



*Lighting the path forward*

# City of Harmony

2023 Financial Statement Audit

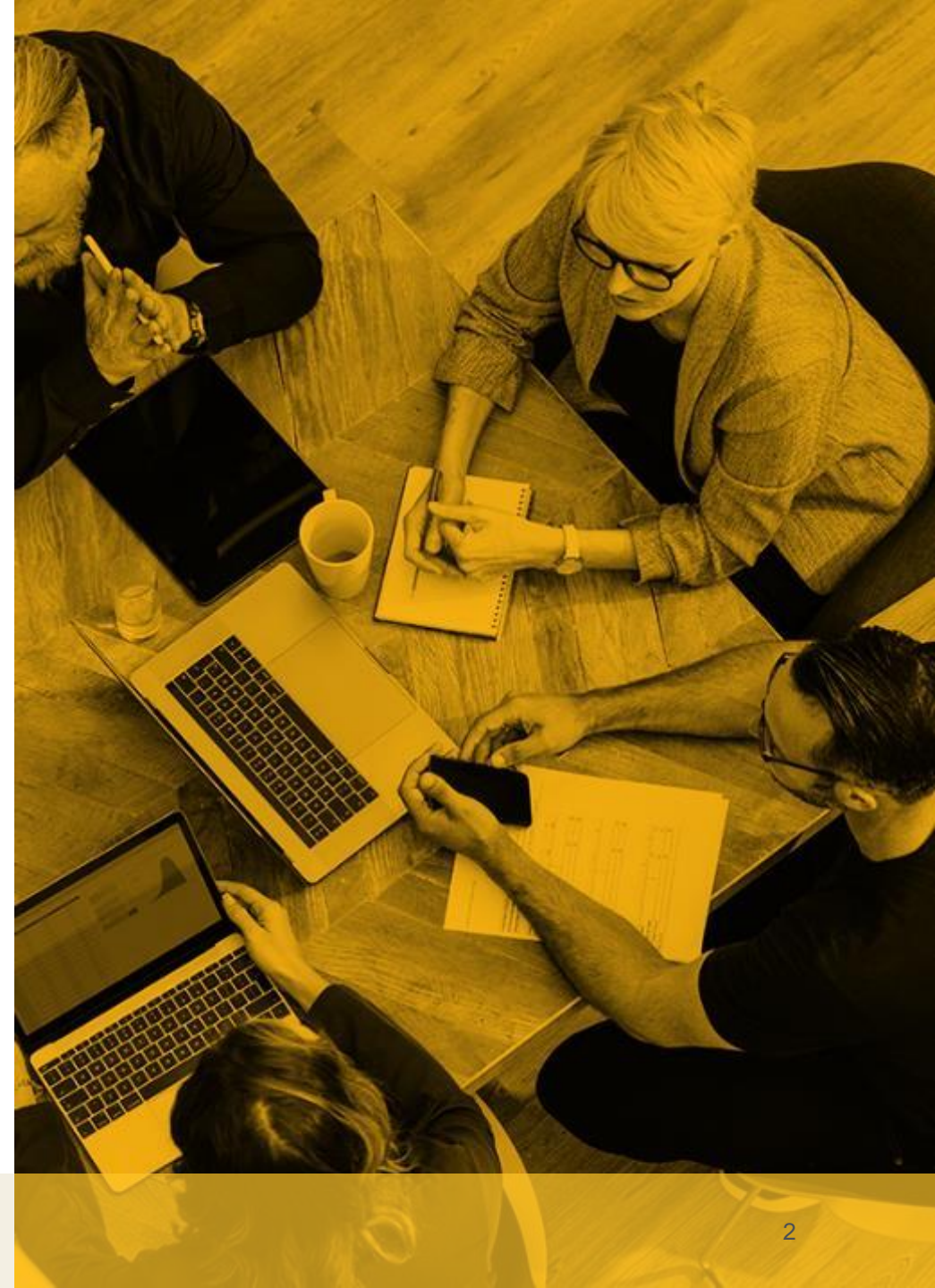
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# Introduction

- Audit Results
- General Fund Results
- Other Governmental Funds
- Enterprise Funds
- Key Performance Indicators



# Audit Results

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## Auditor's Opinion



Qualified Opinion  
under GAAP

## Minnesota Legal Compliance



No instances of  
noncompliance



# Audit Results

## 2023 Audit Findings

- Preparation of Financial Statements
  - Internal Control Finding
- Limited Segregation of Duties
  - Internal Control Finding



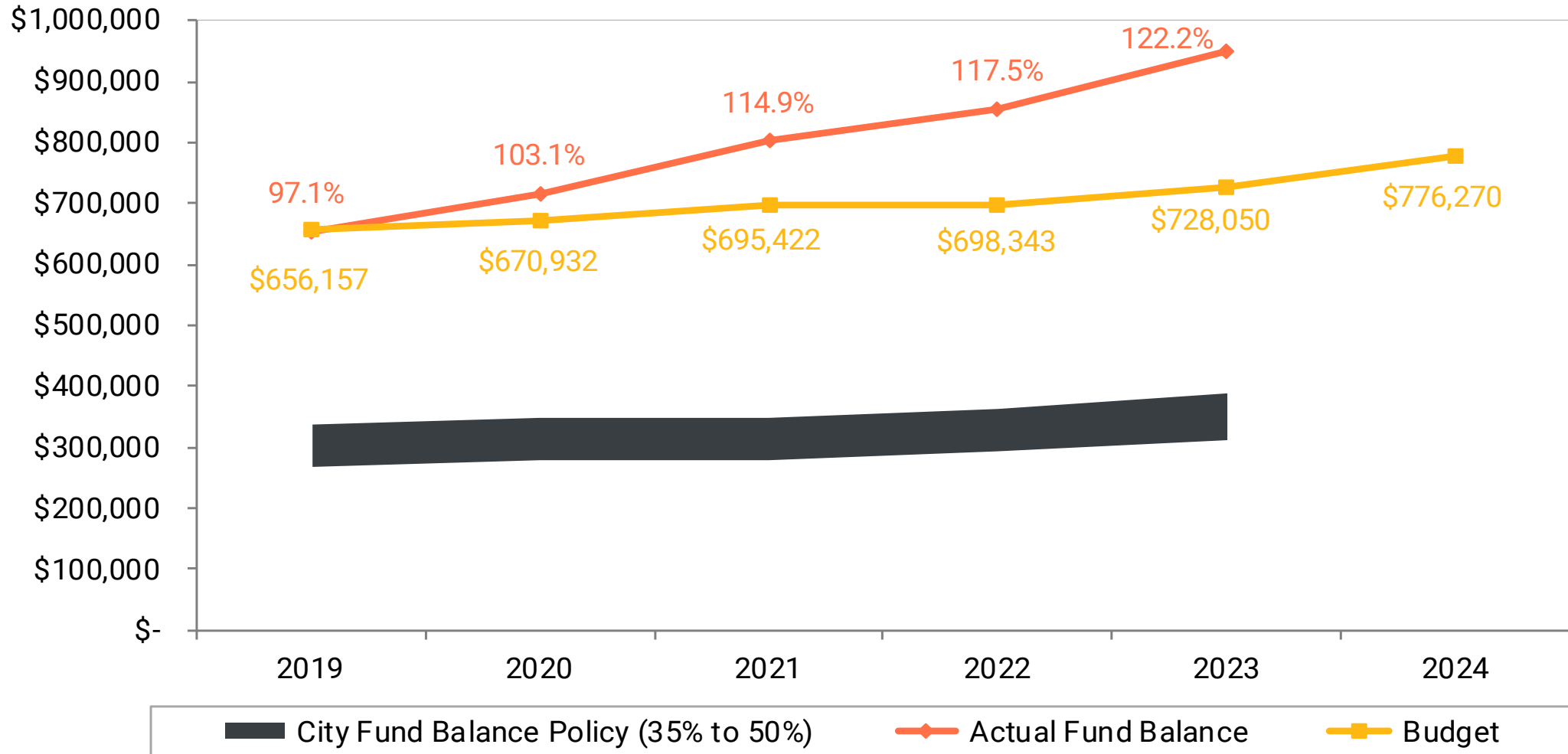
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# Results from Prior Year 2022 Audit Findings

- Preparation of Financial Statements
  - Internal Control Finding
- Limited Segregation of Duties
  - Internal Control Finding
- Material Audit Adjustments
  - Internal Control Finding



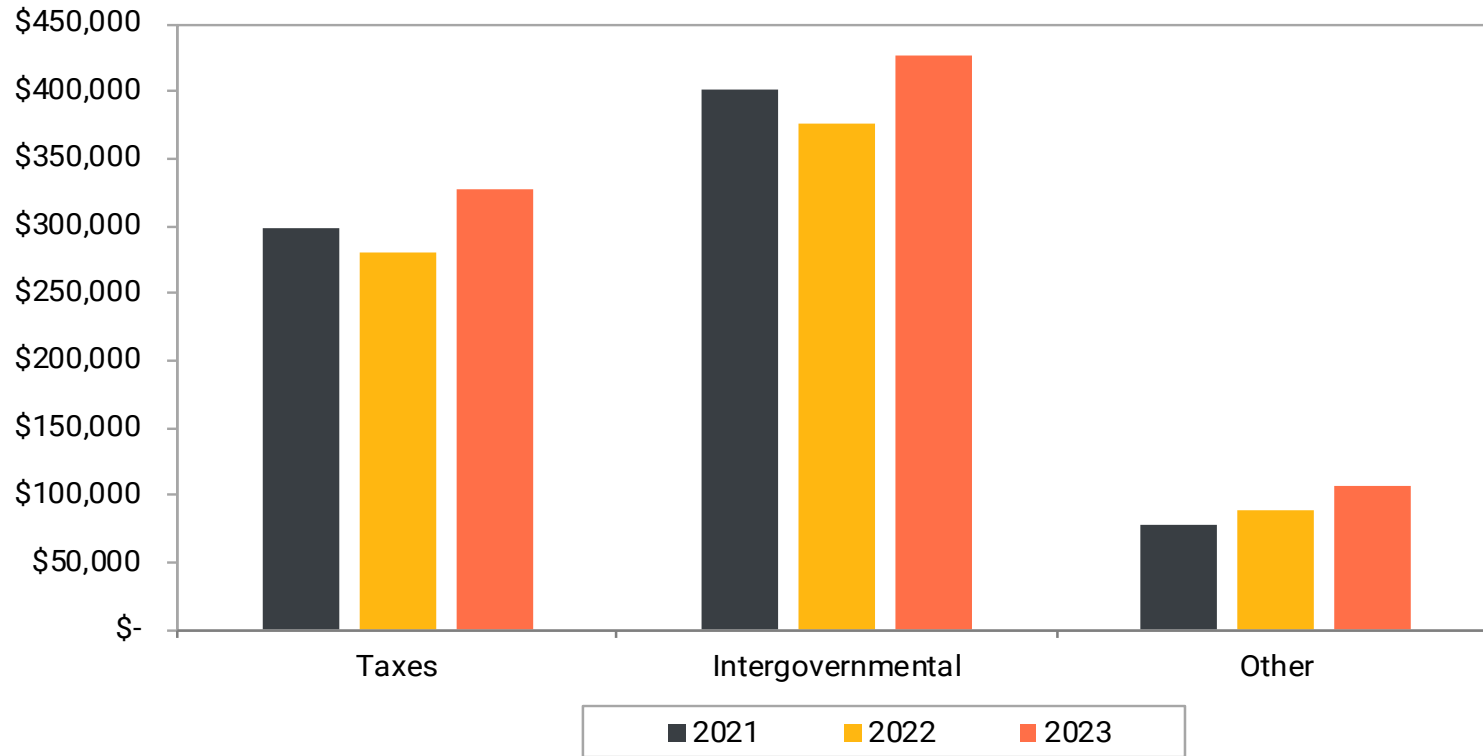
# General Fund - Fund Balances



# General Fund Budget to Actual

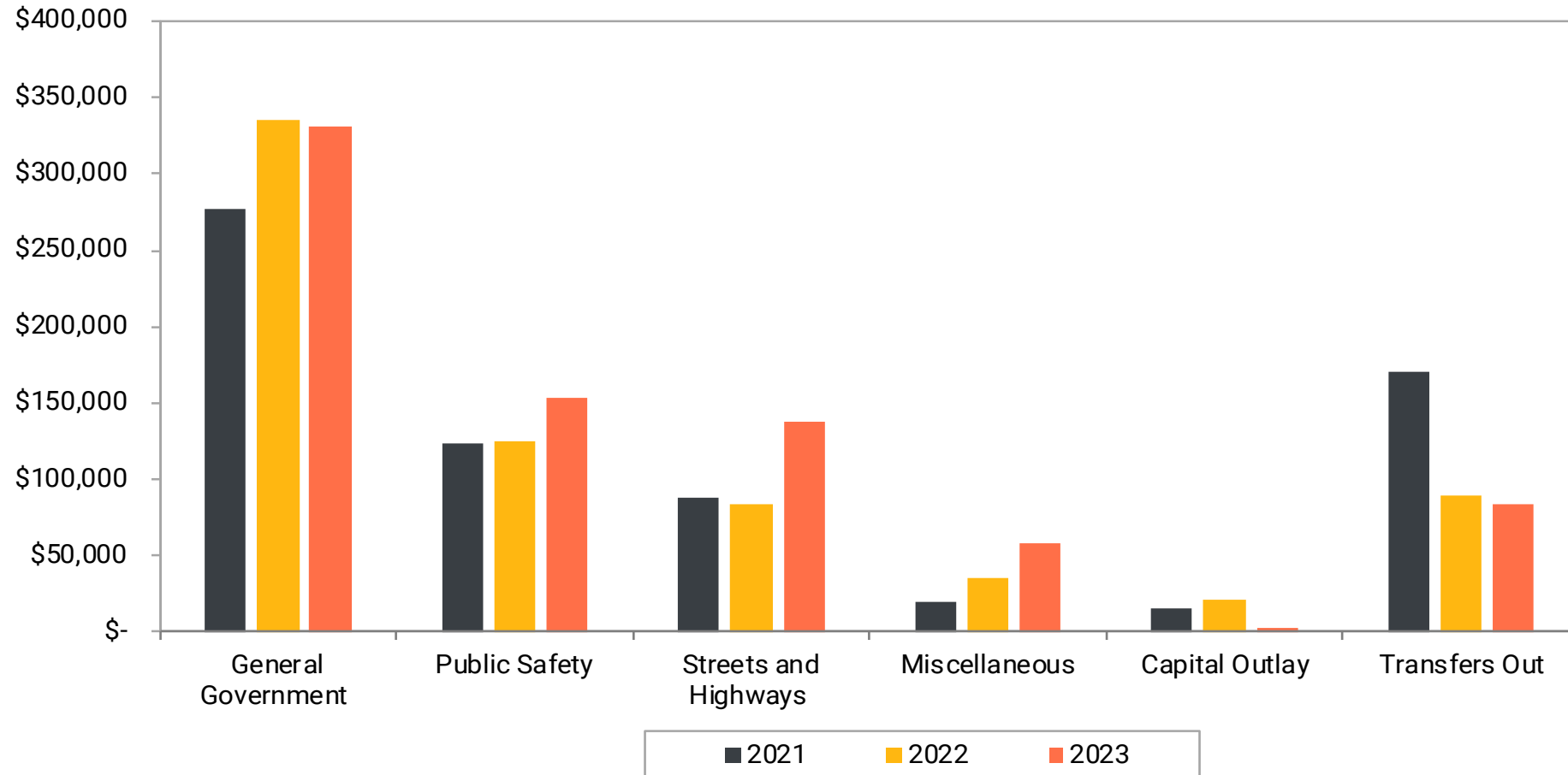
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues	\$ 718,050	\$ 851,160	\$ 133,110
Expenditures	<u>644,550</u>	<u>684,011</u>	<u>(39,461)</u>
Excess of Revenues Over Expenditures	<u>73,500</u>	<u>167,149</u>	<u>93,649</u>
Other Financing Sources (Uses)			
Transfers in	10,000	10,000	-
Transfers out	<u>(83,500)</u>	<u>(83,500)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(73,500)</u>	<u>(73,500)</u>	<u>-</u>
Net Change in Fund Balances	-	93,649	93,649
Fund Balances, January 1	<u>855,181</u>	<u>855,181</u>	<u>-</u>
Fund Balances, December 31	<u><u>\$ 855,181</u></u>	<u><u>\$ 948,830</u></u>	<u><u>\$ 93,649</u></u>

# General Fund Revenues by Type

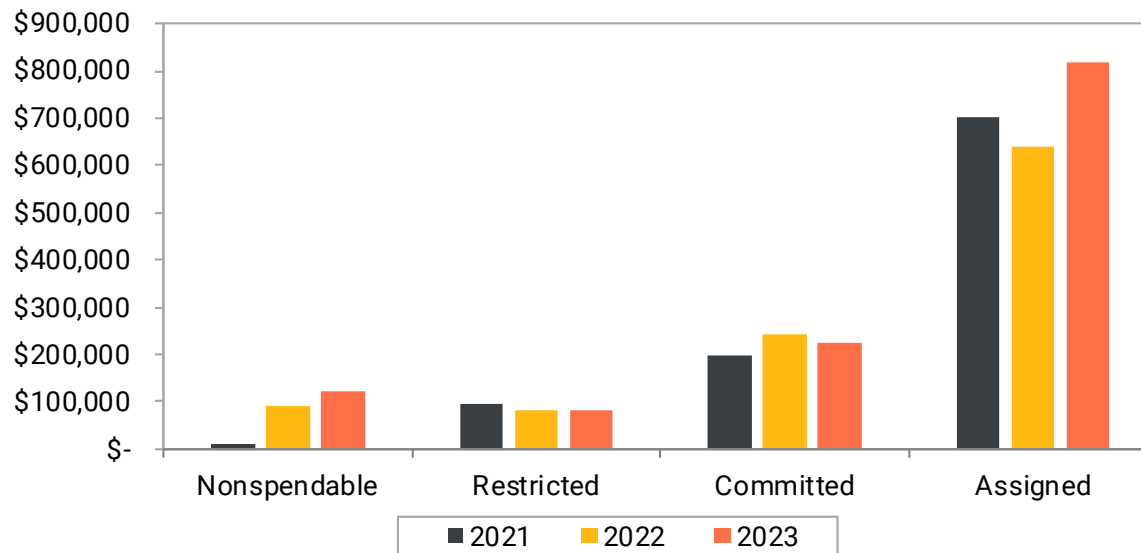




# General Fund Expenditures by Type

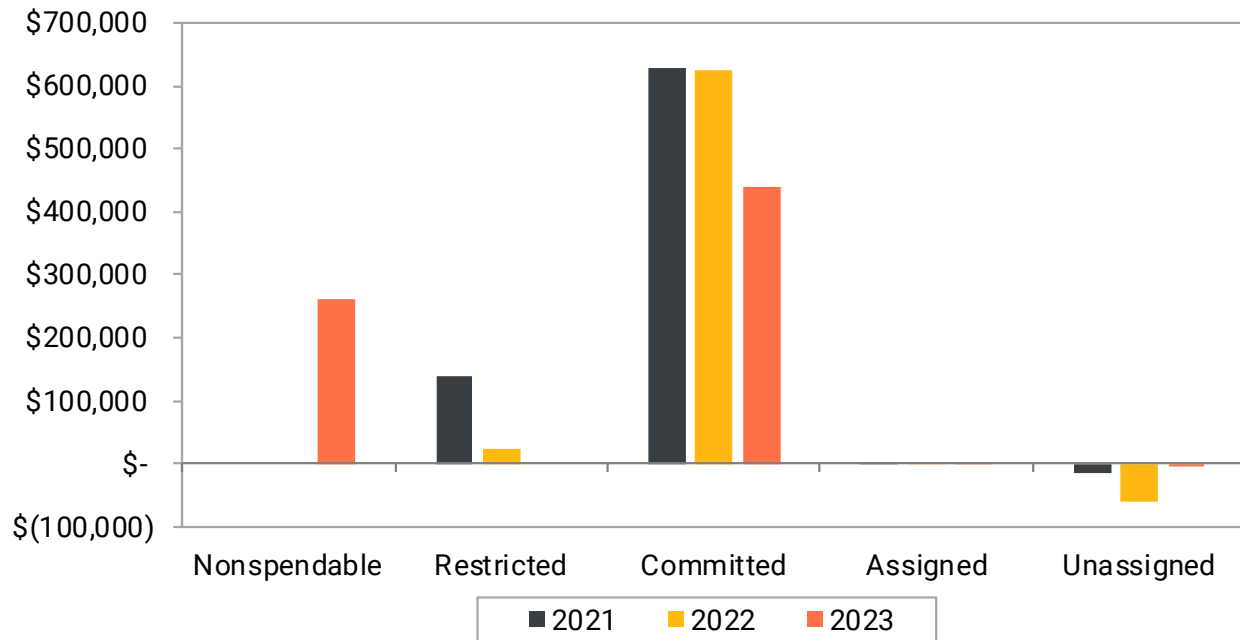


Fund	Fund Balances December 31		Increase (Decrease)
	2023	2022	
<b>Major</b>			
Ambulance	\$ 316,353	\$ 217,718	\$ 98,635
Economic Development Authority	276,904	202,877	74,027
<b>Total Major</b>	<b>593,257</b>	<b>420,595</b>	<b>172,662</b>
<b>Nonmajor</b>			
Revolving Loan	380,426	368,610	11,816
Library Fund	34,170	29,436	4,734
Fire	65,592	67,269	(1,677)
Park Fund	81,235	60,997	20,238
Arts Fund	14,230	14,169	61
<b>Total Nonmajor</b>	<b>656,695</b>	<b>633,232</b>	<b>23,463</b>
<b>Total Fund Balances</b>	<b>\$ 1,249,952</b>	<b>\$ 1,053,827</b>	<b>\$ 196,125</b>



# Special Revenue Fund Balances

Fund	Fund Balances December 31		Increase (Decrease)
	2023	2022	
Major			
Capital Projects	\$ 701,358	\$ 646,005	\$ 55,353
Nonmajor			
TIF District #7	-	(54,057)	54,057
TIF District #8	(6,251)	(6,251)	-
Trailhead Project	141	139	2
Total Nonmajor	<u>695,248</u>	<u>585,836</u>	<u>54,059</u>
 Total Fund Balances	<u>\$ 695,248</u>	<u>\$ 585,836</u>	<u>\$ 109,412</u>

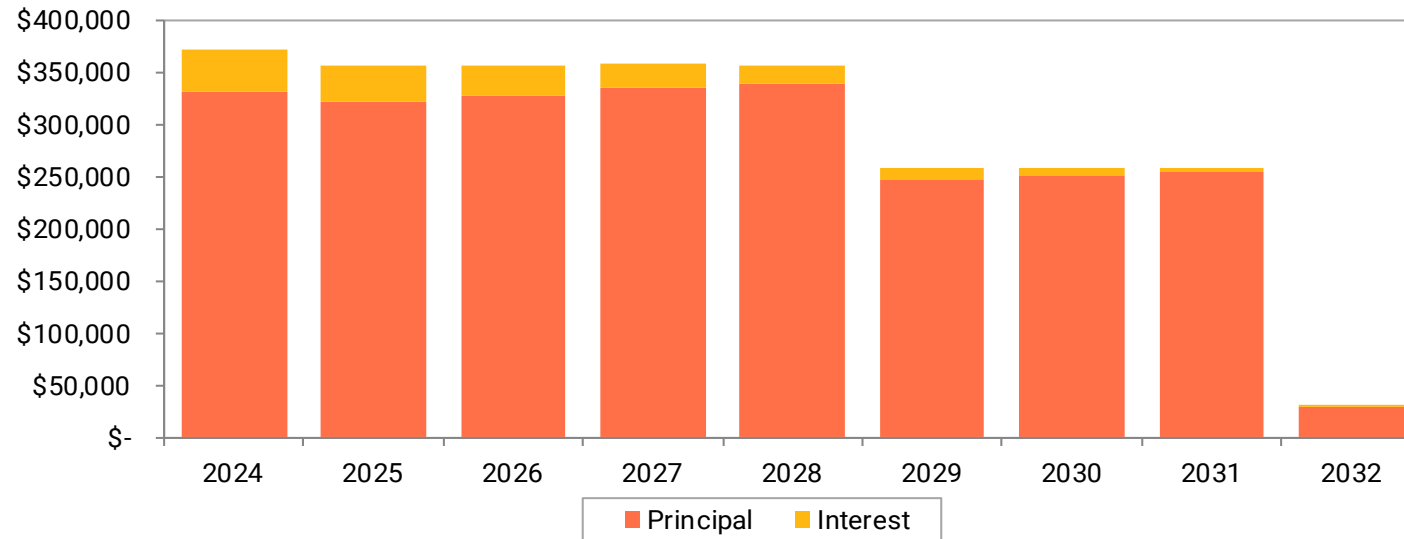


# Capital Project Fund Balances

Description	Total Cash and Investments	Total Assets	Bonds Outstanding	Year of Maturity
G.O. Special Assessment Bonds				
318 G.O. Improvement Notes of 2017A	\$ 221,335	\$ 299,720	\$ 1,629,600	2028
319 G.O. Improvement Bonds of 2020	394,961	593,036	483,000	2031
321 G.O. Tax Increment Loans of 2021A/B	18,482	18,482	314,267	2032
315 G.O. Tax Abatement Refunding Bonds of 2013A	37,944	37,944	16,000	2024
<b>Total</b>	<b>\$ 672,722</b>	<b>\$ 949,182</b>	<b>\$ 2,442,867</b>	
			<b>\$ 167,338</b>	

Total Remaining Interest Payments

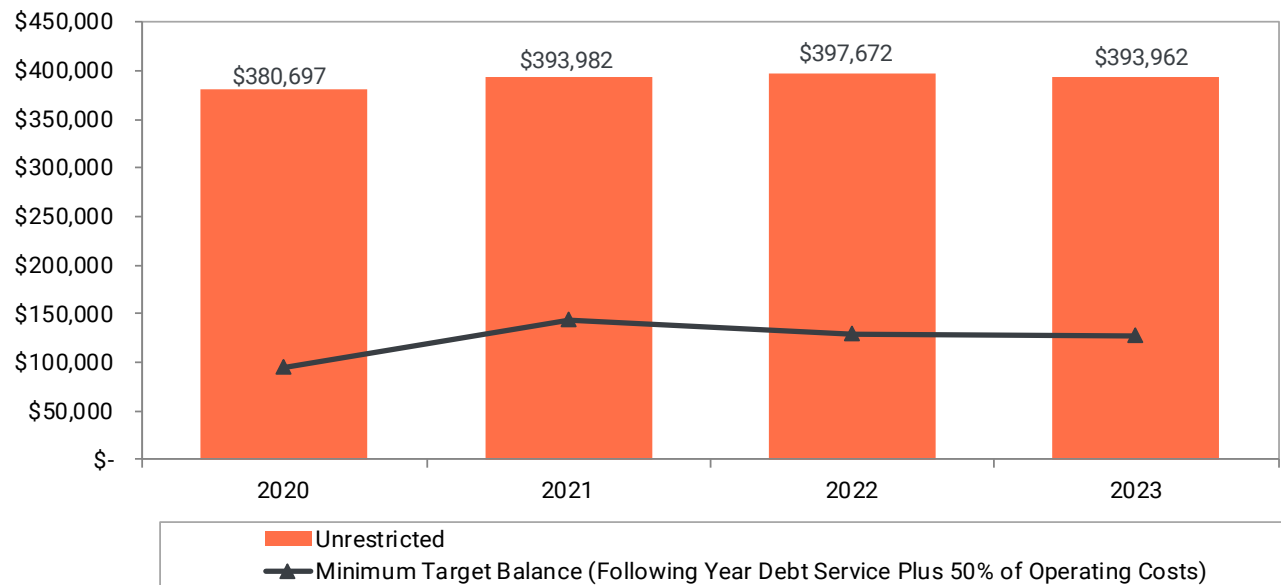
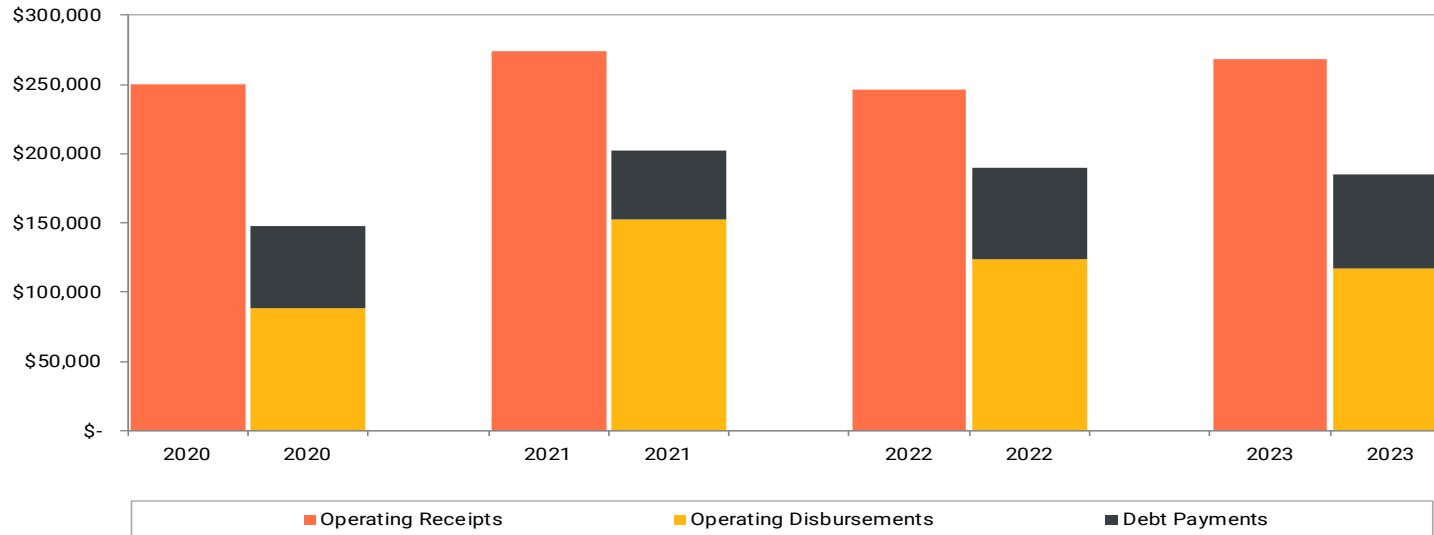
\$ 167,338



# Debt Service

# Water Fund

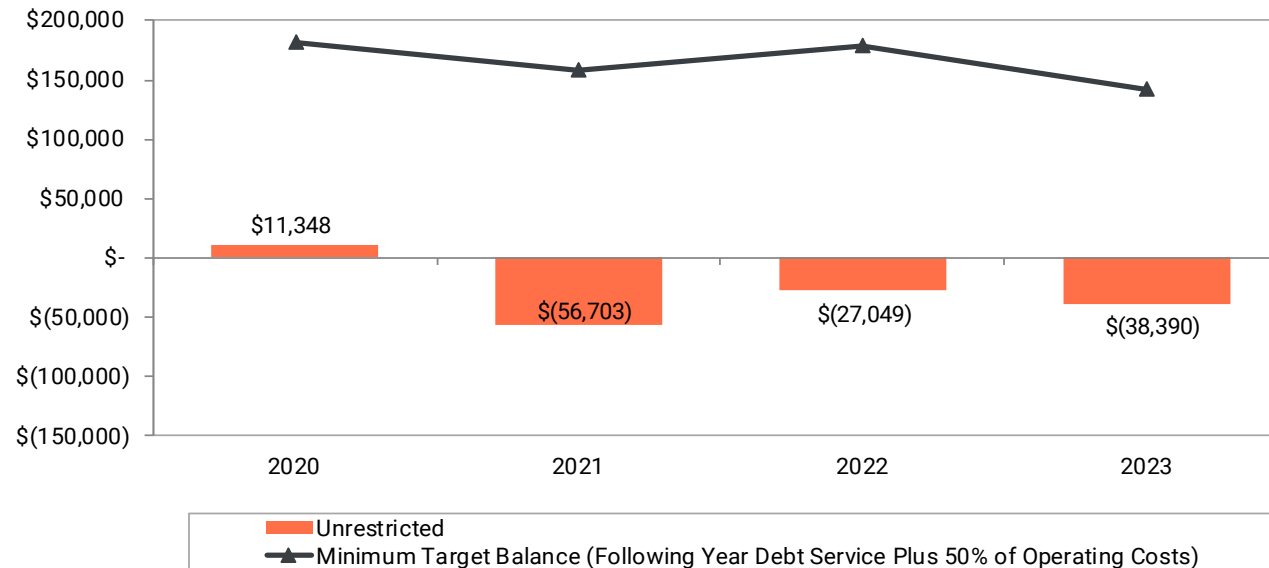
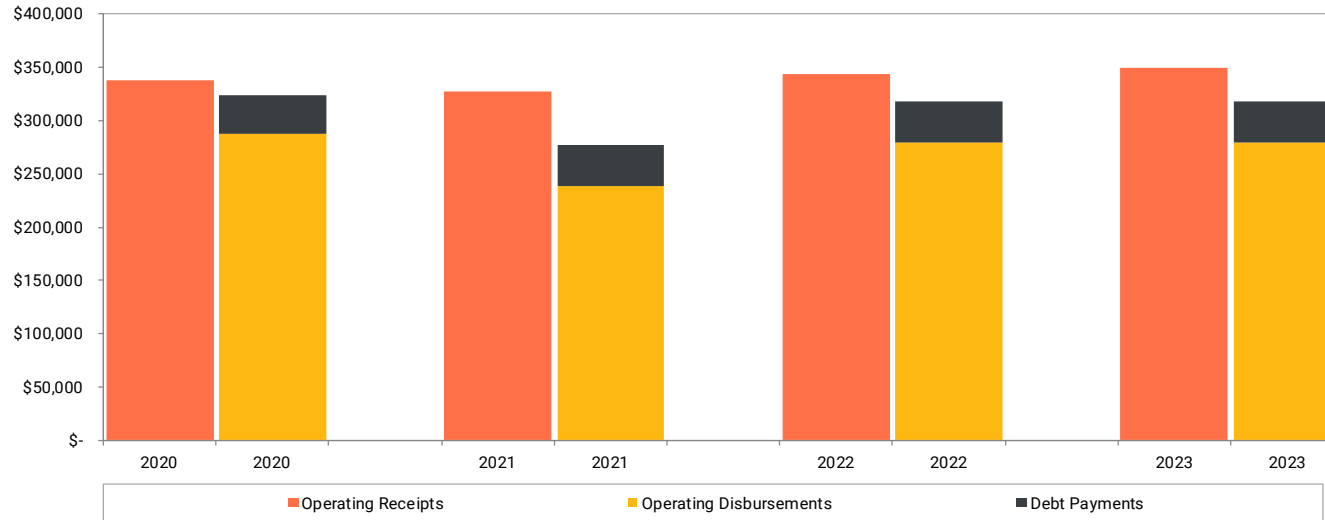
## Cash Flows from Operations and Cash Balances





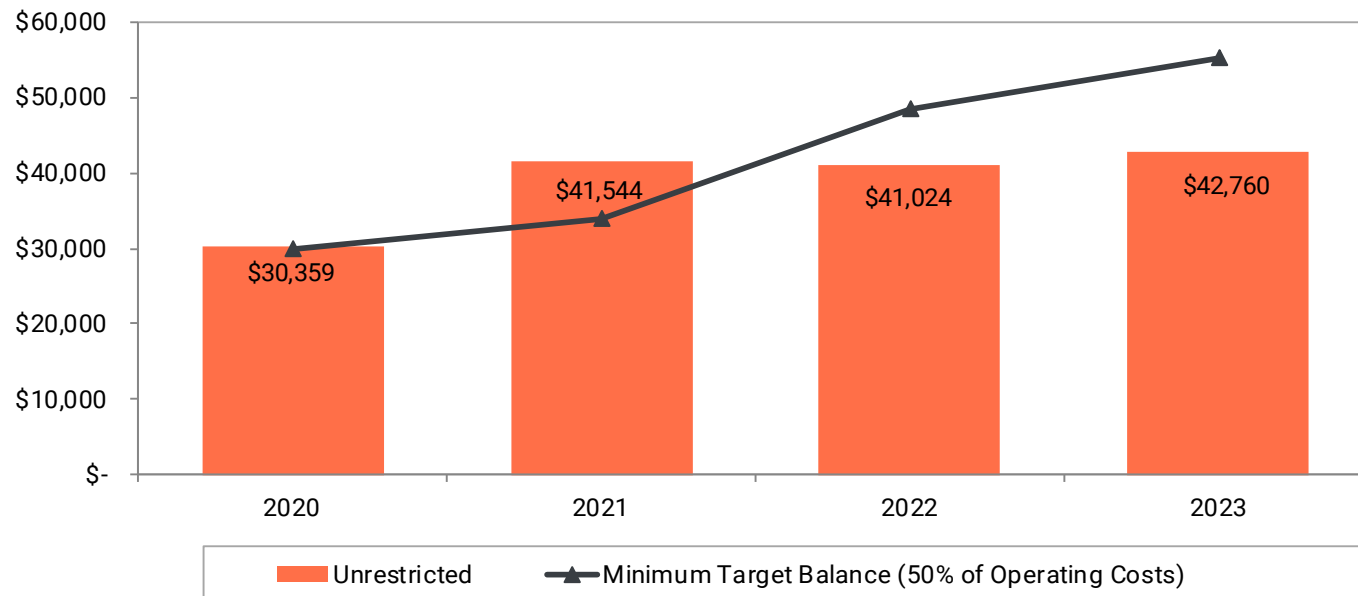
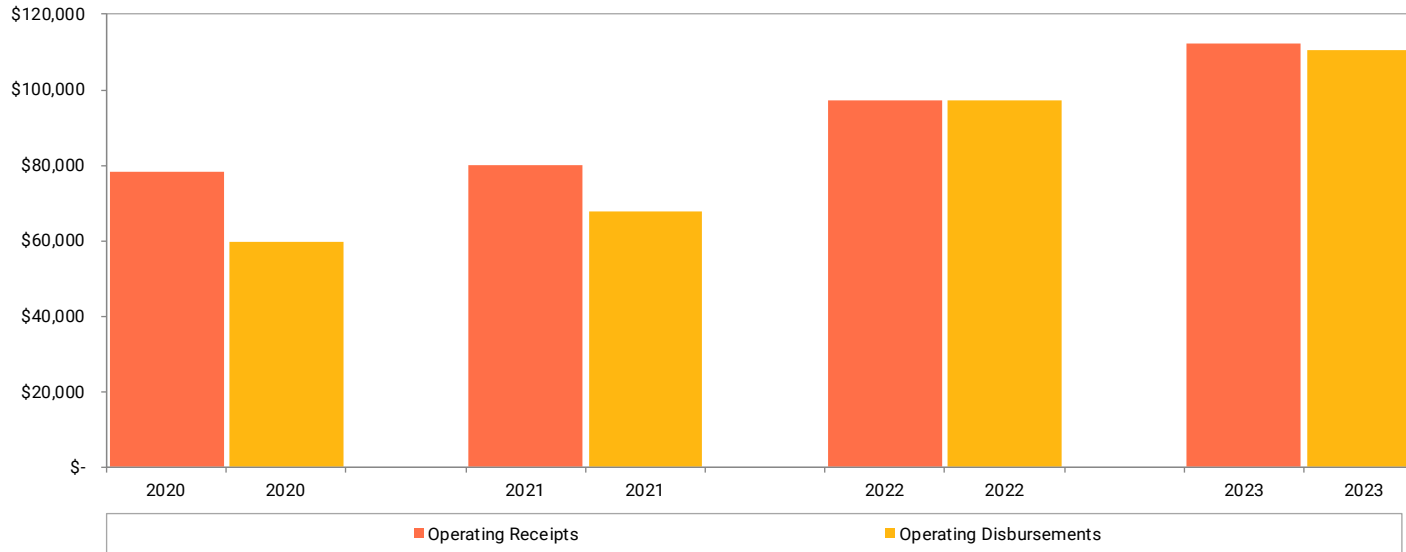
# Sewer Fund

## Cash Flows from Operations and Cash Balances



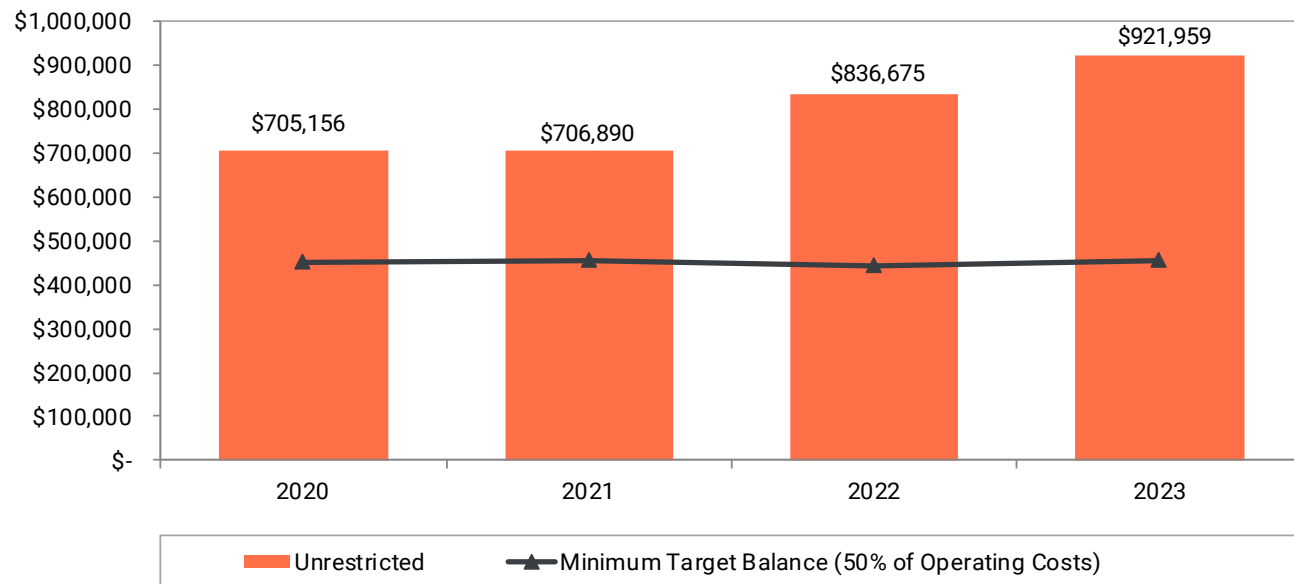
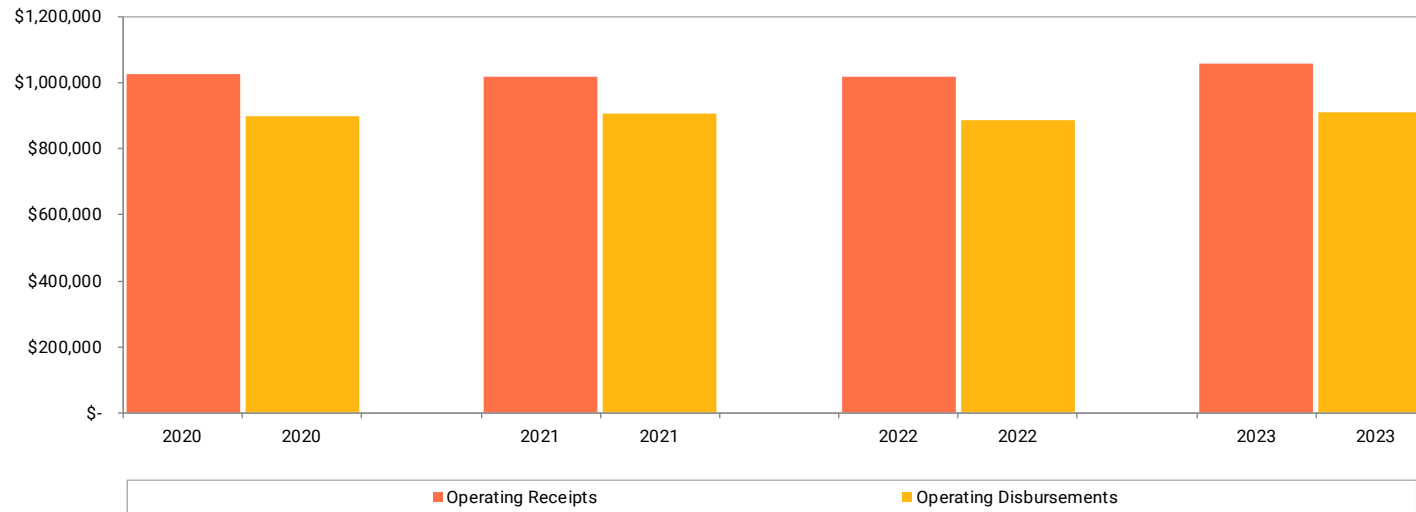
# Refuse Fund

## Cash Flows from Operations and Cash Balances



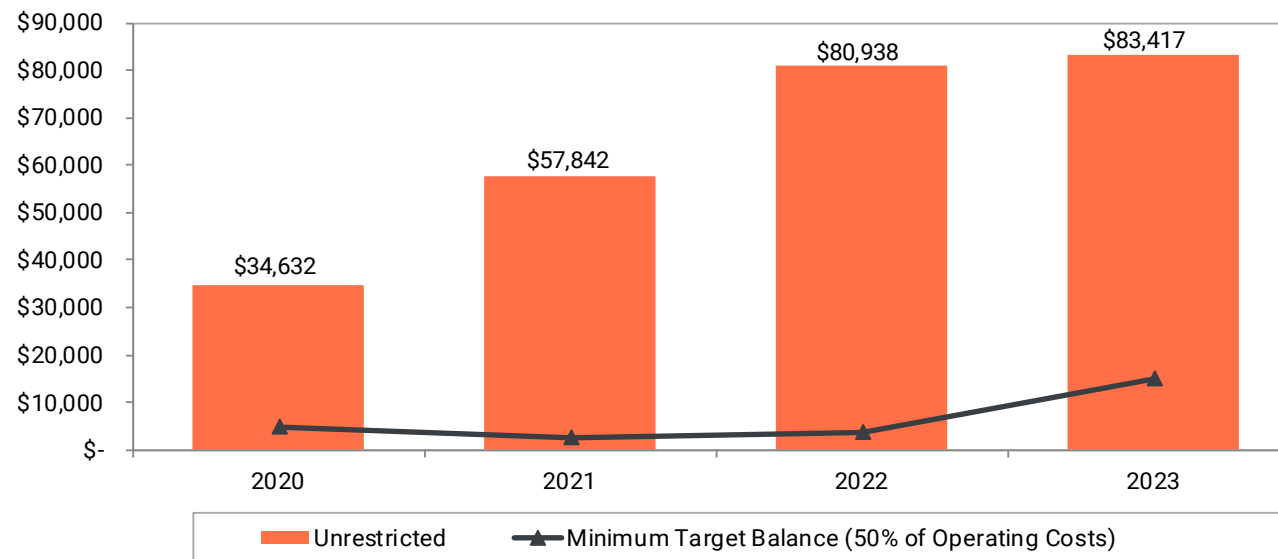
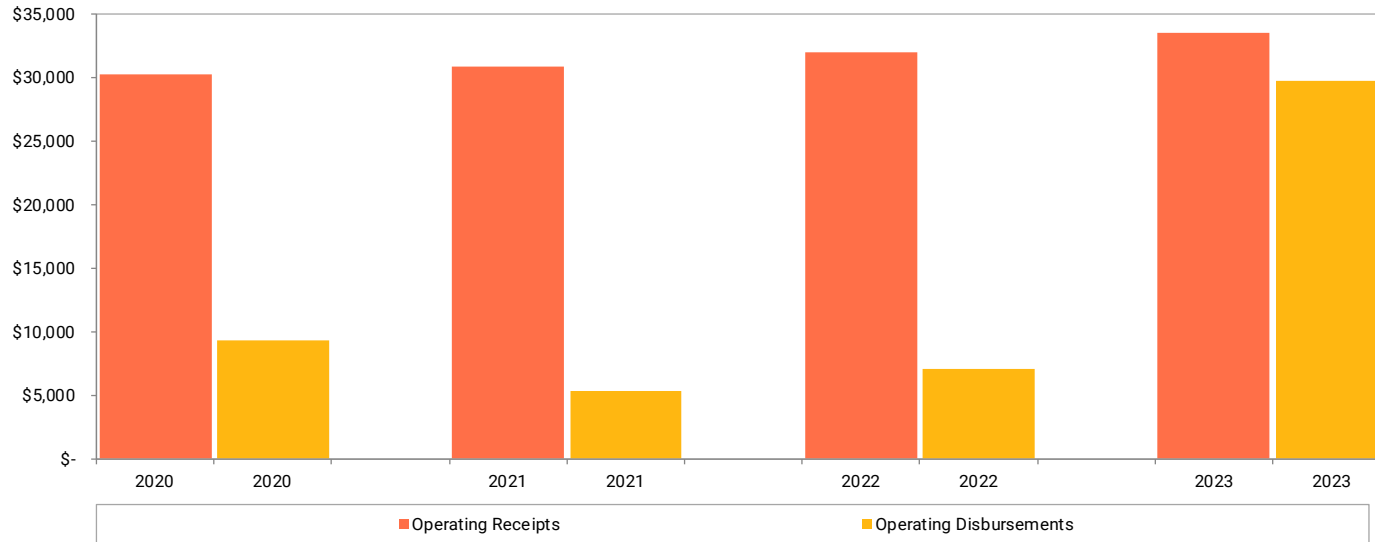
# Electric Fund

## Cash Flows from Operations and Cash Balances

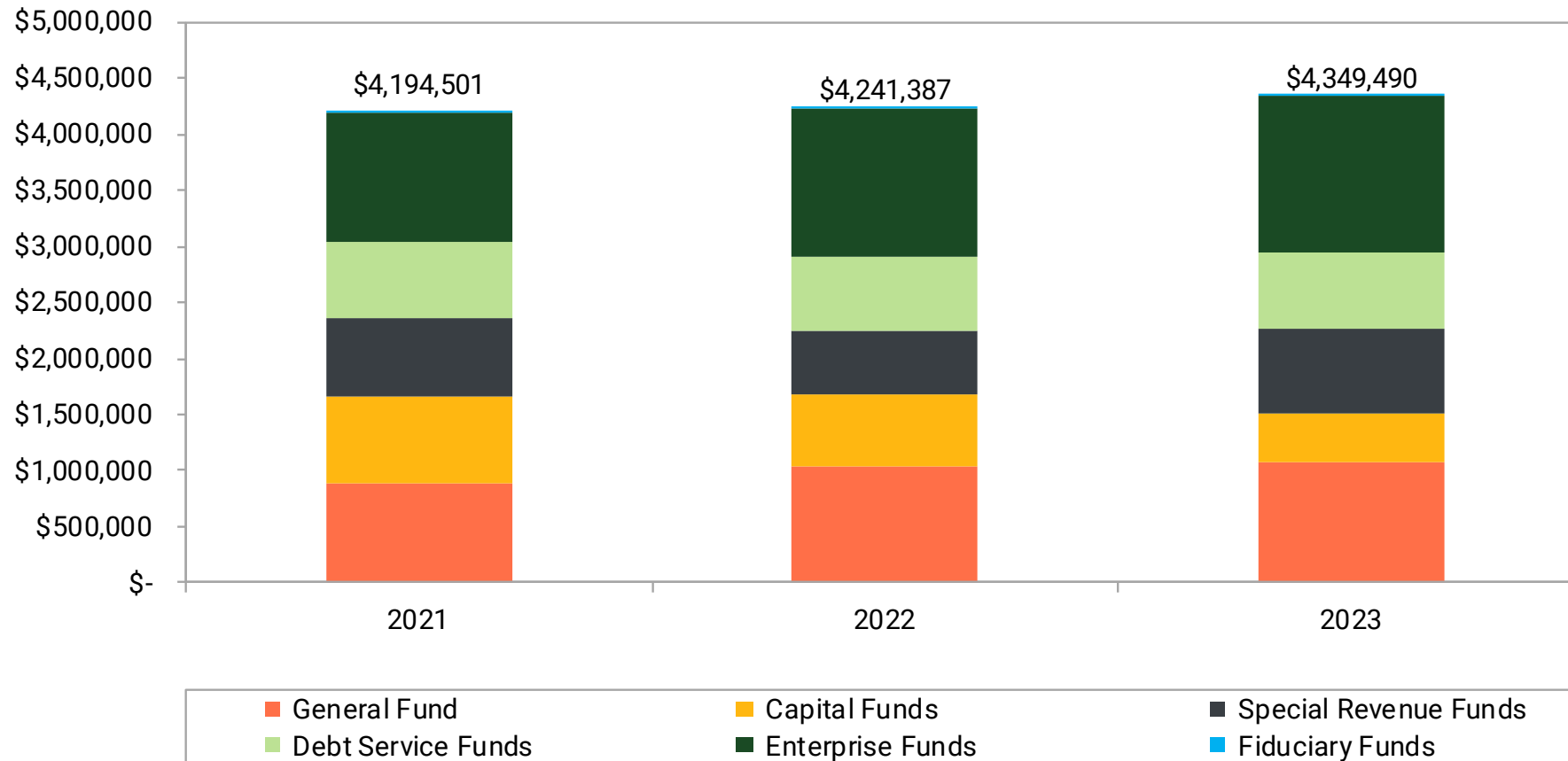


# Storm Water Fund

## Cash Flows from Operations and Cash Balances



# Cash and Investments Balances by Fund Type

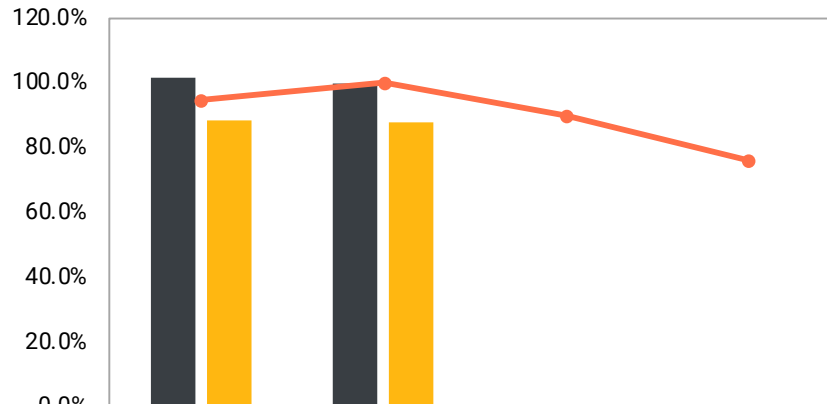




# Taxes

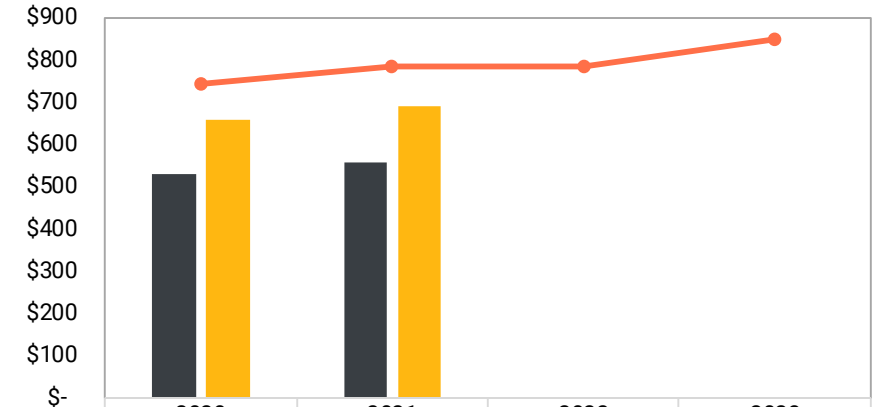
## Key Performance Indicators

**Tax Rate**



	2020	2021	2022	2023
Class 5 Cities	101.8%	100.0%	N/A	N/A
Cities in Fillmore County	88.7%	88.0%	N/A	N/A
City of Harmony	95.1%	100.3%	90.0%	76.4%

**Taxes - Per Capita**

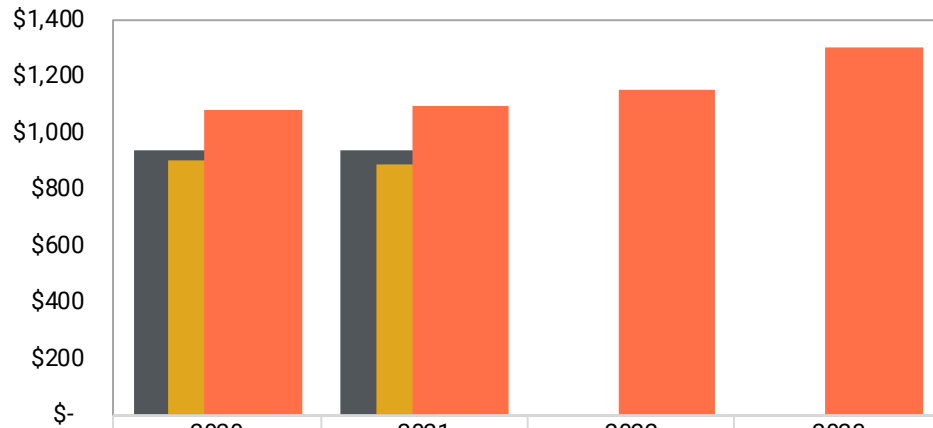


	2020	2021	2022	2023
Class 5 Cities	\$533	\$559	N/A	N/A
Cities in Fillmore County	\$661	\$694	N/A	N/A
City of Harmony	\$743	\$786	\$787	\$850

# Expenditures

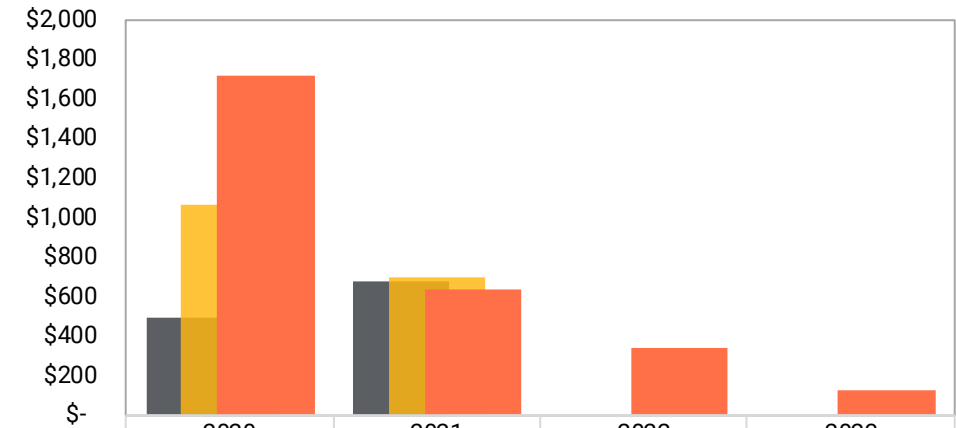
## Key Performance Indicators

**Current Expenditures - Per Capita**



	2020	2021	2022	2023
■ Class 5 Cities	\$943	\$937	N/A	N/A
■ Cities in Fillmore County	\$905	\$893	N/A	N/A
■ City of Harmony	\$1,085	\$1,099	\$1,158	\$1,306

**Capital Expenditures - Per Capita**



	2020	2021	2022	2023
■ Class 5 Cities	\$491	\$683	N/A	N/A
■ Cities in Fillmore County	\$1,066	\$701	N/A	N/A
■ City of Harmony	\$1,721	\$641	\$342	\$125

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# Your Abdo Team



Tom Olinger, CPA  
Partner



Layne Kockelman, CPA  
Senior Manager



Daniel Steenkamp  
Senior Associate



Nicole Bjorklund  
Associate



Emma Spaeth  
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Jason Fagan  
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