated depreciation for:					
Water infrastructure	1,115,606	128,716	-	-	1,244,322
Sewer infrastructure	1,121,599	110,756	-	-	1,232,355
Total accumulated depreciation	2,237,205	239,472	0	0	2,476,677
Total capital assets being depreciated - net	9,623,133	(136,503)	0	62,236	9,548,866
Business-type activities capital assets - net	$9,747,338	($136,503)	($91,405)	$62,236	$9,581,666

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

Governmental activities:	
General government	$15,229
Public safety	14,664
Public works	420,909
Parks and recreation	10,587
Total depreciation expense - governmental activities	$461,389
Business-type activities:	
Water	$128,716
Sewer	110,756
Total depreciation expense - business-type activities	$239,472

Note 6 LONG-TERM DEBT

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. As of December 31, 2020, long-term debt consisted of the following:

	Issue Date	Final Maturity Date	Authorized and Issued	Interest Rate	Outstanding 12/31/2020
Governmental activities:					
G.O. Capital Improvement Bonds of 2010A	8/19/10	2/1/21	$281,000	4.15%	$35,000
G.O. Capital Improvement Bonds of 2012A	4/1/12	4/1/28	795,000	2.00 - 2.75%	460,000
G.O. Capital Improvement Bonds of 2012A - refunding portion (2004A, 2005A, 2006A)	4/1/12	4/1/22	3,270,000	2.00 - 2.15%	495,000
G.O. Capital Improvement Bonds of 2014A	10/2/14	2/1/25	396,000	2.35 - 3.35%	214,000
G.O. Tax Abatement Bonds of 2015A	4/1/15	2/1/36	4,380,000	1.50 - 4.00%	4,060,000
G.O. Capital Improvement Bonds of 2018A - refunding portion (2007A)	10/18/18	2/1/23	545,000	4.00%	340,000
G.O. Capital Improvement Bonds of 2018A - refunding portion (2007B)	10/18/18	2/1/24	1,995,000	3.00 - 4.00%	1,370,000
G.O. Capital Improvement Bonds of 2018A	10/18/18	2/1/33	1,700,000	3.00 - 4.00%	1,605,000
G.O. Tax Abatement Refunding Bonds of 2020A	9/16/20	2/1/36	3,640,000	0.50 - 2.00%	3,640,000
Total bonded indebtedness					12,219,000
Due to State of Minnesota	7/17/19	8/15/26	865,000	0.00%	747,382
Unamortized bond premiums					116,271
Compensated absences payable					70,787
Total long-term debt					$13,153,440

PAYMENTS TO MATURITY

The annual requirement to amortize all debt outstanding at December 31, 2020 is as follows:

	Governmental Activities							
	General Obligation Capital Improvements of 2010A		General Obligation Capital Improvements of 2012A		General Obligation Capital Improvements of 2012A - Refunding Portion		General Obligation Capital Improvements of 2014	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2021	$35,000	$726	$50,000	$11,445	$360,000	$6,503	$40,000	$6,499
2022	-	-	55,000	10,354	135,000	1,447	41,000	5,142
2023	-	-	55,000	9,006	-	-	43,000	3,735
2024	-	-	55,000	7,494	-	-	44,000	2,279
2025	-	-	60,000	5,913	-	-	46,000	770
2026	-	-	60,000	4,263	-	-	-	-
2027	-	-	60,000	2,613	-	-	-	-
2028	-	-	65,000	894	-	-	-	-
2029	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-
2031	-	-	-	-	-	-	-	-
2032	-	-	-	-	-	-	-	-
2033	-	-	-	-	-	-	-	-
2034	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-
2036	-	-	-	-	-	-	-	-
	$35,000	$726	$460,000	$51,982	$495,000	$7,950	$214,000	$18,425

	Governmental Activities							
	General Obligation Tax Abatement Bonds of 2015		General Obligation Capital Capital Improvements of 2018A		General Obligation Capital Improvements of 2018A - 2007A Refunding Portion		General Obligation Capital Improvements of 2018A - 2007B Refunding Portion	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2021	$115,000	$147,644	$100,000	$51,488	$110,000	$11,400	$335,000	$44,550
2022	130,000	144,725	105,000	47,388	115,000	6,900	335,000	31,150
2023	3,815,000	71,550	105,000	43,188	115,000	2,300	345,000	17,550
2024	-	-	110,000	39,438	-	-	355,000	5,325
2025	-	-	115,000	35,488	-	-	-	-
2026	-	-	120,000	31,388	-	-	-	-
2027	-	-	125,000	27,713	-	-	-	-
2028	-	-	125,000	23,963	-	-	-	-
2029	-	-	130,000	20,138	-	-	-	-
2030	-	-	135,000	16,163	-	-	-	-
2031	-	-	140,000	11,863	-	-	-	-
2032	-	-	145,000	7,231	-	-	-	-
2033	-	-	150,000	2,438	-	-	-	-
2034	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-
2036	-	-	-	-	-	-	-	-
	$4,060,000	$363,919	$1,605,000	$357,887	$340,000	$20,600	$1,370,000	$98,575

	Governmental Activities	
	General Obligation Tax Abatement Refunding Bonds of 2020A	
	Principal	Interest
2021	$ -	$46,974
2022	-	53,685
2023	-	53,685
2024	195,000	53,198
2025	205,000	52,044
2026	220,000	50,443
2027	235,000	48,333
2028	250,000	45,720
2029	260,000	42,593
2030	275,000	38,909
2031	295,000	34,555
2032	305,000	29,603
2033	325,000	24,085
2034	340,000	17,930
2035	360,000	11,100
2036	375,000	3,750
	$3,640,000	$606,607

It is not practicable to determine the specific year for payment of accrued compensated absences.

CHANGE IN LONG-TERM LIABILITIES

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

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental activities:					
G.O. Capital Improvement Bonds of 2010A	$68,000	$ -	($33,000)	$35,000	$35,000
G.O. Capital Improvement Bonds of 2012A	510,000	-	(50,000)	460,000	50,000
G.O. Capital Improvement Bonds of 2012A - refunding portion (2004A, 2005A, 2006A)	945,000	-	(450,000)	495,000	360,000
G.O. Capital Improvement Bonds of 2014	253,000	-	(39,000)	214,000	40,000
G.O. Tax Abatement Bonds of 2015	4,160,000	-	(100,000)	4,060,000	115,000
G.O. Capital Improvement Bonds of 2018A - refunding portion (2007A)	445,000	-	(105,000)	340,000	110,000
G.O. Capital Improvement Bonds of 2018A - refunding portion (2007B)	1,690,000	-	(320,000)	1,370,000	335,000
G.O. Capital Improvement Bonds of 2018A	1,700,000	-	(95,000)	1,605,000	100,000
G.O. Tax Abatement Refunding Bonds of 2020A	-	3,640,000	-	3,640,000	-
Total bonded indebtedness	9,771,000	3,640,000	(1,192,000)	12,219,000	1,145,000
Due to State of Minnesota	836,943		(89,561)	747,382	104,382
Unamortized bond premiums	142,445	-	(26,174)	116,271	-
Compensated absences	54,343	37,210	(20,766)	70,787	20,174
Total long-term debt	$10,804,731	$3,677,210	($1,328,501)	$13,153,440	$1,269,556

For the governmental activities, compensated absences are generally liquidated by the General Fund. All long-term bonded indebtedness outstanding at December 31, 2020 is backed by the full faith and credit of the City. Delinquent assessments receivable at December 31, 2020 were $88,029.

ADVANCED CROSSOVER REFUNDING

On September 16, 2020, the City issued $3,640,000 of General Obligation Tax Abatement Refunding Bonds, Series 2020A with an average interest rate of 1.65% to advance refund $3,670,000 of outstanding 2015A Series Bonds with an average interest rate of 3.89%. The net proceeds, along with $250,000 of cash on hand, were used to purchase U.S. government securities in the amount of $3,790,806. Those securities were deposited in an irrevocable trust with an escrow agent to provide for the interest on the refunding bonds before the crossover date and called principal on the refunded bonds on February 1, 2023.

The City advance refunded the 2015A General Obligation Tax Abatement Bonds to reduce its total debt service payments over the last 13 years of the bond by $459,523 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of $362,647.

The City is responsible for the debt service of the refunded bonds through the crossover date (February 1, 2023) and the debt service of the refunding bonds after the crossover date. The debt service of the refunding bonds before the crossover date is payable from the escrow account. Assets held with the escrow agent were $3,749,247 as of December 31, 2020.

The financial statements present each bond issue and the escrow account assets pursuant to GASB No. 7. The effect on the financial statements is to report greater debt than, in substance, the City will be responsible for paying.

The Refunding Bonds of 2020A are crossover refunding bonds whereby the City and the escrow agent are responsible for debt service payments as follows:

Year Ending December 31,	Refunded Bonds Total	Refunding Bonds Total	Debt Service Commitment	
			Escrow Account	City
2021	$262,644	$46,975	$46,975	$262,644
2022	274,725	53,685	53,685	274,725
2023	3,886,550	53,685	3,696,843	243,392
2024	-	248,198	-	248,198
2025	-	257,044	-	257,044
2026	-	270,443	-	270,443
2027	-	283,333	-	283,333
2028	-	295,720	-	295,720
2029	-	302,592	-	302,592
2030	-	313,909	-	313,909
2031	-	329,555	-	329,555
2032	-	334,603	-	334,603
2033	-	349,085	-	349,085
2034	-	357,930	-	357,930
2035	-	371,100	-	371,100
2036	-	378,750	-	378,750
Total	$4,423,919	$4,246,607	$3,797,503	$4,873,023

LOAN RECEIVABLE / DUE TO STATE OF MINNESOTA

During 2019, the Minnesota Department of Employment and Economic Development (DEED) provided a Minnesota Investment Fund loan in the amount of $964,500 to a private developer. DEED requires that the City act as a pass-through lender for the loan. A $964,500 revenue and expenditure was recorded in the City's MN Investment Fund during 2019 to account for this transaction.

The loan requires the developer to repay the City the $964,500 in 84 monthly payments of $11,482 through August 2026. As of December 31, 2020, the balance of the loan receivable was $769,304.

Upon receiving payment from the developer, the City is obligated to repay a portion of the loan proceeds to DEED (presented as Due to the State of Minnesota in the schedule above). In total, the City must repay $864,500 and is entitled to retain the remaining $100,000. The City is only obligated to make payments from the funds it collects from the developer. As of December 31, 2020, the balance of the loan payable was $747,382.

The interest rate on both the loan receivable and loan payable is 0%. The following schedule summarizes future anticipated payments of the loan receivable and payable:

	Loan Receivable	Loan Payable	Portion Retained by City
2021	$126,304	$104,382	$21,922
2022	137,786	137,786	-
2023	137,786	137,786	-
2024	137,786	137,786	-
2025	137,786	137,786	-
2026	91,856	91,856	-
	$769,304	$747,382	$21,922

PLEDGED REVENUE

Future revenue pledged for the payment of long-term debt is as follows:

Bond Issue	Use of Proceeds	Revenue Pledged			Remaining Principal and Interest	Current Year	
		Type	Percent of Total Debt Service	Term of Pledge		Principal and Interest Paid	Pledged Revenue Received
2010A	Infrastructure Improvements	Special Assessments	100%	2010 - 2021	$35,726	$35,137	$20,312
2012A	Infrastructure Improvements	Property Taxes	100%	2012-2028	$511,982	$61,094	$69,556
2012A	Refunding of 2004, 2005A and 2006 Infrastructure Improvements	Special Assessments	100%	2012-2022	$502,950	$465,952	$315,215
2014A	Infrastructure Improvements	Special Assessments	100%	2014-2023	$232,425	$46,627	$22,952
2015A	Refunding of 2010 Land Purchase	Property Taxes	100%	2015 - 2022	$753,919 (excluding escrow portion)	$249,938	$296,366
2018A	Utility Improvements	Special Assessments	100%	2019-2032	$1,962,887	$150,388	$80,210
2018A	Refunding of 2007A Infrastructure Improvements	Property Taxes	100%	2018-2022	$360,600	$120,700	$104,777
2018A	Refunding of 2007B Infrastructure Improvements	Property Taxes Special Assessments	62% 38%	2018-2023 2018-2023	$1,468,575	$234,143 $143,507	$208,587 $67,569
2020A	Refunding of 2015A Tax Abatement Bonds	Property Taxes Land sale proceeds (as available)	100%	2023-2035	$4,246,607	$0	$0

CONDUIT DEBT OBLIGATIONS

Conduit debt obligations are certain limited-obligation revenue bonds or similar debt instruments issued for the express purpose of providing capital financing for a specific third party. The City has issued various Industrial Development Revenue Bonds to provide funding to private-sector entities for projects deemed to be in the public interest. Although these bonds bear the name of the City, the City has no obligation for such debt. As of December 31, 2020, there were Senior Housing Revenue Refunding Bonds for the City of Richfield with an original issue amount of $19.5 million and Charter School Lease Revenue Bonds for New Millennium Academy with an original issue amount of $18 million outstanding. The aggregate principal amount payable for the series could not be determined.

Note 7 DEFINED BENEFIT PENSION PLAN

A. PLAN DESCRIPTION

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

All full-time and certain part-time employees of the City are covered by the General Employees Retirement Fund (GERF). GERF 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.

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

Benefit increases are provided to benefit recipients each January. 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.

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

contributions to the GERF for the year ended December 31, 2020 were $46,227. The City's contributions were equal to the required contributions as set by state statute.

D. PENSION COSTS

At December 31, 2020, the City reported a liability of $503,618 for its proportionate share of GERF'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 $15,603. 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 proportion 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 0.0084% at the end of the measurement period and 0.0075% for the beginning of the period.

City's proportionate share of the net pension liability	$503,618
State of Minnesota's proportionate share of the net pension liability associated with the City	15,603
Total	$519,221

For the year ended December 31, 2020, the City recognized pension expense of $36,417 for its proportionate share of the GERF's pension expense. In addition, the City recognized an additional $1,358 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of $16 million to the GERF.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$4,602	$1,905
Changes in actuarial assumptions	-	18,967
Net collective difference between projected and actual investment earnings	5,295	-
Changes in proportion	62,650	-
Contributions paid to PERA subsequent to the measurement date	23,339	-
Total	$95,886	$20,872

The $23,339 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 end December 31, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	Pension Expense
2021	($630)
2022	18,178
2023	21,960
2024	12,167
2025	-
Thereafter	-

The net pension liability will be liquidated by the general fund.

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 GERF.

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 for GERF was completed in 2019. The assumption changes were adopted by the Board and become effective with the July 1, 2020 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2020:

Changes in Actuarial Assumptions:

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- As recommended in the June 30, 2019 experience study, assumed salary increase rates were decreased 0.25% and assumed rates of retirement were changed resulting in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements. Assumed rates of termination and disability were also changed.
- The base mortality tables were changed from RP-2014 tables to Pub-2010 tables, 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 & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & 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% after. 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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
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%
Total	100%	

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 the rate set in Minnesota statutes. Based on that assumption, the fiduciary net position of the GERF 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:

	1% Decrease in Discount Rate (6.5%)	Discount Rate (7.5%)	1% Increase in Discount Rate (8.5%)
Proportionate share of the GERF net pension liability	$807,126	$503,618	$253,249

H. 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 at www.mnpera.org.

Note 8 INTERFUND TRANSFERS AND LOANS

Interfund transfers during the year ended December 31, 2020 are as follows:

	Transfers In			
	General Fund	Bonds of 2018A	Nonmajor	Total
Transfers out:				
General Fund	$ -	$161,162	$54,138	$215,300
EDA Quad 35 Project	52,815	-	-	52,815
Nonmajor	14,000	-	-	14,000
Total	$66,815	$161,162	$54,138	$282,115

Interfund transfers allow the City to allocate financial resources to the funds that receive benefit from services provided by another fund. All of the City's interfund transfers fall under that category.

As of December 31, 2020, the EDA Quad Interfund Loan Fund owed the General Fund $705,316. The interfund loan will be repaid using proceeds from EDA land sales. In addition, in order to cover temporary cash deficits, the Public Utilities Project Fund and the 2018 TIF District 1-1 Fund owed the General Fund $301,478 and $12,202, respectively, as of December 31, 2020.

Note 9 FUND BALANCE

A. CLASSIFICATIONS

At December 31, 2020, a summary of the governmental fund balance classifications are as follows:

	General Fund	MN Investment Fund	Bonds of 2018A	Bonds of 2012A - Refunding Portion	G.O. Tax Abatement Bond Fund	Public Utilities Project Fund	EDA Quad 35 Project Fund	EDA Quad Interfund Loan Fund	Other Governmental Funds	Total
Nonspendable										
Due from other funds	$705,316	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$705,316
Restricted for:										
Debt service	-	-	678,129	329,332	5,228,461	-	2,695,222	-	348,773	9,279,917
NE quad project	-	-	-	-	-	-	-	-	329,569	329,569
Economic development	-	78,102	-	-	-	-	-	-	-	78,102
City tourism / marketing	-	-	-	-	-	-	-	-	16,762	16,762
Community services	-	-	-	-	-	-	-	-	6,331	6,331
Parks	-	-	-	-	-	-	-	-	37,463	37,463
Total restricted	0	78,102	678,129	329,332	5,228,461	0	2,695,222	0	738,898	9,748,144
Committed for:										
Debt service	-	-	-	-	-	-	-	-	45,579	45,579
Public works	1,589,933	-	-	-	-	-	-	-	80,147	1,670,080
Public safety	176,825	-	-	-	-	-	-	-	9,606	186,431
Parks	-	-	-	-	-	-	-	-	66,720	66,720
Watershed activities	-	-	-	-	-	-	-	-	10,605	10,605
Economic development	-	-	-	-	-	-	-	-	406,349	406,349
Total committed	1,766,758	0	0	0	0	0	0	0	619,006	2,385,764
Unassigned	2,980,792	-	-	-	-	(302,129)	-	(705,316)	(12,202)	1,961,145
Total	$5,452,866	$78,102	$678,129	$329,332	$5,228,461	($302,129)	$2,695,222	($705,316)	$1,345,702	$14,800,369

B. MINIMUM UNASSIGNED FUND BALANCE POLICY

The City council has formally adopted a policy regarding the minimum unassigned fund balance for the General Fund. The most significant revenue source of the General Fund is property taxes. This revenue source is received in two installments during the year – June and December. As such, it is the City's practice to begin each fiscal year with sufficient working capital to fund operations between each semi-annual receipt of property taxes.

The policy establishes a year-end target of 50% of the operating budget for the General Fund.

At December 31, 2020, the targeted and actual fund balance was:

	Target	Actual
General Fund (unassigned)	$1,531,268	$2,980,792

C. DEFICIT FUND BALANCES

The City has deficit fund balances at December 31, 2020 as follows:

Fund	Amount
EDA Quad Interfund Loan Fund	($705,316)
2018 TIF District 1-1	(12,202)
Public Utilities Project Fund	(302,129)

The EDA Interfund Loan Fund deficit will be eliminated through future land sales and the TIF District 1-1 will be eliminated through the collection of tax increment which began in 2020. The Public Utilities Project Fund deficit will be eliminated using remaining funds from the NE Quad Project Fund.

Note 10 COMMITMENTS AND CONTINGENCIES

A. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions and natural disasters for which the City carries commercial insurance policies. The City retains risk for the deductible portions of the 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 fiscal years.

B. LITIGATION

Management has indicated that existing and pending lawsuits, claims and other actions in which the City is a defendant are either covered by insurance; of an immaterial amount; or, remotely recoverable by plaintiffs, with the exception of property tax and assessment appeals. The outcome of these appeals cannot be determined at this time.

C. FEDERAL AND STATE FUNDS

The City receives financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the applicable fund. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2020.

D. TAX INCREMENT FINANCING DISTRICTS

The City has one Tax Increment Financing district pursuant to Minnesota Statutes 469.174 to 469.176, subdivision 4c, of the TIF act through a Minnesota Investment Fund loan agreement. The agreement is not a general obligation of the City and is payable solely by JP Ecommerce, Inc. Details of the loan are as follows:

TIF District #1-1, Bare Home:
The loan was funded through a Minnesota Department of Employment and Economic Development (MN DEED) Minnesota Investment Fund loan issued in 2019 in the principal sum of $964,500 with 0% interest. Principal in the amount of $11,482 is to be paid to the City by JP Ecommerce, Inc. on the 15th of each month, with a total of 10% of the loan payments to be retained by the City to create a revolving improvement fund, and the remainder to be repaid to MN DEED. The funding provides payment for property acquisition and site improvement and renovation for the purpose of creating or retaining employment positions within the City that enhance economic growth. At December 31, 2020, the principal amount outstanding on the loan receivable was $769,304.

Note 11 OPERATING LEASES - LESSOR

The City receives revenue from an agreement for the lease of land for antennas. The current term of the lease is through 2024. The lessee has the option to renew the lease for an additional 5 year term through 2029. Lease payments increase 3% per year. For the year ended December 31, 2020, the City recognized $19,352 of lease revenue. Future minimum lease payments are as follows:

2021	$19,933
2022	20,531
2023	21,147
2024	21,781
Total	$83,392

Note 12 RECENTLY ISSUED ACCOUNTING STANDARDS

The Governmental Accounting Standards Board (GASB) recently approved the following statements which were not implemented for these financial statements:

Statement No. 87 *Leases.* The provisions of this Statement are effective for reporting periods beginning after June 15, 2021.

Statement No. 91 *Conduit Debt Obligations.* The provisions of this Statement are effective for reporting periods beginning after December 15, 2021.

Statement No. 92 *Omnibus 2020.* The provisions of this Statement are effective for reporting periods beginning after June 15, 2021.

Statement No. 93 *Replacement of Interbank Offered Rates*. The provisions of this Statement contain multiple effective dates, the first being for reporting periods beginning after June 15, 2020.

Statement No. 94 *Public-Private and Public-Public Partnerships and Availability Payment Arrangements.* The provisions of this Statement are effective for reporting periods beginning after June 15, 2022.

Statement No. 96 *Subscription – Based Information Technology Arrangements.* The provisions of this Statement are effective for reporting periods beginning after June 15, 2022.

The effect these standards may have on future financial statements is not determinable at this time, but it is expected that Statement No. 87 may have a material impact.

Note 13 GENERAL FUND PRESENTATION

For the year ended December 31, 2020, the City elected to combine the General Fund (100), the Public Works Fund (120), the Blacktop Maintenance Fund (125), the Transportation Studies Fund (126), the Public Safety Fund (142) and the Parks and Recreation Fund (150) for reporting purposes. Collectively, the funds are presented as the General Fund. Previously, each fund was displayed separately in the financial statements.

Fund balance of each individual fund as of December 31, 2019 was as follows:

	Fund Balance 12/31/2019
General Fund (100)	$3,469,979
Public Works Fund (120)	555,920
Blacktop Maintenance Fund (125)	1,213,867
Transportation Studies Fund (126)	194,322
Public Safety Fund (142)	767,820
Parks and Recreation Fund (150)	147,768
General Fund balance - January 1, 2020, as presented in these financial statements	$6,349,676

Note 14 SUBSEQUENT EVENT

On July 29, 2021, the City issued $1,485,000 of General Obligation Street Reconstruction and Refunding Bonds, Series 2021A. The bonds bear interest rates of 2.00% to 3.00% and contain a final maturity date of February 1, 2042. $1,080,000 of the proceeds will be used to finance improvements to Hornsby Street, while $405,000 of the proceeds will be used to refund certain principal amounts of the General Obligation Bonds of 2012A.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF COLUMBUS, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
For The Year Ended December 31, 2020
With Comparative Actual Amounts For The Year Ended December 31, 2019

	Budgeted Amounts		2020 Actual Amounts	Variance with Final Budget - Positive (Negative)	2019 Actual Amounts
	Original	Final			
Revenues:					
General property taxes	$2,677,994	$2,497,000	$2,468,543	($28,457)	$2,224,288
Licenses and permits	145,700	145,700	246,762	101,062	202,460
Intergovernmental:					
State:					
PERA aid	916	916	-	(916)	916
Property tax credits and aids	4,500	4,500	6,055	1,555	5,290
Grants	-	-	1,014,597	1,014,597	-
County:					-
Recycling	18,000	18,000	13,612	(4,388)	27,993
Other	-	-	25,932	25,932	4,803
Total intergovernmental	23,416	23,416	1,060,196	1,036,780	39,002
Special assessments	-	-	21,243	21,243	20,323
Investment income	5,600	5,600	6,571	971	13,955
Contributions and donations	81,500	81,500	85,000	3,500	81,534
Miscellaneous:					
Public hearing	200	200	6,600	6,400	1,000
County fine revenues	32,500	32,500	13,536	(18,964)	38,445
Title searches and plats	250	250	600	350	1,011
Senior center board	3,600	3,600	50	(3,550)	2,100
Cable TV franchise fees	15,000	15,000	17,320	2,320	17,017
Refunds and reimbursements	-	-	20	20	101,035
Other	20,550	20,550	22,843	2,293	79,326
Total miscellaneous	72,100	72,100	60,969	(11,131)	239,934
Total revenues	3,006,310	2,825,316	3,949,284	1,123,968	2,821,496
Expenditures:					
General government:					
General:					
Office and computer supplies	14,000	14,000	11,753	2,247	12,672
Postage	2,000	2,000	1,918	82	1,662
Mileage	1,600	1,600	6	1,594	869
Dues	4,500	4,500	4,657	(157)	4,599
Legal notices and ads	2,500	2,500	968	1,532	2,040
Copy machine	3,000	3,000	5,804	(2,804)	4,385
Seminars/publications	3,500	3,500	50	3,450	1,800
Community events	1,000	1,000	-	1,000	586
Truth in taxation	2,000	2,000	1,192	808	-
Miscellaneous	34,000	34,000	27,425	6,575	28,663
Cable franchise reimbursement	13,000	13,000	15,720	(2,720)	15,354
Total general	81,100	81,100	69,493	11,607	72,630

See accompanying notes to the required supplementary information.

	Budgeted Amounts		2020 Actual Amounts	Variance with Final Budget - Positive (Negative)	2019 Actual Amounts
	Original	Final			
Expenditures: (continued)					
General government: (continued)					
Payroll expenses:					
City Council	$20,600	$20,600	$23,574	($2,974)	$22,138
Administrative wages	307,000	307,000	313,881	(6,881)	284,833
Medical insurance	44,950	44,950	45,796	(846)	36,589
PERA, FICA, DCP	44,050	44,050	50,773	(6,723)	46,533
Total payroll expenses	416,600	416,600	434,024	(17,424)	390,093
Other general government expenses:					
Bank charges	750	750	930	(180)	454
Audit	27,500	27,500	33,818	(6,318)	29,105
Engineer:					
General	10,000	10,000	11,864	(1,864)	8,628
Reimbursable	-	-	-	-	26,422
Attorney:					
Criminal	15,500	15,500	16,007	(507)	15,583
Civil	75,000	75,000	88,478	(13,478)	80,613
Reimbursable	-	-	677	(677)	56,264
Planning:					
Planning commission	2,000	2,000	1,973	27	2,265
Planner	15,000	15,000	4,537	10,463	9,336
Reimbursable	-	-	-	-	18,357
Comp plan and ordinances	20,000	20,000	16,543	3,457	29,192
Assessor	25,000	25,000	22,645	2,355	23,702
Tax appeals	5,000	5,000	9,822	(4,822)	28,041
City Hall:					
Electricity, phone, heating, maint.	39,700	39,700	51,427	(11,727)	42,549
Senior center	11,200	11,200	6,059	5,141	1,734
Recycling	9,200	9,200	5,947	3,253	18,643
Youth service and other services	356	356	-	356	356
Total other general government	256,206	256,206	270,727	(14,521)	391,244
Total general government - current	753,906	753,906	774,244	(20,338)	853,967
Capital outlay - general government	9,000	9,000	20,088	(11,088)	1,381
Total general government	762,906	762,906	794,332	(31,426)	855,348

See accompanying notes to the required supplementary information.

	Budgeted Amounts		2020 Actual Amounts	Variance with Final Budget - Positive (Negative)	2019 Actual Amounts
	Original	Final			
Expenditures: (continued)					
Public safety:					
Animal control	$500	$500	$75	$425	$514
Building inspector	210,675	210,675	188,780	21,895	117,724
Contract services	544,450	544,450	800,441	(255,991)	511,090
Building permit surcharge	-	-	-	-	5,662
Miscellaneous	15,550	15,550	13,866	1,684	266
Total public safety - current	771,175	771,175	1,003,162	(231,987)	635,256
Capital outlay - public safety	110,000	110,000	166,083	(56,083)	36,621
Total public safety	881,175	881,175	1,169,245	(288,070)	671,877
Public works:					
Payroll expenses:					
Wages	234,000	234,000	240,517	(6,517)	228,636
Medical insurance	46,320	46,320	52,136	(5,816)	46,048
PERA, FICA, DCP	37,550	37,550	36,978	572	35,835
Electricity, phone, heating, maintenance	16,000	16,000	13,566	2,434	46,534
Blacktop maintenance	55,000	55,000	369,279	(314,279)	31,003
Supplies	112,625	112,625	118,797	(6,172)	73,395
Miscellaneous	79,535	79,535	55,202	24,333	61,890
Total public works - current	581,030	581,030	886,475	(305,445)	523,341
Capital outlay - public works	389,663	389,663	1,797,007	(1,407,344)	453,096
Total public works	970,693	970,693	2,683,482	(1,712,789)	976,437
Parks & recreation:					
Contract services	40,136	40,136	48,248	(8,112)	36,093
Supplies	4,700	4,700	1,744	2,956	2,280
Miscellaneous	700	700	558	142	6,826
Total parks and recreation	45,536	45,536	50,550	(5,014)	45,199
Total expenditures	2,660,310	2,660,310	4,697,609	(2,037,299)	2,548,861
Revenues over expenditures	346,000	165,006	(748,325)	(913,331)	272,635
Other financing sources (uses):					
Transfers in	14,000	14,000	66,815	52,815	123,100
Transfers out	(360,000)	(360,000)	(215,300)	144,700	(97,100)
Total other financing sources (uses)	(346,000)	(346,000)	(148,485)	197,515	26,000
Net change in fund balance	$0	($180,994)	(896,810)	($715,816)	298,635
Fund balance - January 1			6,349,676		6,051,041
Fund balance - December 31			$5,452,866		$6,349,676

See accompanying notes to the required supplementary information.

CITY OF COLUMBUS, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY -
GENERAL EMPLOYEES RETIREMENT FUND
For The Last Ten Years

Statement 10

Measurement Date June 30	Fiscal Year Ending December 31	City's Proportionate (Percentage) of the Net Pension Liability	City's Proportionate Share (Amount) of the Net Pension Liability (a)	State's Proportionate Share (Amount) of the Net Pension Liability Associated with City (b)	Total (a+b)	Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a percentage of its Covered Payroll ((a+b)/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	2015	0.0072%	$373,141	$ -	$373,141	$424,273	87.9%	78.2%
2016	2016	0.0072%	584,604	7,641	592,245	445,790	132.9%	68.9%
2017	2017	0.0070%	446,875	5,657	452,532	454,030	99.7%	75.9%
2018	2018	0.0072%	399,426	13,214	412,640	485,546	85.0%	79.5%
2019	2019	0.0075%	414,658	12,833	427,491	530,407	80.6%	80.2%
2020	2020	0.0084%	503,618	15,603	519,221	598,914	86.7%	79.1%

The schedule is provided prospectively beginning with the City's fiscal year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

See accompanying notes to the required supplementary information.

CITY OF COLUMBUS, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION **Statement 11**
SCHEDULE OF PENSION CONTRIBUTIONS - GENERAL EMPLOYEES RETIREMENT FUND
For The Last Ten Years

Fiscal Year Ending December 31	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
2015	$31,955	$31,955	$ -	$426,065	7.5%
2016	33,383	33,383	-	445,115	7.5%
2017	34,659	34,659	-	462,120	7.5%
2018	37,770	37,770	-	503,598	7.5%
2019	42,781	42,781	-	570,410	7.5%
2020	46,227	46,227	-	616,351	7.5%

The schedule is provided prospectively beginning with the City's fiscal year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

See accompanying notes to the required supplementary information.

Note A LEGAL COMPLIANCE – BUDGETS

The General and major Special Revenue Funds budgets are legally adopted on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control is at the department level for the General Fund and at the fund level for the major Special Revenue Funds.

Note B PENSION INFORMATION

PERA – General Employees Retirement Fund

2020 Changes in Actuarial Assumptions:

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- As recommended in the June 30, 2019 experience study, assumed salary increase rates were decreased 0.25% and assumed rates of retirement were changed resulting in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements. Assumed rates of termination and disability were also changed.
- The base mortality tables were changed from RP-2014 tables to Pub-2010 tables, 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 & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

2020 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% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2019 Changes in Actuarial Assumptions:

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

2019 Changes in the 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 in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.00% per year through 2044 and 2.50% per year thereafter to 1.25% per year.

2017 Changes in Actuarial Assumptions:

- The Combined Service Annuity (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, 15.0% for vested deferred member liability and 3.0% 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.

2016 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, and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

CITY OF COLUMBUS, MINNESOTA
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GENERAL FUND **Statement 12**
For The Year Ended December 31, 2020
With Comparative Totals For the Year Ended December 31, 2019

	2020	2019
Revenues:		
General property taxes	$2,468,543	$2,224,288
Licenses and permits	246,762	202,460
Intergovernmental	1,060,196	39,002
Special assessments	21,243	20,323
Investment income	6,571	13,955
Contributions and donations	85,000	81,534
Miscellaneous	60,969	239,934
Total revenues	3,949,284	2,821,496
Expenditures:		
Current:		
General government	774,244	853,967
Public safety	1,003,162	671,877
Public works	886,475	523,341
Parks and recreation	50,550	45,199
Capital outlay	1,983,178	454,477
Total expenditures	4,697,609	2,548,861
Revenues over expenditures	(748,325)	272,635
Other financing sources (uses):		
Transfers in	66,815	123,100
Transfers out	(215,300)	(97,100)
Total other financing sources (uses)	(148,485)	26,000
Net change in fund balance	(896,810)	298,635
Fund balance - January 1	6,349,676	6,051,041
Fund balance - December 31	$5,452,866	$6,349,676

CITY OF COLUMBUS, MINNESOTA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2020
With Comparative Totals For December 31, 2019

Statement 13

	Special Revenue	Debt Service	Capital Project	Total Nonmajor Governmental Funds	
				2020	2019
Assets:					
Cash and investments	$431,628	$389,257	$520,455	$1,341,340	$1,508,141
Accounts receivable	2,496	-	-	2,496	1,703
Property taxes receivable	9,128	5,095	6,024	20,247	11,229
Special assessments receivable	-	97,868	-	97,868	133,116
Total assets	$443,252	$492,220	$526,479	$1,461,951	$1,654,189
Liabilities, Deferred Inflows of Resources, and Fund Balance					
Liabilities:					
Accounts payable	$2,986	$ -	$2,974	$5,960	$41,707
Due to other governments	-	-	-	-	210,181
Salaries payable	219	-	-	219	-
Due to other funds	-	-	12,202	12,202	16,054
Total liabilities	3,205	0	15,176	18,381	267,942
Deferred inflows of resources:					
Unavailable revenue	-	97,868	-	97,868	133,116
Fund balance:					
Restricted	23,093	348,773	367,032	738,898	712,879
Committed	416,954	45,579	156,473	619,006	556,306
Unassigned	-	-	(12,202)	(12,202)	(16,054)
Total fund balance	440,047	394,352	511,303	1,345,702	1,253,131
Total liabilities, deferred inflows of resources, and fund balance	$443,252	$492,220	$526,479	$1,461,951	$1,654,189

CITY OF COLUMBUS, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For The Year Ended December 31, 2020
With Comparative Totals For the Year Ended December 31, 2019

Statement 14

	Special Revenue	Debt Service	Capital Project	Total Nonmajor Governmental Funds	
Revenues:				2020	2019
General property taxes	$177,029	$71,046	$117,199	$365,274	$383,737
Tax increment collections	-	-	6,839	6,839	-
Special assessments	-	43,264	-	43,264	56,927
Investment income	789	387	931	2,107	4,412
Contributions and donations	3,300	-	-	3,300	3,165
Hotel lodging taxes	16,762	-	-	16,762	-
Miscellaneous	12,423	-	6,542	18,965	23,983
Total revenues	210,303	114,697	131,511	456,511	472,224
Expenditures:					
Current:					
Public safety	-	-	-	-	3,953
Public works	10,068	-	2,294	12,362	11,904
Parks and recreation	852	-	-	852	-
Economic development	38,927	-	-	38,927	60,549
Capital outlay	-	-	208,579	208,579	722,147
Debt service:					
Principal	-	125,191	-	125,191	121,596
Interest and other	-	17,667	-	17,667	22,799
Fiscal and other charges	-	500	-	500	501
Total expenditures	49,847	143,358	210,873	404,078	943,449
Revenues over (under) expenditures	160,456	(28,661)	(79,362)	52,433	(471,225)
Other financing sources (uses):					
Transfers in	-	-	54,138	54,138	-
Transfers out	(14,000)	-	-	(14,000)	(76,000)
Total other financing sources (uses)	(14,000)	0	54,138	40,138	(76,000)
Net change in fund balance	146,456	(28,661)	(25,224)	92,571	(547,225)
Fund balance - January 1	293,591	423,013	536,527	1,253,131	1,800,356
Fund balance - December 31	$440,047	$394,352	$511,303	$1,345,702	$1,253,131

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CITY OF COLUMBUS, MINNESOTA
SUBCOMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
December 31, 2020
With Comparative Totals For December 31, 2019

	(230) Charitable Gambling	(240) Economic Development Authority	(241) EDA HRA Levy
Assets			
Cash and investments	$7,418	$227,750	$170,531
Accounts receivable	1,419	-	-
Property taxes receivable	-	3,975	4,792
Total assets	$8,837	$231,725	$175,323
Liabilities and Fund Balance			
Liabilities:			
Accounts payable	$2,506	$480	$ -
Salaries payable	-	219	-
Total liabilities	2,506	699	0
Fund balance:			
Restricted	6,331	-	-
Committed	-	231,026	175,323
Total fund balance	6,331	231,026	175,323
Total liabilities and fund balance	$8,837	$231,725	$175,323

(245) EDA Tourism	(250) Sunrise River WMO Fund	Total Nonmajor Special Revenue Funds	
		2020	2019
$15,685	$10,244	$431,628	$317,014
1,077	-	2,496	1,703
-	361	9,128	5,189
$16,762	$10,605	$443,252	$323,906
$ -	$ -	$2,986	$30,315
-	-	219	-
0	0	3,205	30,315
16,762	-	23,093	9,946
-	10,605	416,954	283,645
16,762	10,605	440,047	293,591
$16,762	$10,605	$443,252	$323,906

CITY OF COLUMBUS, MINNESOTA
SUBCOMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
For The Year Ended December 31, 2020
With Comparative Totals For the Year Ended December 31, 2019

	(230) Charitable Gambling	(240) Economic Development Authority	(241) EDA HRA Levy
Revenues:			
General property taxes	$ -	$74,374	$91,622
Investment income	467	229	89
Contributions and donations	-	3,300	-
Hotel lodging taxes	-	-	-
Miscellaneous	12,423	-	-
Total revenues	12,890	77,903	91,711
Expenditures:			
Current:			
Public safety	-	-	-
Public works	-	6	-
Parks and recreation	-	852	-
Economic development	2,505	36,422	-
Total expenditures	2,505	37,280	0
Revenues over expenditures	10,385	40,623	91,711
Other financing (uses):			
Transfers out	(14,000)	-	-
Net change in fund balance	(3,615)	40,623	91,711
Fund balance - January 1	9,946	190,403	83,612
Fund balance - December 31	$6,331	$231,026	$175,323

(245) EDA Tourism	(250) Sunrise River WMO Fund	Total Nonmajor Special Revenue Funds	
		2020	2019
$ -	$11,033	$177,029	$179,858
-	4	789	1,112
-	-	3,300	3,165
16,762	-	16,762	-
-	-	12,423	20,592
16,762	11,037	210,303	204,727
-	-	-	3,953
-	10,062	10,068	9,877
-	-	852	-
-	-	38,927	60,549
0	10,062	49,847	74,379
16,762	975	160,456	130,348
-	-	(14,000)	(76,000)
16,762	975	146,456	54,348
-	9,630	293,591	239,243
$16,762	$10,605	$440,047	$293,591

CITY OF COLUMBUS, MINNESOTA
SUBCOMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
December 31, 2020
With Comparative Totals For December 31, 2019

Statement 17

	(310) 2010A Improvement Bonds	(314) 2014A Improvement Bonds	(340) Hornsby 2012A Improvement Bonds	(375) Bond Reserve Fund	Total Nonmajor Debt Service Funds	
Assets					2020	2019
Cash and investments	$11,707	$140,497	$191,474	$45,579	$389,257	$419,710
Property taxes receivable	-	-	5,095	-	5,095	3,303
Special assessments receivable	10,367	85,444	-	2,057	97,868	133,116
Total assets	$22,074	$225,941	$196,569	$47,636	$492,220	$556,129
Liabilities, Deferred Inflows of Resources, and Fund Balance						
Liabilities	$ -	$ -	$ -	$ -	$ -	$ -
Deferred inflows of resources:						
Unavailable revenue	10,367	85,444	-	2,057	97,868	133,116
Fund balance:						
Restricted	11,707	140,497	196,569	-	348,773	377,490
Committed	-	-	-	45,579	45,579	45,523
Total Fund balance	11,707	140,497	196,569	45,579	394,352	423,013
Total liabilities, deferred inflows of resources, and fund balance	$22,074	$225,941	$196,569	$47,636	$492,220	$556,129

CITY OF COLUMBUS, MINNESOTA
SUBCOMBINING STATEMENT OF REVENUES, **Statement 18**
EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR DEBT SERVICE FUNDS
For The Year Ended December 31, 2020
With Comparative Totals For the Year Ended December 31, 2019

	(310) 2010A Improvement Bonds	(314) 2014A Improvement Bonds	(340) Hornsby 2012A Improvement Bonds	(375) Bond Reserve Fund	Total Nonmajor Debt Service Funds	
					2020	2019
Revenues:						
General property taxes	$ -	$1,490	$69,556	$ -	$71,046	$110,621
Special assessments	20,312	22,952	-	-	43,264	56,927
Investment income	9	171	151	56	387	894
Total revenues	20,321	24,613	69,707	56	114,697	168,442
Expenditures:						
Debt service:						
Principal	33,000	39,000	53,191	-	125,191	121,596
Interest and other	2,137	7,627	7,903	-	17,667	22,799
Fiscal and other charges	-	500	-	-	500	501
Total expenditures	35,137	47,127	61,094	0	143,358	144,896
Net change in fund balance	(14,816)	(22,514)	8,613	56	(28,661)	23,546
Fund balance - January 1	26,523	163,011	187,956	45,523	423,013	399,467
Fund balance - December 31	$11,707	$140,497	$196,569	$45,579	$394,352	$423,013

CITY OF COLUMBUS, MINNESOTA
SUBCOMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
December 31, 2020
With Comparative Totals For December 31, 2019

	(401) Road and Bridge Capital Fund	(402) Fire Hall Capital Fund	(403) Park Capital Expenditure Fund
Assets			
Cash and investments	$72,410	$9,099	$29,272
Property taxes receivable	5,395	507	122
Total assets	$77,805	$9,606	$29,394
Liabilities and Fund Balance			
Liabilities:			
Accounts payable	$25	$ -	$ -
Due to other governments	-	-	-
Due to other funds	-	-	-
Total liabilities	25	0	0
Fund balance (deficit):			
Restricted	-	-	-
Committed	77,780	9,606	29,394
Unassigned	-	-	-
Total fund balance (deficit)	77,780	9,606	29,394
Total liabilities and fund balance	$77,805	$9,606	$29,394

(404) Park Land Fund	(405) 2018 TIF District 1-1	(420/421) NE Quad Project Fund	Total Nonmajor Capital Project Funds	
			2020	2019
$74,789	$ -	$334,885	$520,455	$771,417
-	-	-	6,024	2,737
$74,789	$0	$334,885	$526,479	$774,154
$ -	$ -	$2,949	$2,974	$11,392
-	-	-	-	210,181
-	12,202	-	12,202	16,054
0	12,202	2,949	15,176	237,627
37,463	-	329,569	367,032	335,389
37,326	-	2,367	156,473	217,192
-	(12,202)	-	(12,202)	(16,054)
74,789	(12,202)	331,936	511,303	536,527
$74,789	$0	$334,885	$526,479	$774,154

CITY OF COLUMBUS, MINNESOTA
SUBCOMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR CAPITAL PROJECT FUNDS
For The Year Ended December 31, 2020
With Comparative Totals For the Year Ended December 31, 2019

	(401) Road and Bridge Capital Fund	(402) Fire Hall Capital Fund	(403) Park Capital Expenditure Fund
Revenues:			
General property taxes	$104,949	$9,871	$2,379
Tax increment collections	-	-	-
Investment income	144	36	37
Miscellaneous	-	-	3,492
Total revenues	105,093	9,907	5,908
Expenditures:			
Public works:			
Capital outlay/project costs	140,740	34,770	6,831
Other	-	-	-
Total expenditures	140,740	34,770	6,831
Revenues over (under) expenditures	(35,647)	(24,863)	(923)
Other financing sources (uses):			
Transfer in	-	-	-
Net change in fund balance	(35,647)	(24,863)	(923)
Fund balance - January 1	113,427	34,469	30,317
Fund balance - December 31	$77,780	$9,606	$29,394

(404) Park Land Fund	(405) 2018 TIF District 1-1	(420/421) NE Quad Project Fund	Total Nonmajor Capital Project Funds	
			2020	2019
$ -	$ -	$ -	$117,199	$93,258
-	6,839	-	6,839	-
61	-	653	931	2,406
3,050	-	-	6,542	3,391
3,111	6,839	653	131,511	99,055
31,746	1,960	(7,468)	208,579	722,147
-	1,027	1,267	2,294	2,027
31,746	2,987	(6,201)	210,873	724,174
(28,635)	3,852	6,854	(79,362)	(625,119)
54,138	-	-	54,138	-
25,503	3,852	6,854	(25,224)	(625,119)
49,286	(16,054)	325,082	536,527	1,161,646
$74,789	($12,202)	$331,936	$511,303	$536,527

CITY OF COLUMBUS, MINNESOTA
SPECIAL REVENUE FUND - (240) ECONOMIC DEVELOPMENT AUTHORITY **Statement 21**
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For The Year Ended December 31, 2020
With Comparative Actual Amounts For The Year Ended December 31, 2019

	2020				2019
	Budgeted Amounts		Actual	Variance with Final Budget - Positive	Actual
	Original	Final	Amounts	(Negative)	Amounts
Revenues:					
General property taxes	$79,900	$79,900	$74,374	($5,526)	$78,716
Investment income	-	-	229	229	444
Contributions and donations	3,300	3,300	3,300	-	3,165
Total revenues	83,200	83,200	77,903	(5,297)	82,325
Expenditures:					
Economic development	44,700	44,700	37,280	7,420	60,549
Revenues over expenditures	38,500	38,500	40,623	2,123	21,776
Other financing sources (uses):					
Transfers out	(38,500)	(38,500)	-	38,500	-
Net change in fund balance	$0	$0	40,623	$40,623	21,776
Fund balance - January 1			190,403		168,627
Fund balance - December 31			$231,026		$190,403

CITY OF COLUMBUS, MINNESOTA
SPECIAL REVENUE FUND - (241) EDA HRA LEVY **Statement 22**
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For The Year Ended December 31, 2020
With Comparative Actual Amounts For The Year Ended December 31, 2019

	2020				2019
	Budgeted Amounts		Actual	Variance with Final Budget - Positive	Actual
	Original	Final	Amounts	(Negative)	Amounts
Revenues:					
General property taxes	$92,000	$92,000	$91,622	($378)	$90,433
Investment income	-	-	89	89	149
Total revenues	92,000	92,000	91,711	(289)	90,582
Expenditures:					
Economic development	-	-	-	-	-
Revenues over (under) expenditures	92,000	92,000	91,711	(289)	90,582
Other financing sources (uses):					
Transfers out	(92,000)	(92,000)	-	92,000	(50,000)
Net change in fund balance	$0	$0	91,711	$91,711	40,582
Fund balance - January 1			83,612		43,030
Fund balance - December 31			$175,323		$83,612

CITY OF COLUMBUS, MINNESOTA
SPECIAL REVENUE FUND - (250) SUNRISE RIVER WMO FUND **Statement 23**
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For The Year Ended December 31, 2020
With Comparative Actual Amounts For The Year Ended December 31, 2019

	2020				2019
	Budgeted Amounts		Actual	Variance with Final Budget - Positive	Actual
	Original	Final	Amounts	(Negative)	Amounts
Revenues:					
General property taxes	$11,700	$11,700	$11,033	($667)	$10,709
Investment income	-	-	4	4	11
Total revenues	11,700	11,700	11,037	(663)	10,720
Expenditures:					
Public works	11,700	11,700	10,062	1,638	9,877
Revenues over expenditures	$0	$0	975	$975	843
Fund balance - January 1			9,630		8,787
Fund balance - December 31			$10,605		$9,630