



# Annual Financial Report

## City of New Prague

New Prague, Minnesota

For the year ended December 31, 2022



### *Edina Office*

5201 Eden Avenue, Ste 250  
Edina, MN 55436  
P 952.835.9090

### *Mankato Office*

100 Warren Street, Ste 600  
Mankato, MN 56001  
P 507.625.2727

### *Scottsdale Office*

14500 N Northsight Blvd, Ste 233  
Scottsdale, AZ 85260  
P 480.864.5579

THIS PAGE IS LEFT  
BLANK INTENTIONALLY

City of New Prague, Minnesota  
Annual Financial Report  
Table of Contents  
For the Year Ended December 31, 2022

	Page No.
<b>Introductory Section</b>	
Elected and Appointed Officials	9
<b>Financial Section</b>	
Independent Auditor's Report	13
Management's Discussion and Analysis	17
<b>Basic Financial Statements</b>	
Government-wide Financial Statements	
Statement of Net Position	31
Statement of Activities	32
Fund Financial Statements	
Governmental Funds	
Balance Sheet	36
Reconciliation of the Balance Sheet to the Statement of Net Position	37
Statement of Revenues, Expenditures and Changes in Fund Balances	38
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	39
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund	40
Proprietary Funds	
Statement of Net Position	41
Statement of Revenues, Expenses and Changes in Net Position	43
Statement of Cash Flows	44
Notes to the Financial Statements	49
<b>Required Supplementary Information</b>	
Schedule of Employer's Share of Public Employees Retirement Association Net Pension Liability - General Employees Retirement Fund	88
Schedule of Employer's Public Employees Retirement Association Contributions - General Employees Retirement Fund	89
Notes to the Required Supplementary Information - General Employees Retirement Fund	89
Schedule of Employer's Share of Public Employees Retirement Association Net Pension Liability - Public Employees Police and Fire Fund	91
Schedule of Employer's Public Employees Retirement Association Contributions - Public Employees Police and Fire Fund	91
Notes to the Required Supplementary Information - Public Employees Police and Fire Fund	92
Schedule of Changes in the Fire Relief Association's Net Pension Liability (Asset) and Related Ratios	94
Notes to the Required Supplementary Information - Fire Relief Association	95
Schedule of Employer's Fire Relief Association Contributions	95
Schedule of Changes in the City's Total OPEB Liability and Related Ratios	96
Notes to the Required Supplementary Information - Other Postemployment Benefits	96

THIS PAGE IS LEFT  
BLANK INTENTIONALLY

City of New Prague, Minnesota  
Annual Financial Report  
Table of Contents (Continued)  
For the Year Ended December 31, 2022

	Page No.
<b>Combining and Individual Fund Financial Statements and Schedules</b>	
Nonmajor Governmental Funds	
Combining Balance Sheet	98
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	99
Nonmajor Proprietary Funds	
Combining Statement of Net Position	100
Combining Statement of Revenues, Expenses and Changes in Net Position	101
Combining Statement of Cash Flows	102
Nonmajor Special Revenue Funds	
Combining Balance Sheet	104
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	106
Schedule of Revenues Expenditures and Changes in Fund Balances - Budget and Actual	
Development Revolving Loan Special Revenue Fund	108
2016 Small Cities Project Special Revenue Fund	109
2017 Small Cities Project Special Revenue Fund	110
Crime Prevention Special Revenue Fund	111
Nonmajor Capital Projects Funds	
Combining Balance Sheet	112
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	114
General Fund	
Comparative Balance Sheets	117
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	118
Debt Service Funds	
Combining Balance Sheet	122
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	124
Discretely Presented Component Unit - Economic Development Authority	
Statement of Net Position	126
Statement of Revenues, Expenses and Changes in Net Position	127
Statement of Cash Flows	128
Summary Financial Report	
Revenues and Expenditures for General Operations - Governmental Funds	129
<b>Other Required Reports</b>	
Independent Auditor's Report on Minnesota Legal Compliance	133
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	134
Schedule of Findings and Responses	136
<b>Operational Statistics and Supplementary Schedules (Unaudited)</b>	
Schedules of Operating Revenues - Electric Utility Fund	140
Schedules of Operations Statement per 1,000 Gallons - Water Utility Fund	143
Schedule of Plant Assets and Accumulated Depreciation	
Electric Utility Fund	144
Water Utility Fund	146

THIS PAGE IS LEFT  
BLANK INTENTIONALLY

INTRODUCTORY SECTION  
CITY OF NEW PRAGUE  
NEW PRAGUE, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2022

THIS PAGE IS LEFT  
BLANK INTENTIONALLY

City of New Prague, Minnesota  
Elected and Appointed Officials  
For the Year Ended December 31, 2022

**Elected Officials**

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Duane Jirik	Mayor	12/31/2024
Maggie Bass	Council	12/31/2026
Rik Seiler	Council	12/31/2026
Bruce Wolf	Council	12/31/2024
Shawn Ryan	Council	12/31/2024

**Appointed Officials**

Joshua Tetzlaff	City Administrator
Scott Joint Prosecution Assoc.	Criminal Attorney
Scott Riggs	Civil Attorney

THIS PAGE IS LEFT  
BLANK INTENTIONALLY

FINANCIAL SECTION  
CITY OF NEW PRAGUE  
NEW PRAGUE, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2022

THIS PAGE IS LEFT  
BLANK INTENTIONALLY

## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council  
City of New Prague  
New Prague, Minnesota

### Report on the Financial Statements

#### Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of New Prague, Minnesota, (the City) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City as of December 31, 2022, and the respective changes in financial position and cash flows, where applicable, thereof and the budgetary comparison for the General fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

#### Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Other Matters**

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis starting on page 17 and the Schedules of Employer's Share of the Net Pension Liability, the Schedules of Employer's Contributions, the Schedule of Changes in Net Pension Liability (Asset) and Related Ratios, and the Schedule of Changes in the City's Total OPEB Liability and Related Ratios starting on page 88 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.



## **Supplementary Information**

Our audit was conducted for the purpose of forming opinion on the financial statements that collectively comprise the School's basic financial statements. The accompanying combining, individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 accompanying combining, individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Information**

Management is responsible for the other information in the annual report. The other information comprises the introductory and operational statistics and supplementary schedules section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statement do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated April 21, 2023 on our consideration of the City'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'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's internal control over financial reporting and compliance.



**Abdo**  
Mankato, Minnesota  
April 21, 2023



THIS PAGE IS LEFT  
BLANK INTENTIONALLY

## Management's Discussion and Analysis

As management of the City of New Prague, 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, 2022.

### Financial Highlights

- The assets and deferred outflows or resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$62,970,331 (net position). Of this amount, \$24,060,396 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$1,083,615 compared to an increase of \$3,629,110 in the previous year. The increase this year was due to an increase in charges for services in the governmental activities and business-type activities continuing to outweigh expenses.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$14,173,147, an increase of \$618,373 in comparison with the prior year. This increase was mainly due to an increase in CIP project costs and debt payments. Approximately 53.1 percent of this total amount or \$7,530,281 is available for spending at the City's discretion.

### 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 comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of combining and individual fund financial statements and schedules that further explains and supports the information in the financial statements. Figure 1 reflects how the required parts of this annual report are arranged and relate to one another. In addition to these required elements, we have included a section with combining and individual fund financial statements and schedules that provide details about nonmajor governmental funds, which are added together and presented in single columns in the basic financial statements.

**Figure 1**  
**Required Components of the**  
**City's Annual Financial Report**

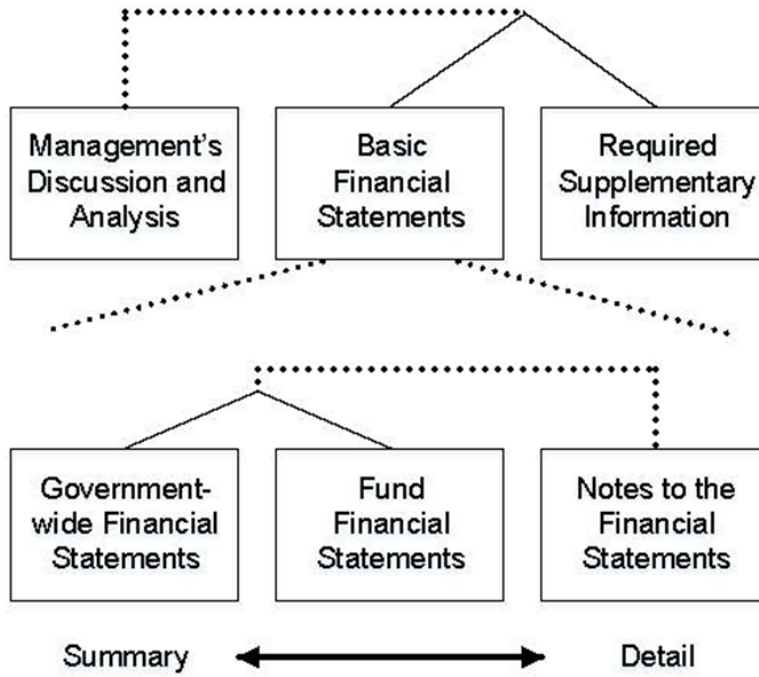


Figure 2 summarizes the major features of the City’s financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis explains the structure and contents of each of the statements.

**Figure 2  
Major Features of the Government-wide and Fund Financial Statements**

	<b>Fund Financial Statements</b>		
	<b>Government-wide Statements</b>	<b>Governmental Funds</b>	<b>Proprietary Funds</b>
Scope	Entire City government (except fiduciary funds) and the City’s component units	The activities of the City that are not proprietary or fiduciary, such as police, fire and parks	Activities the City operates similar to private businesses, such as the water and sewer system
Required financial statements	<ul style="list-style-type: none"> <li>• Statement of Net Position</li> <li>• Statement of Activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of Revenues, Expenditures and Changes in Fund Balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statements of Net Position</li> <li>• Statements of Revenues, Expenses and Changes in Net Position</li> <li>• Statements of Cash Flows</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of deferred outflows/inflows of resources information	All deferred outflows/inflows of resources, regardless of when cash is received or paid.	Only deferred outflows of resources expected to be used up and deferred inflows of resources that come due during the year or soon thereafter; no capital assets included	All deferred outflows/inflows of resources, regardless of when cash is received or paid
Type of in flow/out flow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

**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 deferred outflows of resources and liabilities and deferred inflows of resources, with the difference 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 (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenue (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, streets and highways, culture and recreation, economic development and miscellaneous. The business-type activities of the City include water utility, sewer utility, electric utility, storm water utility, golf and ambulance.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also a legally separate Economic Development Authority and Housing and Redevelopment Authority for which the City is financially accountable. Financial information for this *component unit* is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found starting on page 31 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 financing 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 by the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains numerous individual governmental funds, many of which are Debt Service funds, which are reported as one major fund for the government-wide financial statements. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Debt Service funds and the CIP 2022 fund, all of which are considered to be major funds. Data from the other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements or schedules* elsewhere in this report.

The City adopts an annual appropriated budget for its General fund and several special revenue funds. A budgetary comparison statement has been provided for these funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found starting on page 36 of this report.

**Proprietary Funds.** The City maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water utility, sewer utility, electric utility, storm water utility, golf and ambulance operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the enterprise funds which are considered to be major funds of the City.

The basic proprietary fund financial statements can be found starting on page 41 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 can be found starting on page 49 of this report.

**Required Supplementary Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of New Prague's share of net pension liabilities (assets) for defined benefits plans, schedules of contributions, progress in funding its obligation to provide pension benefits and other post-employment benefits to its employees. Required supplementary information can be found starting on page 88 of this report.

**Other Information.** The combining statements referred to earlier in connection with nonmajor governmental funds are presented following the notes to financial statements. Combining and individual fund financial statements and schedules can be found starting on page 98 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 at the close of the most recent fiscal year.

A large portion of the City's net position (49.3 percent) reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment and vehicles), 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 investment in its 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 New Prague's Summary of Net Position

	Governmental Activities			Business-type Activities		
	2022	2021	Increase (Decrease)	2022	2021	Increase (Decrease)
<b>Assets</b>						
Current and other assets	\$ 19,649,828	\$ 18,010,911	\$ 1,638,917	\$ 20,622,196	\$ 21,836,275	\$ (1,214,079)
Capital assets	19,965,174	21,570,568	(1,605,394)	51,777,827	50,309,687	1,468,140
Total Assets	<u>39,615,002</u>	<u>39,581,479</u>	<u>33,523</u>	<u>72,400,023</u>	<u>72,145,962</u>	<u>254,061</u>
Deferred Outflows of Resources	<u>2,933,368</u>	<u>1,812,522</u>	<u>1,120,846</u>	<u>743,634</u>	<u>907,314</u>	<u>(163,680)</u>
<b>Liabilities</b>						
Long-term liabilities outstanding	14,361,293	11,797,381	2,563,912	34,232,013	33,701,970	530,043
Other liabilities	1,893,861	1,359,005	534,856	1,911,474	2,269,742	(358,268)
Total Liabilities	<u>16,255,154</u>	<u>13,156,386</u>	<u>3,098,768</u>	<u>36,143,487</u>	<u>35,971,712</u>	<u>171,775</u>
Deferred Inflows of Resources	<u>268,449</u>	<u>2,343,563</u>	<u>(2,075,114)</u>	<u>54,606</u>	<u>1,088,900</u>	<u>(1,034,294)</u>
<b>Net Position</b>						
Net investment in capital assets	10,774,937	11,618,312	(843,375)	20,253,591	18,129,657	2,123,934
Restricted	7,881,407	7,529,012	352,395	-	-	-
Unrestricted	<u>7,368,423</u>	<u>6,746,728</u>	<u>621,695</u>	<u>16,691,973</u>	<u>17,863,007</u>	<u>(1,171,034)</u>
Total Net Position	<u>\$ 26,024,767</u>	<u>\$ 25,894,052</u>	<u>\$ 130,715</u>	<u>\$ 36,945,564</u>	<u>\$ 35,992,664</u>	<u>\$ 952,900</u>

An additional portion of the City's net position (12.5 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (38.2 percent) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities.

There was an increase of \$952,900 in net position reported in connection with the City's business-type activities. This was due to charges for services continuing to outweigh expenses.

**Governmental Activities.** Governmental activities increased the City's net position by \$130,715. This increase was mainly due to a decrease in public works expenses. Key elements of this increase are as follows:

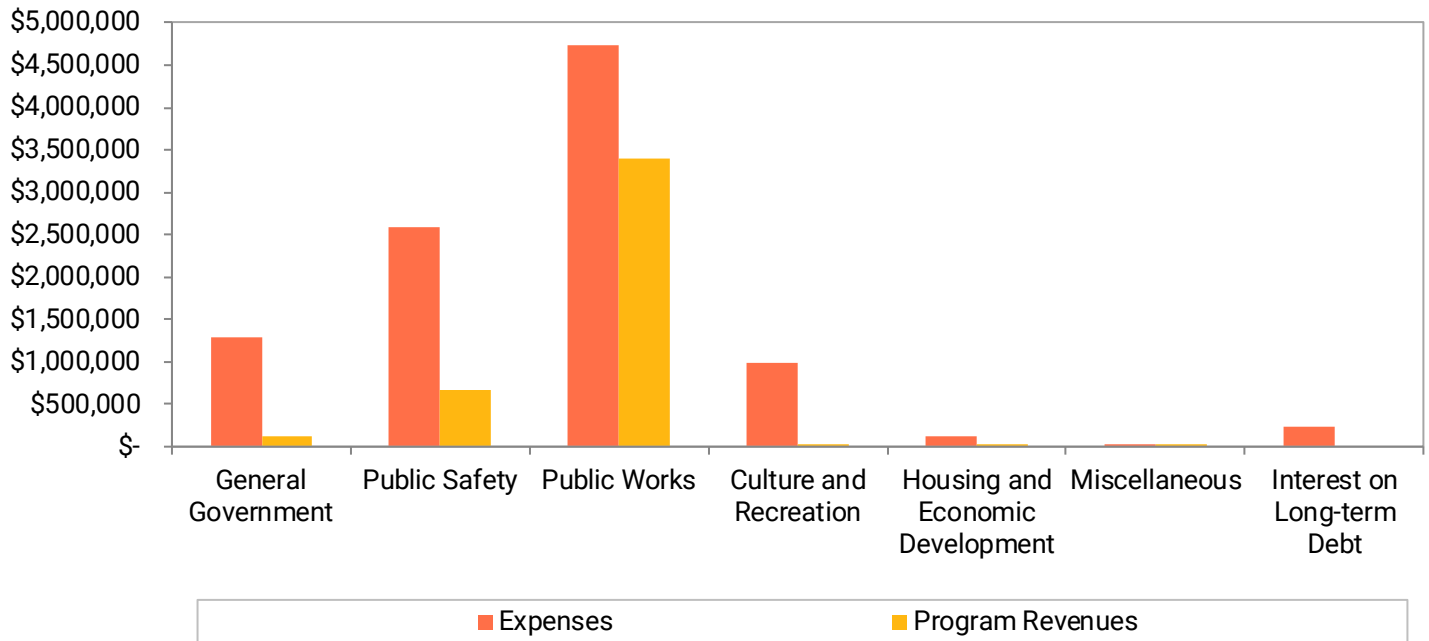
### City of New Prague's Changes in Net Position

	Governmental Activities			Business-type Activities		
	2022	2021	Increase (Decrease)	2022	2021	Increase (Decrease)
<b>Revenues</b>						
Program Revenues						
Charges for services	\$ 611,044	\$ 613,431	\$ (2,387)	\$ 16,278,637	\$ 15,941,002	\$ 337,635
Operating grants and contributions	369,697	346,976	22,721	-	-	-
Capital grants and contributions	3,250,969	8,226,917	(4,975,948)	342,437	1,297,144	(954,707)
General Revenues						
Property taxes/tax increments	4,739,933	4,439,023	300,910	-	-	-
Franchise taxes	98,409	99,616	(1,207)	-	-	-
Grants and contributions not restricted to specific programs	971,119	962,941	8,178	9,646	2,804	6,842
Investment earnings	130,968	12,868	118,100	(206,809)	(37,961)	(168,848)
Other	31,202	48,781	(17,579)	-	-	-
Gain on sale of capital assets	-	-	-	30,000	-	30,000
<b>Total Revenues</b>	<b>10,203,341</b>	<b>14,750,553</b>	<b>(4,547,212)</b>	<b>16,453,911</b>	<b>17,202,989</b>	<b>(749,078)</b>
<b>Expenses</b>						
General government	1,290,362	1,113,467	176,895	-	-	-
Public safety	2,591,794	2,014,211	577,583	-	-	-
Public works	4,728,591	9,034,381	(4,305,790)	-	-	-
Culture and recreation	992,550	956,081	36,469	-	-	-
Economic development	128,858	156,865	(28,007)	-	-	-
Miscellaneous	26,694	34,181	(7,487)	-	-	-
Interest on long-term debt	232,507	307,780	(75,273)	-	-	-
Water	-	-	-	1,510,608	1,432,467	78,141
Sewer	-	-	-	3,831,411	3,653,482	177,929
Storm water	-	-	-	382,057	357,305	24,752
Electric	-	-	-	8,534,062	8,050,369	483,693
Golf	-	-	-	1,309,955	1,202,402	107,553
Ambulance	-	-	-	14,188	11,441	2,747
<b>Total Expenses</b>	<b>9,991,356</b>	<b>13,616,966</b>	<b>(3,625,610)</b>	<b>15,582,281</b>	<b>14,707,466</b>	<b>874,815</b>
<b>Increase (Decrease) in Net Position Before Transfers</b>	<b>211,985</b>	<b>1,133,587</b>	<b>(921,602)</b>	<b>871,630</b>	<b>2,495,523</b>	<b>(1,623,893)</b>
<b>Transfers</b>	<b>(81,270)</b>	<b>(81,270)</b>	<b>-</b>	<b>81,270</b>	<b>81,270</b>	<b>-</b>
<b>Change in Net Position</b>	<b>130,715</b>	<b>1,052,317</b>	<b>(921,602)</b>	<b>952,900</b>	<b>2,576,793</b>	<b>(1,623,893)</b>
<b>Net Position - January 1</b>	<b>25,894,052</b>	<b>24,841,735</b>	<b>1,052,317</b>	<b>35,992,664</b>	<b>33,415,871</b>	<b>2,576,793</b>
<b>Net Position - December 31</b>	<b>\$ 26,024,767</b>	<b>\$ 25,894,052</b>	<b>\$ 130,715</b>	<b>\$ 36,945,564</b>	<b>\$ 35,992,664</b>	<b>\$ 952,900</b>

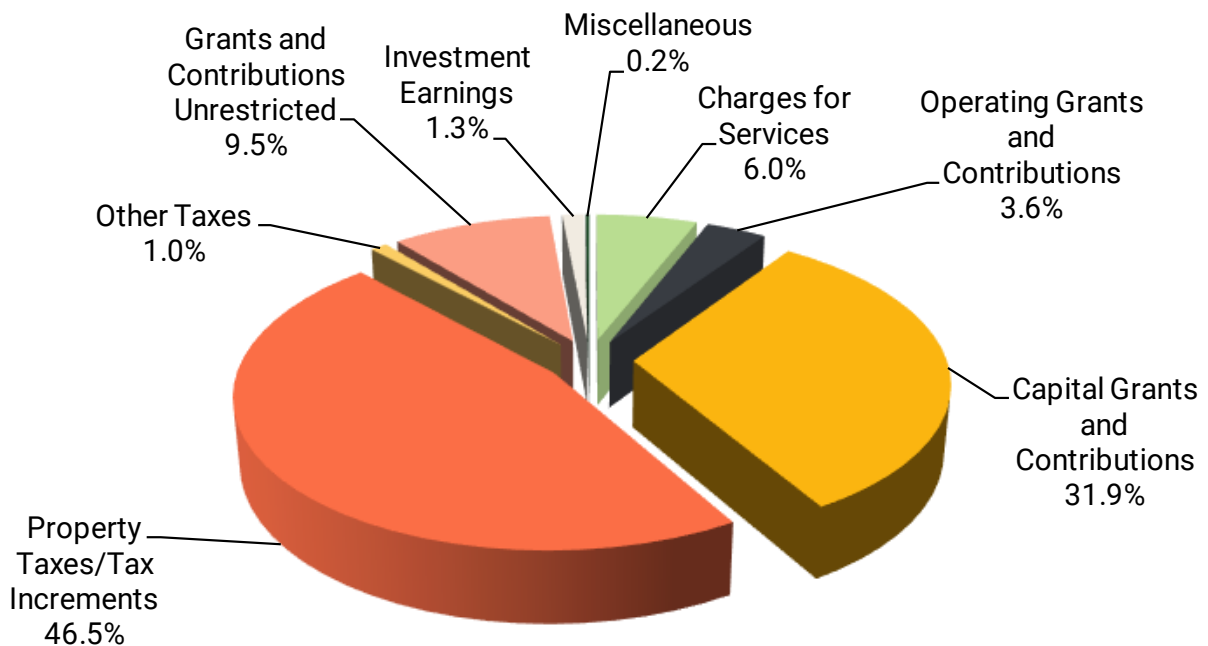
Property tax levies increased by \$306,488 (7.0 percent) during the year.

The following graphs depict various governmental activities and show the revenue and expenses directly related to those activities.

### Expenses and Program Revenues - Governmental Activities



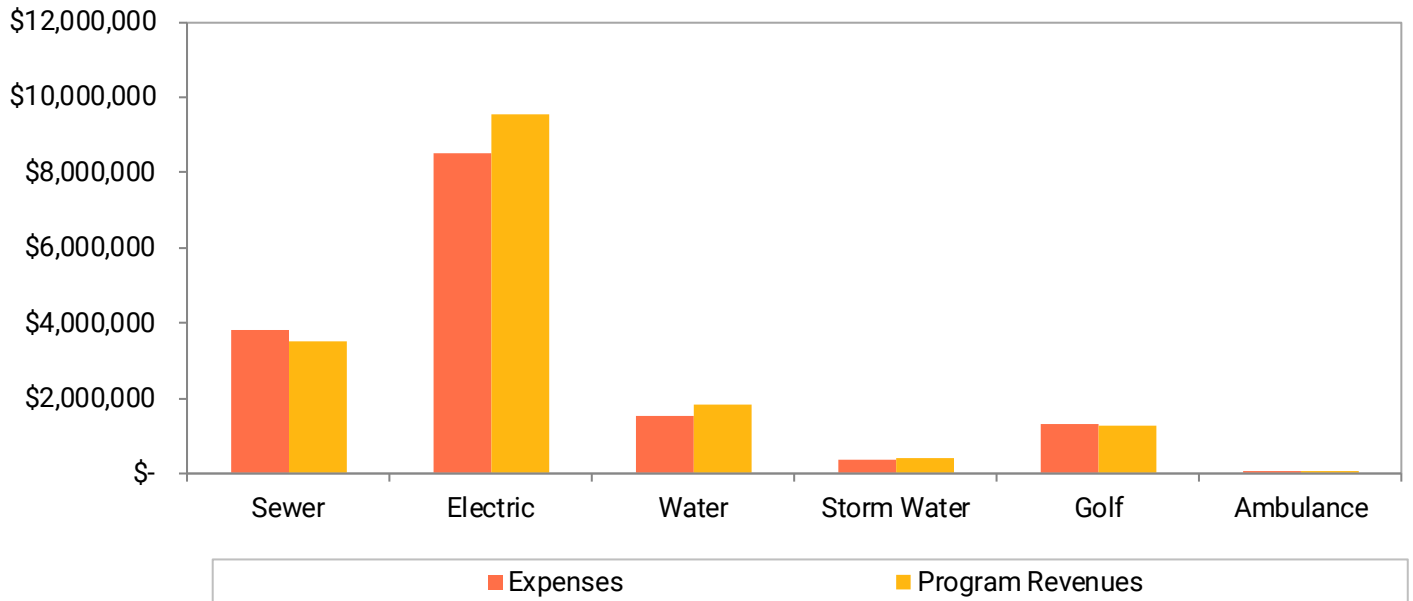
### Revenues by Source - Governmental Activities



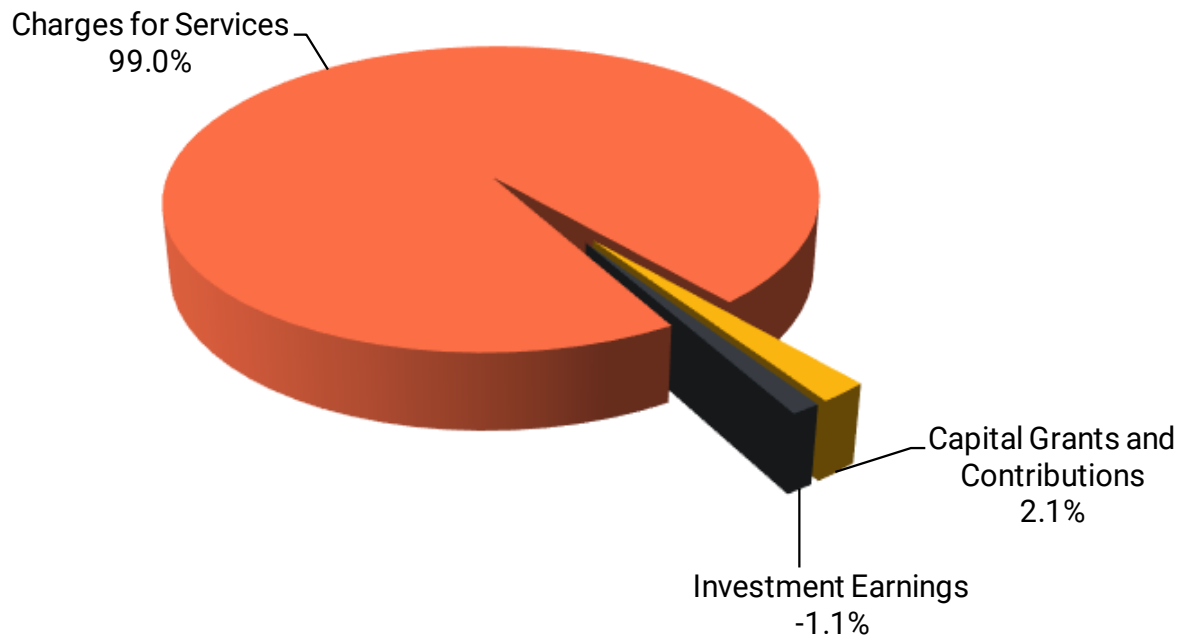
**Business-type Activities.** Business-type activities increased the City's net position by \$952,900.

- Charges for services for business-type activities increased \$337,635.
- Total expenses for business-type activities increased by \$874,815.
- Capital grants and contributions decreased by \$954,707.

**Expenses and Program Revenues - Business - type Activities**



**Revenues by Source - Business - type Activities**



## Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**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.

As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$14,173,147, an increase of \$618,373 in comparison with the prior year. Approximately 53.1 percent of this total amount or \$7,530,281 is available for spending at the City's discretion. The remainder of fund balance is not available for new spending because it is either 1) nonspendable (\$3,650), 2) restricted (\$5,895,229), 3) or committed (\$743,987).

The *General fund* is the chief operating fund of the City. At the end of the current year, the fund balance of the General fund was \$5,928,071. As a measure of the General fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Total unassigned fund balance represents 59.1 percent of total fund expenditures, while total fund balance represents 108.7 percent of that same amount.

The fund balance of the City's General fund increased by \$254,865 during the current fiscal year. Key factor in this increase was due to building permit revenue from weather related incidents. Additional increases are due to conservative budgeting for property taxes and increased home values.

The *Debt Service fund* has a total fund balance of \$4,553,537, all of which is restricted for the payment of debt service. The net increase in fund balance during the current year in the Debt Service fund was \$221,437, due mainly to the 2020A refinancing of bond issues 2010A, 2012A, 2012B and 2013A.

The *CIP 2022 fund* has a total fund balance of \$266,292. The net decrease in fund balance during the current year was \$54,888, due mainly to the City using reserves for project costs.

**Proprietary Funds.** The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Net position of the City's proprietary funds increased or (decreased) as follows:

Water Utility	\$279,210
Sewer Utility	(\$269,274)
Storm Water Utility	\$20,210
Electric Utility	\$829,136
Golf	\$86,958
Ambulance	\$6,660

### General Fund Budgetary Highlights

The City's overall budget was not amended during the year. Actual revenues were over budget by \$226,426. Expenditures were under budget by \$29,296.

## Capital Asset and Debt Administration

**Capital Assets.** The City's investment in capital assets for its governmental and business-type activities as of December 31, 2022, amounts to \$71,743,001 (net of accumulated depreciation). This investment in capital assets includes land, structures, improvements, machinery and equipment, vehicles, roads, highways and bridges. The total decrease in the City's investment in capital assets for the current fiscal year was 0.2 percent (a 7.4 percent decrease for governmental activities and a 2.9 percent increase for business-type activities).

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

- Purchase of a 2022 Ditch Witch vacuum and trailer
- Purchase of a Digger Derrick
- Columbus Ave N road construction project
- Purchase of a public works vehicle
- Purchase of a Reel trailer
- Electric line building addition

Additional information on the City's capital assets can be found in Note 3C starting on page 62 of this report.

### City of New Prague's Capital Assets (Net of Depreciation)

	Governmental Activities			Business-type Activities		
	2022	2021	Increase (Decrease)	2022	2021	Increase (Decrease)
Land	\$ 2,013,415	\$ 2,013,415	\$ -	\$ 178,148	\$ 178,148	\$ -
Land Improvements	535,193	621,594	(86,401)	8,383	9,848	(1,465)
Buildings and Improvements	3,402,025	3,549,992	(147,967)	18,619,877	19,454,538	(834,661)
Infrastructure	9,804,574	10,967,798	(1,163,224)	18,593,095	19,449,475	(856,380)
Furniture and Equipment	1,584,551	1,831,323	(246,772)	7,400,778	7,824,104	(423,326)
Construction in Progress	2,625,416	2,586,446	38,970	6,977,546	3,393,574	3,583,972
<b>Total</b>	<b><u>\$ 19,965,174</u></b>	<b><u>\$ 21,570,568</u></b>	<b><u>\$ (1,605,394)</u></b>	<b><u>\$ 51,777,827</u></b>	<b><u>\$ 50,309,687</u></b>	<b><u>\$ 1,468,140</u></b>

**Long-term Debt.** At the end of the current fiscal year, the City had total bonded debt outstanding of \$39,420,000. Of this amount, \$6,276,160 is special assessment debt, \$31,008,840 is revenue related debt, and \$2,135,000 is general obligation debt. While all of the City’s bonds have revenue streams, they are all backed by the full faith and credit of the City.

### City of New Prague’s Outstanding Debt

	Governmental Activities			Business-type Activities		
	2022	2021	Increase (Decrease)	2022	2021	Increase (Decrease)
General Obligation Bonds	\$ 2,135,000	\$ 2,525,000	\$ (390,000)	\$ -	\$ -	\$ -
G.O. Improvement Bonds	6,276,160	6,598,433	(322,273)	-	-	-
General Obligation Revenue Bonds	-	-	-	30,643,840	31,244,567	(600,727)
Revenue Bonds	-	-	-	365,000	248,000	117,000
Indenture of Trust	143,000	154,000	(11,000)	-	-	-
<b>Total</b>	<b>\$ 8,554,160</b>	<b>\$ 9,277,433</b>	<b>\$ (723,273)</b>	<b>\$ 31,008,840</b>	<b>\$ 31,492,567</b>	<b>\$ (483,727)</b>

The City’s total debt decreased by \$1,207,000 (3.0 percent) during the current fiscal year. The key factor in this decrease was scheduled bond payments.

Minnesota statutes limit the amount of net general obligation debt a City may issue to 3 percent of the market value of taxable property within the City. Net debt is debt payable solely from ad valorem taxes. The current debt limitation for the City is \$24,010,842, which is in excess of the City’s outstanding general obligation debt of \$2,135,000.

Additional information on the City’s long-term debt can be found in Note 3E starting on page 65 of this report.

#### Economic Factors and Next Year’s Budgets and Rates

The unemployment rate for Scott County is currently 2.4 percent, which is an increase from a rate of 2.3 percent a year ago. The rate for Le Sueur County is currently at 5.3 percent, which is an increase from a rate of 4.3 percent a year ago. These rates can be compared to the State’s average unemployment rate of 3.0 percent and the national average rate of 3.3 percent.

All of these factors were considered in preparing the City’s budget for the 2023 fiscal year.

- The City’s adopted 2023 General fund expenditure budget totaled \$6,501,775, which is \$899,992 or 16.07 percent increase over the 2022 amended budget of \$5,601,783.
- New single family residential homes constructed in 2022 totaled 14. This was lower than the total of 27 new homes constructed in 2021.
- The rate increase for utility operations for 2023 are as follows: Electric (2 percent for energy and demand rates, with a \$2 increase to the customer base charge), Water (\$0.47 increase to customer base charge), Sewer (2 percent) and Storm Water (2 percent).

#### 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 City’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, City of New Prague, 118 Central Avenue North, New Prague, Minnesota 56071.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF NEW PRAGUE  
NEW PRAGUE, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2022

THIS PAGE IS LEFT  
BLANK INTENTIONALLY

City of New Prague, Minnesota  
Statement of Net Position  
December 31, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Economic Development Authority
<b>Assets</b>				
Cash and temporary investments	\$ 14,804,417	\$ 17,043,275	\$ 31,847,692	\$ 574,827
Receivables				
Interest	90,666	-	90,666	-
Delinquent taxes	25,935	-	25,935	-
Accounts, net of allowance	161,418	1,907,141	2,068,559	-
Notes, net of allowance	721,584	-	721,584	-
Special assessments	2,486,645	609,606	3,096,251	-
Intergovernmental	1,022,054	78,765	1,100,819	170
Internal balances	23,187	(23,187)	-	-
Inventories	-	999,247	999,247	-
Prepaid items	3,650	7,349	10,999	8
Land held for resale	-	-	-	1,100,344
Net pension asset	310,272	-	310,272	-
Capital assets				
Nondepreciable	4,638,831	7,155,694	11,794,525	-
Depreciable, net of accumulated depreciation	15,326,343	44,622,133	59,948,476	77,910
Total Assets	<u>39,615,002</u>	<u>72,400,023</u>	<u>112,015,025</u>	<u>1,753,259</u>
<b>Deferred Outflows of Resources</b>				
Deferred other post employment benefit resources	36,346	21,517	57,863	147
Deferred pension resources	2,897,022	722,117	3,619,139	5,912
Total Deferred Outflows of Resources	<u>2,933,368</u>	<u>743,634</u>	<u>3,677,002</u>	<u>6,059</u>
<b>Liabilities</b>				
Accounts and contracts payable	456,182	1,028,667	1,484,849	1,932
Due to other governments	43,213	12,381	55,594	-
Accrued interest payable	102,288	406,508	508,796	-
Accrued wages payable	118,694	39,759	158,453	666
Deposits payable	33,948	293,426	327,374	-
Unearned revenue	1,139,536	130,733	1,270,269	-
Noncurrent liabilities				
Due within one year				
Long-term liabilities	1,122,698	1,364,903	2,487,601	-
Due in more than one year				
Long-term liabilities	8,386,140	30,580,632	38,966,772	-
Net pension liability	4,715,497	2,205,401	6,920,898	19,266
Other postemployment benefits liability	136,958	81,077	218,035	554
Total Liabilities	<u>16,255,154</u>	<u>36,143,487</u>	<u>52,398,641</u>	<u>22,418</u>
<b>Deferred Inflows of Resources</b>				
Deferred other post employment benefit resources	35,020	20,731	55,751	142
Deferred pension resources	225,929	33,875	259,804	296
Unavailable revenue - leases	7,500	-	7,500	-
Total Deferred Inflows of Resources	<u>268,449</u>	<u>54,606</u>	<u>323,055</u>	<u>438</u>
<b>Net Position</b>				
Net investment in capital assets	10,774,937	20,253,591	31,028,528	77,910
Restricted for				
Debt service	6,702,249	-	6,702,249	-
Capital projects	93,003	-	93,003	-
Economic development	991,509	-	991,509	-
Upgrades	59,810	-	59,810	-
Park improvements	34,836	-	34,836	-
Unrestricted	7,368,423	16,691,973	24,060,396	1,658,552
Total Net Position	<u>\$ 26,024,767</u>	<u>\$ 36,945,564</u>	<u>\$ 62,970,331</u>	<u>\$ 1,736,462</u>

The notes to the financial statements are an integral part of this statement.

City of New Prague, Minnesota  
Statement of Activities  
For the Year Ended December 31, 2022

Functions/Programs	Program Revenues			
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government				
Governmental Activities				
General government	\$ 1,290,362	\$ 82,457	\$ 39,778	\$ -
Public safety	2,591,794	440,340	213,568	3,750
Public works	4,728,591	39,765	116,351	3,247,219
Culture and recreation	992,550	20,726	-	-
Economic development	128,858	18,356	-	-
Miscellaneous	26,694	9,400	-	-
Interest on long-term debt	232,507	-	-	-
Total Governmental Activities	9,991,356	611,044	369,697	3,250,969
Business-type activities				
Sewer utility	3,831,411	3,376,149	-	153,863
Electric utility	8,534,062	9,491,721	-	63,111
Water utility	1,510,608	1,721,188	-	125,463
Storm water utility	382,057	397,223	-	-
Golf	1,309,955	1,272,170	-	-
Ambulance	14,188	20,186	-	-
Total Business-type Activities	15,582,281	16,278,637	-	342,437
Total Primary Government	\$ 25,573,637	\$ 16,889,681	\$ 369,697	\$ 3,593,406
Component Unit				
Economic development	\$ 54,888	\$ 38	\$ 84	\$ -
General Revenues				
Property taxes, levied for general purposes				
Property taxes, levied for debt service				
Tax increments				
Franchise taxes				
Grants and contributions not restricted to specific programs				
Unrestricted investment earnings (loss)				
Other revenues				
Gain on sale of capital assets				
Transfers				
Total General Revenues and Transfers				
Change in Net Position				
Net Position, January 1				
Net Position, December 31				

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and  
Changes in Net Position

Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Economic Development Authority
\$ (1,168,127)	\$ -	\$ (1,168,127)	
(1,934,136)	-	(1,934,136)	
(1,325,256)	-	(1,325,256)	
(971,824)	-	(971,824)	
(110,502)	-	(110,502)	
(17,294)	-	(17,294)	
(232,507)	-	(232,507)	
(5,759,646)	-	(5,759,646)	
-	\$ (301,399)	(301,399)	
-	1,020,770	1,020,770	
-	336,043	336,043	
-	15,166	15,166	
-	(37,785)	(37,785)	
-	5,998	5,998	
-	1,038,793	1,038,793	
			<u>\$ (54,766)</u>
3,675,037	-	3,675,037	49,917
936,474	-	936,474	-
128,422	-	128,422	-
98,409	-	98,409	-
971,119	9,646	980,765	-
130,968	(206,809)	(75,841)	2,292
31,202	-	31,202	-
-	30,000	30,000	161,508
(81,270)	81,270	-	-
5,890,361	(85,893)	5,804,468	213,717
130,715	952,900	1,083,615	158,951
25,894,052	35,992,664	61,886,716	1,577,511
\$ 26,024,767	\$ 36,945,564	\$ 62,970,331	\$ 1,736,462

The notes to the financial statements are an integral part of this statement.

THIS PAGE IS LEFT  
BLANK INTENTIONALLY

FUND FINANCIAL STATEMENTS

CITY OF NEW PRAGUE  
NEW PRAGUE, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2022

City of New Prague, Minnesota  
Balance Sheet  
Governmental Funds  
December 31, 2022

	General	Debt Service	CIP 2022	Other Governmental Funds	Totals
<b>Assets</b>					
Cash and temporary investments	\$ 6,001,079	\$ 3,928,154	\$ 379,422	\$ 4,495,762	\$ 14,804,417
Receivables					
Interest	90,666	-	-	-	90,666
Delinquent taxes	25,935	-	-	-	25,935
Accounts	128,918	-	-	32,500	161,418
Notes, net of allowance	-	684,999	-	36,585	721,584
Special assessments	4,109	2,231,466	-	251,070	2,486,645
Intergovernmental	46,316	1,385	-	974,353	1,022,054
Advances to other funds	23,187	-	-	-	23,187
Prepaid items	3,650	-	-	-	3,650
	<u>\$ 6,323,860</u>	<u>\$ 6,846,004</u>	<u>\$ 379,422</u>	<u>\$ 5,790,270</u>	<u>\$ 19,339,556</u>
<b>Liabilities</b>					
Accounts and contracts payable	\$ 180,384	\$ 61,001	\$ 113,130	\$ 101,667	\$ 456,182
Due to other governments	41,864	-	-	1,349	43,213
Accrued wages payable	118,694	-	-	-	118,694
Deposits payable	24,173	-	-	9,775	33,948
Unearned revenue	630	-	-	1,138,906	1,139,536
Total Liabilities	<u>365,745</u>	<u>61,001</u>	<u>113,130</u>	<u>1,251,697</u>	<u>1,791,573</u>
<b>Deferred Inflows of Resources</b>					
Unavailable revenue - property taxes	25,935	-	-	-	25,935
Unavailable revenue - special assessments	4,109	2,231,466	-	251,070	2,486,645
Unavailable revenue - leases	-	-	-	7,500	7,500
Unavailable revenue - grants	-	-	-	854,756	854,756
Total Deferred Inflows of Resources	<u>30,044</u>	<u>2,231,466</u>	<u>-</u>	<u>1,113,326</u>	<u>3,374,836</u>
<b>Fund Balances</b>					
<b>Nonspendable</b>					
Prepaid items	3,650	-	-	-	3,650
<b>Restricted for</b>					
Debt service	-	4,553,537	-	162,534	4,716,071
Economic development	-	-	-	991,509	991,509
Upgrades	-	-	-	59,810	59,810
Capital projects	-	-	-	93,003	93,003
Park improvements	-	-	-	34,836	34,836
<b>Committed for</b>					
Emergency weather/disaster purposes	100,000	-	-	-	100,000
Future athletic field	143,987	-	-	-	143,987
Public facilities and infrastructure	500,000	-	-	-	500,000
<b>Assigned for</b>					
Acquisition of equipment and vehicles	288,059	-	-	-	288,059
ARPA	-	-	-	3,981	3,981
Renovation/replacement of public facilities	1,605,374	-	-	-	1,605,374
Capital projects	-	-	266,292	2,274,582	2,540,874
Economic development	-	-	-	62,256	62,256
Crime prevention	-	-	-	46,403	46,403
Park improvements	-	-	-	251,244	251,244
Rental house	61,381	-	-	-	61,381
Unassigned	3,225,620	-	-	(554,911)	2,670,709
Total Fund Balances	<u>5,928,071</u>	<u>4,553,537</u>	<u>266,292</u>	<u>3,425,247</u>	<u>14,173,147</u>
	<u>\$ 6,323,860</u>	<u>\$ 6,846,004</u>	<u>\$ 379,422</u>	<u>\$ 5,790,270</u>	<u>\$ 19,339,556</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>					

The notes to the financial statements are an integral part of this statement.

City of New Prague, Minnesota  
Reconciliation of the Balance Sheet  
to the Statement of Net Position  
Governmental Funds  
December 31, 2022

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

Total Fund Balances - Governmental Funds	\$ 14,173,147
Long-term net pension assets from pensions reported in governmental activities are not financial resources and therefore are not reported as assets in the funds.	310,272
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the funds. Cost of capital assets, net of accumulated depreciation	19,965,174
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of	
Compensated absences payable	(175,601)
Bonds payable	(8,411,160)
Indenture of trust payable (HRA)	(143,000)
Bond premiums, net of amortization	(779,077)
Other post employment benefits	(136,958)
Net pension liability	(4,715,497)
Long-term assets are not available to pay current-period expenditures and, therefore, are unavailable in the funds.	
Delinquent property taxes receivable	25,935
Special assessments receivable	2,486,645
Grants receivable	854,756
Governmental funds do not report long-term amounts related to pensions.	
Deferred outflows of resources - pension resources	2,897,022
Deferred inflows of resources - pension resources	(260,949)
Governmental funds do not report long-term amounts related to other post employment benefits.	
Deferred outflows of other post employment benefit resources	36,346
Governmental funds do not report a liability for accrued interest until due and payable.	<u>(102,288)</u>
Total Net Position - Governmental Activities	<u><u>\$ 26,024,767</u></u>

The notes to the financial statements are an integral part of this statement.

City of New Prague, Minnesota  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2022

	General	Debt Service	CIP 2022	Other Governmental Funds	Totals
<b>Revenues</b>					
Taxes	\$ 3,758,223	\$ 1,064,896	\$ -	\$ 20,823	\$ 4,843,942
Special assessments	-	536,370	-	2,217	538,587
Licenses and permits	350,997	-	-	-	350,997
Intergovernmental	1,301,101	-	1,592,830	677,276	3,571,207
Charges for services	129,227	-	-	67,016	196,243
Fines and forfeits	22,063	-	-	-	22,063
Investment earnings	91,811	18,232	1,146	19,779	130,968
Miscellaneous	54,387	17,799	-	1,163	73,349
<b>Total Revenues</b>	<u>5,707,809</u>	<u>1,637,297</u>	<u>1,593,976</u>	<u>788,274</u>	<u>9,727,356</u>
<b>Expenditures</b>					
<b>Current</b>					
General government	1,164,895	-	-	-	1,164,895
Public safety	2,323,310	-	-	19,790	2,343,100
Public works	1,094,346	-	-	1,789	1,096,135
Culture and recreation	715,398	-	-	-	715,398
Economic development	-	128,858	-	-	128,858
Miscellaneous	26,694	-	-	-	26,694
<b>Capital outlay</b>					
General government	9,722	-	-	36,778	46,500
Public safety	20,526	-	-	5,005	25,531
Public works	33,825	-	1,555,154	820,169	2,409,148
Culture and recreation	65,366	-	-	1,444	66,810
<b>Debt service</b>					
Principal	-	983,273	-	-	983,273
Interest and other	-	299,092	-	-	299,092
Bond issuance costs and fees	-	4,637	3,970	-	8,607
<b>Total Expenditures</b>	<u>5,454,082</u>	<u>1,415,860</u>	<u>1,559,124</u>	<u>884,975</u>	<u>9,314,041</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>253,727</u>	<u>221,437</u>	<u>34,852</u>	<u>(96,701)</u>	<u>413,315</u>
<b>Other Financing Sources (Uses)</b>					
Transfers in	130,000	-	-	7,592	137,592
Debt issued	-	-	260,000	-	260,000
Premium on bonds issued	-	-	26,328	-	26,328
Transfers out	(128,862)	-	-	(90,000)	(218,862)
<b>Total Other Financing Sources (Uses)</b>	<u>1,138</u>	<u>-</u>	<u>286,328</u>	<u>(82,408)</u>	<u>205,058</u>
<b>Net Change in Fund Balances</b>	254,865	221,437	321,180	(179,109)	618,373
<b>Fund Balances, January 1</b>	<u>5,673,206</u>	<u>4,332,100</u>	<u>(54,888)</u>	<u>3,604,356</u>	<u>13,554,774</u>
<b>Fund Balances, December 31</b>	<u>\$ 5,928,071</u>	<u>\$ 4,553,537</u>	<u>\$ 266,292</u>	<u>\$ 3,425,247</u>	<u>\$ 14,173,147</u>

The notes to the financial statements are an integral part of this statement.

City of New Prague, Minnesota  
 Reconciliation of the Statement of  
 Revenues, Expenditures and Changes in Fund Balances  
 to the Statement of Activities  
 Governmental Funds  
 For the Year Ended December 31, 2022

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

Net change in fund balances - governmental funds	\$ 618,373
<p>Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over the estimated useful lives and reported as depreciation expense.</p>	
Capital outlay	198,640
Depreciation expense	(1,804,034)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.</p>	
Principal repayments	983,273
Debt issued or incurred	(260,000)
Premiums on bonds issued, net of amortization	49,746
<p>Long-term pension activity is not reported in governmental funds.</p>	
Pension expense	(209,874)
Direct aid contributions	40,873
<p>Interest on long-term debt in the statement of activities differs from the amount reported in the governmental fund because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.</p>	
	(882)
<p>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.</p>	
Compensated absences	55,640
Other post employment benefits	(10,744)
<p>Certain revenues are recognized as soon as they are earned. Under the modified accrual basis of accounting certain revenues cannot be recognized until they are available to liquidate liabilities of the current period.</p>	
Property taxes	(5,600)
Special assessments	146,032
Grants	329,272
Change in Net Position - Governmental Activities	\$ 130,715

The notes to the financial statements are an integral part of this statement.

City of New Prague, Minnesota  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
General Fund  
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 3,766,878	\$ 3,766,878	\$ 3,758,223	\$ (8,655)
Licenses and permits	238,560	238,560	350,997	112,437
Intergovernmental	1,263,155	1,263,155	1,301,101	37,946
Charges for services	158,290	158,290	129,227	(29,063)
Fines and forfeits	30,000	30,000	22,063	(7,937)
Interest earnings	10,000	10,000	91,811	81,811
Miscellaneous	14,500	14,500	54,387	39,887
Total Revenues	<u>5,481,383</u>	<u>5,481,383</u>	<u>5,707,809</u>	<u>226,426</u>
Expenditures				
Current				
General government	1,173,556	1,173,556	1,164,895	8,661
Public safety	2,237,873	2,237,873	2,323,310	(85,437)
Public works	1,120,752	1,120,752	1,094,346	26,406
Culture and recreation	756,472	756,472	715,398	41,074
Miscellaneous	56,875	56,875	26,694	30,181
Capital outlay				
General government	8,950	8,950	9,722	(772)
Public safety	63,900	63,900	20,526	43,374
Streets and highways	-	-	33,825	(33,825)
Culture and recreation	65,000	65,000	65,366	(366)
Total Expenditures	<u>5,483,378</u>	<u>5,483,378</u>	<u>5,454,082</u>	<u>29,296</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,995)</u>	<u>(1,995)</u>	<u>253,727</u>	<u>255,722</u>
Other Financing Sources (Uses)				
Transfers in	130,000	130,000	130,000	-
Transfers out	(121,270)	(121,270)	(128,862)	(7,592)
Total Other Financing Sources (Uses)	<u>8,730</u>	<u>8,730</u>	<u>1,138</u>	<u>(7,592)</u>
Net Change in Fund Balances	6,735	6,735	254,865	248,130
Fund Balances, January 1	<u>5,673,206</u>	<u>5,673,206</u>	<u>5,673,206</u>	<u>-</u>
Fund Balances, December 31	<u>\$ 5,679,941</u>	<u>\$ 5,679,941</u>	<u>\$ 5,928,071</u>	<u>\$ 248,130</u>

The notes to the financial statements are an integral part of this statement.

City of New Prague, Minnesota  
Statement of Net Position  
Proprietary Funds  
December 31, 2022

	Business-type Activities - Enterprise Funds			Business-type Activities - Enterprise Funds		
	604	605	Total Public Utilities	602	Other Enterprise Funds	Totals
	Water Utility	Electric Utility	Commission	Sewer Utility		
<b>Assets</b>						
<b>Current Assets</b>						
Cash and temporary investments						
Undesignated	\$ 2,460,038	\$ 2,782,848	\$ 5,242,886	\$ 7,787,342	\$ 1,532,902	\$ 14,563,130
Designated	-	2,270,145	2,270,145	210,000	-	2,480,145
Receivables						
Accounts, net of allowance	198,776	1,414,108	1,612,884	244,044	50,213	1,907,141
Special assessments - current portion	415,135	2,661	417,796	191,810	-	609,606
Intergovernmental	2,935	67,680	70,615	8,150	-	78,765
Inventories	75,315	874,227	949,542	-	49,705	999,247
Prepaid items	1,094	4,542	5,636	1,381	332	7,349
Total Current Assets	<u>3,153,293</u>	<u>7,416,211</u>	<u>10,569,504</u>	<u>8,442,727</u>	<u>1,633,152</u>	<u>20,645,383</u>
<b>Noncurrent Assets</b>						
<b>Capital assets</b>						
Land	79,520	41,648	121,168	56,980	-	178,148
Construction in progress	2,942,729	2,085,675	5,028,404	1,518,651	430,491	6,977,546
Land improvements	-	-	-	-	910,290	910,290
Buildings	4,898,124	7,125,853	12,023,977	27,964,822	1,094,511	41,083,310
Infrastructure	8,713,923	13,963,317	22,677,240	6,137,874	7,326,497	36,141,611
Machinery and equipment	344,976	2,144,247	2,489,223	13,768,885	1,433,363	17,691,471
Less accumulated depreciation	(8,414,714)	(15,170,888)	(23,585,602)	(21,089,326)	(6,529,621)	(51,204,549)
Total Capital Assets (net of accumulated depreciation)	<u>8,564,558</u>	<u>10,189,852</u>	<u>18,754,410</u>	<u>28,357,886</u>	<u>4,665,531</u>	<u>51,777,827</u>
Total Assets	<u>11,717,851</u>	<u>17,606,063</u>	<u>29,323,914</u>	<u>36,800,613</u>	<u>6,298,683</u>	<u>72,423,210</u>
<b>Deferred Outflows of Resources</b>						
Deferred other post employment benefit resources	5,741	8,496	14,237	5,049	2,231	21,517
Deferred pension resources	149,909	324,952	474,861	124,356	122,900	722,117
Total Deferred Outflows of Resources	<u>155,650</u>	<u>333,448</u>	<u>489,098</u>	<u>129,405</u>	<u>125,131</u>	<u>743,634</u>
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Accounts and contracts payable	22,754	919,985	942,739	62,129	23,799	1,028,667
Due to other governments	7,162	5,219	12,381	-	-	12,381
Current portion of advances from other funds	-	-	-	-	23,187	23,187
Accrued interest payable	40,993	-	40,993	344,881	20,634	406,508
Accrued wages payable	7,973	17,654	25,627	7,962	6,170	39,759
Accrued compensated absences payable	13,361	23,955	37,316	11,904	-	49,220
Customer deposits payable	31,941	141,670	173,611	61,925	57,890	293,426
Unearned revenue	-	-	-	-	130,733	130,733
Current portion of bonds payable	234,709	-	234,709	883,358	197,616	1,315,683
Total Current Liabilities	<u>358,893</u>	<u>1,108,483</u>	<u>1,467,376</u>	<u>1,372,159</u>	<u>460,029</u>	<u>3,299,564</u>
<b>Noncurrent Liabilities</b>						
Accrued compensated absences payable	30,874	80,348	111,222	18,715	11,311	141,248
Bonds payable - net of current portion	3,197,159	-	3,197,159	25,951,306	1,290,919	30,439,384
Net pension liability	465,050	1,008,076	1,473,126	405,247	327,028	2,205,401
Other post employment benefits	21,632	32,013	53,645	19,027	8,405	81,077
Total Noncurrent Liabilities	<u>3,714,715</u>	<u>1,120,437</u>	<u>4,835,152</u>	<u>26,394,295</u>	<u>1,637,663</u>	<u>32,867,110</u>
Total Liabilities	<u>4,073,608</u>	<u>2,228,920</u>	<u>6,302,528</u>	<u>27,766,454</u>	<u>2,097,692</u>	<u>36,166,674</u>
<b>Deferred Inflows of Resources</b>						
Deferred other post employment benefit resources	5,531	8,186	13,717	4,865	2,149	20,731
Deferred pension resources	6,499	14,084	20,583	6,228	7,064	33,875
Total Deferred Inflows of Resources	<u>12,030</u>	<u>22,270</u>	<u>34,300</u>	<u>11,093</u>	<u>9,213</u>	<u>54,606</u>
<b>Net Position</b>						
Net investment in capital assets	5,132,690	10,189,852	15,322,542	1,523,222	3,407,827	20,253,591
Unrestricted	2,655,173	5,498,469	8,153,642	7,629,249	909,082	16,691,973
Total Net Position	<u>\$ 7,787,863</u>	<u>\$ 15,688,321</u>	<u>\$ 23,476,184</u>	<u>\$ 9,152,471</u>	<u>\$ 4,316,909</u>	<u>\$ 36,945,564</u>

The notes to the financial statements are an integral part of this statement.

THIS PAGE IS LEFT  
BLANK INTENTIONALLY

City of New Prague, Minnesota  
Statement of Revenues, Expenses and Changes in Net Position  
Proprietary Funds  
For the Year Ended December 31, 2022

	Business-type Activities - Enterprise Funds			Business-type Activities - Enterprise Funds		
	604	605	Total Public Utilities	602	Total Nonmajor Funds	Totals
	Water Utility	Electric Utility	Commission	Sewer Utility		
Operating Revenues						
Sales	\$ -	\$ -	\$ -	\$ -	\$ 466,590	\$ 466,590
Cost of sales	-	-	-	-	(211,178)	(211,178)
Gross profit	-	-	-	-	255,412	255,412
Charges for services	1,702,476	9,251,457	10,953,933	3,331,358	1,202,892	15,488,183
Miscellaneous	-	-	-	-	20,186	20,186
Total Operating Revenues	<u>1,702,476</u>	<u>9,251,457</u>	<u>10,953,933</u>	<u>3,331,358</u>	<u>1,478,490</u>	<u>15,763,781</u>
Operating Expenses						
Purchases and generation	118,057	6,545,254	6,663,311	-	-	6,663,311
Transmission and distribution	350,065	175,121	525,186	-	-	525,186
Administration and general	503,473	1,174,928	1,678,401	-	-	1,678,401
Salaries and benefits	-	-	-	608,223	704,288	1,312,511
Supplies	-	-	-	223,405	148,946	372,351
Other services and charges	-	-	-	143,274	154,351	297,625
Insurance	-	-	-	49,039	14,181	63,220
Utilities	-	-	-	330,233	99,096	429,329
Depreciation	430,721	638,529	1,069,250	1,529,673	330,774	2,929,697
Total Operating Expenses	<u>1,402,316</u>	<u>8,533,832</u>	<u>9,936,148</u>	<u>2,883,847</u>	<u>1,451,636</u>	<u>14,271,631</u>
Operating Income (Loss)	<u>300,160</u>	<u>717,625</u>	<u>1,017,785</u>	<u>447,511</u>	<u>26,854</u>	<u>1,492,150</u>
Nonoperating Revenues (Expenses)						
Intergovernmental	2,032	4,406	6,438	1,775	1,433	9,646
Investment income (loss)	(58,865)	(186,040)	(244,905)	30,350	7,746	(206,809)
Miscellaneous income	11,648	240,264	251,912	22,645	-	274,557
Water meter income	7,064	-	7,064	-	-	7,064
Refunds and reimbursements	-	-	-	22,146	-	22,146
Gain (loss) on disposal of capital assets	-	30,000	30,000	-	-	30,000
Bond issuance expense	(7,378)	-	(7,378)	(4,058)	(9,099)	(20,535)
Interest expense	(103,133)	(230)	(103,363)	(956,749)	(44,522)	(1,104,634)
Amortization of bond premium	2,219	-	2,219	13,243	10,146	25,608
Total Nonoperating Revenues (Expenses)	<u>(146,413)</u>	<u>88,400</u>	<u>(58,013)</u>	<u>(870,648)</u>	<u>(34,296)</u>	<u>(962,957)</u>
Income (Loss) Before Contributions and Transfers	<u>153,747</u>	<u>806,025</u>	<u>959,772</u>	<u>(423,137)</u>	<u>(7,442)</u>	<u>529,193</u>
Capital Contributions						
Hookup charges	25,942	-	25,942	85,528	-	111,470
Special assessments	99,521	-	99,521	68,335	-	167,856
Other entities	-	63,111	63,111	-	-	63,111
Total Capital Contributions	<u>125,463</u>	<u>63,111</u>	<u>188,574</u>	<u>153,863</u>	<u>-</u>	<u>342,437</u>
Transfers In	-	-	-	-	121,270	121,270
Transfers Out	-	(40,000)	(40,000)	-	-	(40,000)
Total Transfers	<u>-</u>	<u>(40,000)</u>	<u>(40,000)</u>	<u>-</u>	<u>121,270</u>	<u>81,270</u>
Change in Net Position	<u>279,210</u>	<u>829,136</u>	<u>1,108,346</u>	<u>(269,274)</u>	<u>113,828</u>	<u>952,900</u>
Net Position, January 1	<u>7,508,653</u>	<u>14,859,185</u>	<u>22,367,838</u>	<u>9,421,745</u>	<u>4,203,081</u>	<u>35,992,664</u>
Net Position, December 31	<u>\$ 7,787,863</u>	<u>\$ 15,688,321</u>	<u>\$ 23,476,184</u>	<u>\$ 9,152,471</u>	<u>\$ 4,316,909</u>	<u>\$ 36,945,564</u>

The notes to the financial statements are an integral part of this statement.

City of New Prague, Minnesota  
Statement of Cash Flows (Continued on the Following Pages)  
Proprietary Funds  
For the Year Ended December 31, 2022

	Business-type Activities - Enterprise Funds		
	604	605	Total Public Utilities
	Water Utility	Electric Utility	Commission
Cash Flows from Operating Activities			
Receipts from customers	\$ 1,692,352	\$ 8,965,504	\$ 10,657,856
Payments to suppliers and vendors	(392,336)	(6,792,958)	(7,185,294)
Payments to and on behalf of employees	(571,652)	(1,176,263)	(1,747,915)
Other receipts	13,680	244,670	258,350
Net Cash Provided (Used) by Operating Activities	<u>742,044</u>	<u>1,240,953</u>	<u>1,982,997</u>
Cash Flows from			
Noncapital Financing Activities			
(Increase) decrease in advances from other funds	-	-	-
State grants received	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	-	(40,000)	(40,000)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>(40,000)</u>	<u>(40,000)</u>
Cash Flows from Capital Financing Activities			
Special assessment receipts	99,521	-	99,521
Capital contributions from other entities	-	63,111	63,111
Payments on advances from other funds	-	-	-
Proceeds from bonds issued, net of discount/premiums	330,801	-	330,801
Acquisition and construction of capital assets	(1,672,437)	(2,332,712)	(4,005,149)
Proceeds from the disposal of capital assets	-	30,000	30,000
Principal paid on bonds	(341,870)	-	(341,870)
Interest paid on bonds and notes	(97,117)	(230)	(97,347)
Issuance costs paid on bonds	(7,378)	-	(7,378)
Hookup charges	5,712	-	5,712
Net Cash Provided (Used) by Capital Financing Activities	<u>(1,682,768)</u>	<u>(2,239,831)</u>	<u>(3,922,599)</u>
Cash Flows From Investing Activities			
Interest received (paid)	<u>(58,865)</u>	<u>(186,040)</u>	<u>(244,905)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(999,589)	(1,224,918)	(2,224,507)
Cash and Cash Equivalents, January 1,	<u>3,459,627</u>	<u>6,277,911</u>	<u>9,737,538</u>
Cash and Cash Equivalents, December 31,	<u>\$ 2,460,038</u>	<u>\$ 5,052,993</u>	<u>\$ 7,513,031</u>
Cash and Cash Equivalents			
Undesignated	\$ 2,460,038	\$ 2,782,848	\$ 5,242,886
Designated	-	2,270,145	2,270,145
Total Cash and Cash Equivalents	<u>\$ 2,460,038</u>	<u>\$ 5,052,993</u>	<u>\$ 7,513,031</u>

The notes to the financial statements are an integral part of this statement.

Business-type Activities - Enterprise Funds

<b>602</b>	Total Nonmajor Funds	Totals
\$ 3,324,148	\$ 1,654,070	\$ 15,636,074
(765,810)	(645,656)	(8,596,760)
(571,620)	(670,589)	(2,990,124)
44,791	20,186	323,327
<u>2,031,509</u>	<u>358,011</u>	<u>4,372,517</u>
(5,621)	-	(5,621)
1,775	1,433	3,208
-	121,270	121,270
-	-	(40,000)
<u>(3,846)</u>	<u>122,703</u>	<u>78,857</u>
68,335	-	167,856
-	-	63,111
-	(39,916)	(39,916)
181,493	407,078	919,372
(329,456)	(405,383)	(4,739,988)
-	-	30,000
(798,921)	(177,936)	(1,318,727)
(960,313)	(43,432)	(1,101,092)
(4,058)	(9,099)	(20,535)
60,918	-	66,630
<u>(1,782,002)</u>	<u>(268,688)</u>	<u>(5,973,289)</u>
<u>30,350</u>	<u>7,746</u>	<u>(206,809)</u>
276,011	219,772	(1,728,724)
<u>7,721,331</u>	<u>1,313,130</u>	<u>18,771,999</u>
<u>\$ 7,997,342</u>	<u>\$ 1,532,902</u>	<u>\$ 17,043,275</u>
\$ 7,787,342	\$ 1,532,902	\$ 14,563,130
210,000	-	2,480,145
<u>\$ 7,997,342</u>	<u>\$ 1,532,902</u>	<u>\$ 17,043,275</u>

The notes to the financial statements are an integral part of this statement.

City of New Prague, Minnesota  
Statements of Cash Flows (Continued)  
Proprietary Funds  
For the Year Ended December 31, 2022

	Business-type Activities - Enterprise Funds		
	<u>604</u>	<u>605</u>	Total Public Utilities Commission
	<u>Water Utility</u>	<u>Electric Utility</u>	
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating income (loss)	\$ 300,160	\$ 717,625	\$ 1,017,785
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Other income related to operations	20,744	244,670	265,414
Depreciation and amortization	430,721	638,529	1,069,250
(Increase) decrease in assets			
Accounts receivable	(14,935)	(227,131)	(242,066)
Due from other governments	(2,253)	(58,822)	(61,075)
Inventories	(30,429)	(139,555)	(169,984)
Prepaid items	3,123	7,414	10,537
(Increase) decrease in deferred outflows of resources			
Deferred other post employment benefit resources	484	4,325	4,809
Deferred pension resources	33,975	100,337	134,312
Increase (decrease) in liabilities			
Accounts and contracts payable	(16,815)	9,921	(6,894)
Due to other governments	7,150	5,219	12,369
Accrued wages payable	879	(1,148)	(269)
Accrued compensated absences payable	(15,142)	(30,932)	(46,074)
Customer meter deposits payable	972	980	1,952
Unearned revenue	-	-	-
Other post employment benefits payable	2,368	(7,664)	(5,296)
Net pension liability	231,728	468,447	700,175
Increase (decrease) in deferred inflows of resources			
Deferred other post employment benefit resources	(645)	(4,535)	(5,180)
Deferred pension resources	(210,041)	(486,727)	(696,768)
Net Cash Provided (Used) by Operating Activities	<u>\$ 742,044</u>	<u>\$ 1,240,953</u>	<u>\$ 1,982,997</u>
Noncash Investing, Capital and Financing Activities			
Interfund services provided	\$ -	\$ 99,189	\$ 99,189
Amortization of bond (premium) discount	(2,219)	-	(2,219)
Bond premium issued	30,801	-	30,801
Capital assets acquired on account	16,242	-	16,242

The notes to the financial statements are an integral part of this statement.

Business-type Activities - Enterprise Funds

<u>602</u>	<u>Total Nonmajor Funds</u>	<u>Totals</u>
\$ 447,511	\$ 26,854	\$ 1,492,150
44,791	-	310,205
1,529,673	330,774	2,929,697
940	(22,055)	(263,181)
(8,150)	-	(69,225)
-	(6,357)	(176,341)
3,908	1,310	15,755
396	418	5,623
23,836	(91)	158,057
(26,085)	(12,857)	(45,836)
-	-	12,369
548	1,620	1,899
1,782	1,546	(42,746)
2,318	7,117	11,387
-	(474)	(474)
2,175	207	(2,914)
196,330	173,881	1,070,386
(538)	(479)	(6,197)
<u>(187,926)</u>	<u>(143,403)</u>	<u>(1,028,097)</u>
<u>\$ 2,031,509</u>	<u>\$ 358,011</u>	<u>\$ 4,372,517</u>

\$ -	\$ -	\$ 99,189
(13,243)	(10,146)	(25,608)
16,493	37,078	84,372
10,828	18,408	45,478

The notes to the financial statements are an integral part of this statement.

THIS PAGE IS LEFT  
BLANK INTENTIONALLY

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

## Note 1: Summary of Significant Accounting Policies

### A. Reporting Entity

The City of New Prague (the City) operates under a home rule charter form of government. The City is governed by an elected Mayor and a four-member Council. The Council exercises legislative authority and determines all matters of policy. The Council appoints personnel responsible for the proper administration of all affairs relating to the City. The City has considered all potential units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the primary government to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government. As required by accounting principles generally accepted in the United States of America, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The following is a brief review of each potential component unit addressed in defining the government's reporting entity.

Included within the reporting entity:

**City of New Prague Utilities Commission (PUC).** The Commission's governing board is appointed by the City Council. Bond issuance authorizations also are approved by the City and the legal liability for the general obligation portion of the Commission's debt remains with the City. The PUC is not considered a component unit and its Water Utility and Electric Utility funds are reported as enterprise funds of the City.

**City of New Prague Housing and Redevelopment Authority (HRA).** The HRA was created by the City to carry out housing and redevelopment projects. The governing board is appointed by the City Council, the Council reviews and approves HRA tax levies and the City provides major community development financing for HRA activities. Debt issued for HRA activities are general obligations of the City. The HRA is a blended component unit reported as a Debt Service fund of the City.

**City of New Prague Economic Development Authority (EDA).** The EDA was created by the City to carry out economic development projects. Two of the seven-member board of commissioners is a City Council member and the Mayor while all other members are appointed by the Council. The EDA's governing body does not have substantively the same board as the City, has no outstanding debt issued through the City, and does not provide services entirely to the City. Therefore, the EDA is a discretely presented component unit presented as a business-type activity.

Excluded from the reporting entity:

**New Prague Fire Department Relief Association.** The association is organized as a non-profit organization by its members to provide pension and other benefits to members in accordance with Minnesota statutes. The Board of Directors is appointed by the membership of the Association. All funding is conducted in accordance with Minnesota statutes, whereby state aids flow to the association, tax levies are determined by the Association and are only reviewed by the City and the Association pays benefits directly to its members.

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

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 1: Summary of Significant Accounting Policies (Continued)**

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, intergovernmental revenue, charges for services, and interest on investments 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.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlement and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the tax is levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are also recorded as unearned revenue.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 1: Summary of Significant Accounting Policies (Continued)**

The City reports the following major governmental funds:

The *General 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 *Debt Service* fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The *CIP 2022 fund* is used to account for the expenditures related to the completion of 2022 CIP projects.

The City reports the following major proprietary funds:

The *Water Utility enterprise fund* accounts for costs associated with the City's water system and to ensure that user charges are sufficient to pay for those costs.

The *Sewer Utility enterprise fund* accounts for the costs associated with the City's sewer system and to ensure that user charges are sufficient to pay for those costs.

The *Electric Utility enterprise fund* accounts for the costs associated with the City's electric utility system and to ensure that user charges are sufficient to pay for those costs.

As a general rule the effect of interfund activity has been eliminated from 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 payment 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.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

***Deposits and Investments***

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. The proprietary funds' portion in the government-wide cash and temporary investments pool is considered to be cash and cash equivalents for purposes of the statements of cash flows.

Cash balances from all funds are pooled and invested, to the extent available, in certificates of deposit and other authorized investments. Earnings from such investments are allocated on the basis of applicable participation by each of the funds.

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 1: Summary of Significant Accounting Policies (Continued)**

The City may invest idle funds as authorized by Minnesota statutes, as follows:

1. Direct obligations or obligations guaranteed by the United States or its agencies.
2. Shares of investment companies registered under the Federal Investment Company Act of 1940 and received the highest credit rating, rated in one of the two highest rating categories by a statistical rating agency, and have a final maturity of thirteen months or less.
3. General obligations of a state or local government with taxing powers rated "A" or better; revenue obligations rated "AA" or better.
4. General obligations of the Minnesota Housing Finance Agency rated "A" or better.
5. Obligation of a school district with an original maturity not exceeding 13 months and (i) rated in the highest category by a national bond rating service or (ii) enrolled in the credit enhancement program pursuant to statute section 126C.55.
6. Bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System.
7. Commercial paper issued by United States banks corporations or their Canadian subsidiaries, of highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less.
8. Repurchase or reverse repurchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.
9. Guaranteed investment contracts (GIC's) issued or guaranteed by a United States commercial bank, a domestic branch of a foreign bank, a United States insurance company, or its Canadian subsidiary, whose similar debt obligations were rated in one of the top two rating categories by a nationally recognized rating agency.

Broker money market funds operate in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the shares.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City's recurring fair value measurements are listed in detail on page 60 and are valued using quoted market prices (Level 1 inputs).

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 1: Summary of Significant Accounting Policies (Continued)**

***Investment Policy***

The City's investment policy incorporates Minnesota statutes as described above which reduces the City's exposure to credit, custodial credit and interest rate risks. Specific risk information for the City is as follows:

- *Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Ratings are provided by various credit rating agencies and where applicable, indicate associated credit risk. Minnesota statutes and the City's investment policy limit the City's investments to the list above.
- *Custodial Credit Risk.* Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City's investment policy does not address custodial credit risk but typically limits its exposure by purchasing insured or registered investments.
- *Concentration of Credit Risk.* Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City limits investments in any one institution, other than the U.S. Government or its agencies, to not more than \$2,000,000 or 30 percent of the total portfolio. The City has no concentrations greater than their own requirements in any one issuer.
- *Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the City requires at least 5 percent of the City's investment portfolio to be available on a daily basis without loss of principal. Also, no more than 30 percent of the portfolio should have maturities exceeding 3 years.

***Property Taxes***

The Council annually adopts a tax levy and certifies it to the County in December for collection the following year. The County is responsible for collecting all property taxes for the City. These taxes attach an enforceable lien on taxable property within the City on January 1 and are payable by the property owners in two installments. The taxes are collected by the County Treasurer and tax settlements are made to the City during January, June, and November each year.

Delinquent taxes receivable include the past six years' uncollected taxes. Delinquent taxes have been offset by a deferred inflow of resources for delinquent taxes not received within 60 days after year end in the governmental fund financial statements.

***Accounts Receivable***

Accounts receivable include amounts billed for services provided before year end. Unbilled utility enterprise fund receivables are also included for services provided in 2022. All trade receivables are shown net of an allowance for uncollectible accounts. The allowance for uncollectible accounts at December 31, 2022 was \$10,000 in the Electric Utility enterprise fund and \$4,000 the Water Utility enterprise fund.

***Special Assessments***

Special assessments represent the financing for public improvements paid for by benefiting property owners. These assessments are recorded as receivables upon certification to the County. Special assessments are recognized as revenue when they are annually certified to the County or received in cash or within 60 days after year end. All governmental special assessments receivable are offset by a deferred inflow of resources in the fund financial statements.

## **Note 1: Summary of Significant Accounting Policies (Continued)**

### ***Interfund Receivables and Payables***

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Certain advances between funds, as reported in the fund financial statements, are offset by a fund balance nonspendable account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable financial resources.

### ***Inventories***

Inventories of the proprietary funds are stated at the lower of cost or market with cost determined on a first-in, first-out basis.

### ***Prepaid Items***

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

### ***Interfund Transactions***

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from that fund that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund as reductions of expenditures/expense in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursement are reported as transfers. Transfers were made when necessary to close various capital projects in accordance with the resolutions.

### ***Land Held for Resale***

Land is acquired by the City for subsequent resale for development purposes. Land held for resale is reported as an asset at lower of cost or market value in the fund that acquired it.

### ***Capital Assets***

Capital assets, which include property, plant, equipment, and infrastructure assets, (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City and Commission as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. The City reports infrastructure assets on a network and subsystem basis. Accordingly, the amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported in the government-wide financial statements. 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.

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 1: Summary of Significant Accounting Policies (Continued)**

In the case of initial capitalization of general infrastructure assets (i.e., those reported by governmental activities) the historical costs have been accumulated beginning with the year-ended December 31, 1981. The City was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the actual cost of the infrastructure to be capitalized by using available records). As the City constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. Donated assets with an individual cost greater than \$5,000 and a useful life of greater than one year are recognized as capital assets.

Major outlays for capital assets and improvement are capitalized as projects are constructed.

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

Assets	Years
Infrastructure	15 - 20
Buildings and Improvements	7 - 40
Water and Sewer System	50
Furniture, Machinery and Equipment	5 - 15

***Deferred Outflows of Resources***

In addition to assets, the statements of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. Accordingly, the items, deferred pension resources and deferred other post-employment benefit resources (OPEB) resources, are reported only in the statement of net position. The deferred pension resources result from actuarial calculations and current year pension contributions made subsequent to the measurement date. The deferred OPEB resources are current year OPEB contributions made subsequent to the measurement date.

***Compensated Absences***

It is the City's policy to permit employees to accumulate earned but unused vacation, compensatory time and sick pay benefits. All vacation pay is accrued when incurred in the government-wide and proprietary fund 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. The total amount of compensated absences accrued as of December 31, 2022 was \$366,069. The General fund is typically used to liquidate governmental compensated absences payable.

***Other Postemployment Benefits***

Under Minnesota statute 471.61, subdivision 2b, public employers must allow retirees and their dependents to continue coverage indefinitely in an employer-sponsored health care plan, under the following conditions: 1) Retirees must be receiving (or eligible to receive) an annuity from a Minnesota public pension plan, 2) Coverage must continue in a group plan until age 65, and retirees must pay no more than the group premium, and 3) Retirees are able to add dependent coverage during open enrollment period or qualifying life event prior to retirement. All premiums are funded on a pay-as-you-go basis. The liability was determined, in accordance with GASB Statement No. 75, at January 1, 2021. The General fund is typically used to liquidate governmental other postemployment benefits payable.

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 1: Summary of Significant Accounting Policies (Continued)**

***Long-term Obligations***

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as an expense in the period incurred.

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. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

***Pensions***

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/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. The General fund is typically used to liquidate the governmental net pension liability.

The total pension expense for the General Employee Plan (GERP), Police and Fire Plan (PEPFP), DCP and the New Prague Fire Relief Association is as follows:

	Public Employees Retirement Association of Minnesota (PERA)			Fire Relief Association	Total All Plans
	GERP	PEPFP	DCP		
City's Proportionate Share	\$ 552,606	\$ 289,043	\$ 1,035	\$ 196,774	\$ 1,039,458
Proportionate Share of State's Contribution	16,011	27,806	-	-	43,817
<b>Total Pension Expense</b>	<b>\$ 568,617</b>	<b>\$ 316,849</b>	<b>\$ 1,035</b>	<b>\$ 196,774</b>	<b>\$ 1,083,275</b>

***Deferred Inflows of Resources***

In addition to liabilities, the statements of net position and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting that qualifies as needing to be reported in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from four sources: property taxes, special assessments, grants and lease receivable. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The City has an additional item which qualifies for reporting in this category. The item, deferred pension resources, is reported only in the statements of net position and results from actuarial calculations.

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 1: Summary of Significant Accounting Policies (Continued)**

***Fund Balance***

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources reported in the governmental funds. These classifications are defined as follows:

*Nonspendable* - Amounts that cannot be spent because they are not in spendable form, such as prepaid items.

*Restricted* - Amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.

*Committed* - Amounts constrained for specific purposes that are internally imposed by formal action (resolution) of the City Council (the Council), which is the City's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Council modifies or rescinds the commitment by resolution.

*Assigned* - Amounts constrained for specific purposes that are internally imposed. In governmental funds other than the General fund, assigned fund balance represents all remaining amounts that are not classified as nonspendable and are neither restricted nor committed. In the General fund, assigned amounts represent intended uses established by the Council itself or by an official to which the governing body delegates the authority. The Council has adopted a fund balance policy which delegates the authority to assign amounts for specific purposes to the Finance Director.

*Unassigned* - The residual classification for the General fund and also negative residual amounts in other funds. The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The City has formally adopted a fund balance policy for the General fund. The City's policy is to maintain a minimum unassigned fund balance of 50 percent of budgeted operating expenditures for cash-flow timing needs.

***Net Position***

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position is displayed in three components:

- a. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation reduced by any outstanding debt attributable to acquire capital assets.
- b. Restricted net position - Consists of net position restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.
- c. Unrestricted net position - All other net position that do not meet the definition of "restricted" or "net investment in capital assets".

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

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 2: Stewardship, Compliance and Accountability**

**A. Budgetary Information**

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General fund and the Development Revolving Loan and Crime Prevention special revenue funds. All annual appropriations lapse at fiscal year-end. The City does not use encumbrance accounting.

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. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of a resolution.
4. The City Council may authorize transfer of budgeted amounts between departments within any fund.
5. Formal budgetary integration is employed as a management control device during the year for the General and special revenue funds. Budgetary control is maintained at the object of expenditure category level within each activity and in compliance with City Charter requirements. Also, inherent in this controlling function is the management philosophy that the existence of a particular item or appropriation in the approved budget does not automatically mean that it will be spent. The budget process has flexibility in that, where need has been properly demonstrated, an adjustment can be made within the department budget by the City Administrator, or between departments by the City Council. Therefore, there is a constant review process and expenditures are not approved until it has been determined that: (1) adequate funds are appropriated; (2) the expenditure is still necessary; (3) funds are available.
6. Budgeted amounts are as originally adopted, or as amended by the Council. There were budget amendments made during the year.

**B. Excess of Expenditures over Appropriations**

For the year ended December 31, 2022;, expenditures exceeded appropriations in the following funds:

Fund	Budget	Actual	Excess of Expenditures Over Appropriations
Special Revenue			
Crime Prevention	\$ 16,900	\$ 24,795	\$ 7,895

These excess expenditures were funded by excess fund balance and greater than anticipated revenues.

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 2: Stewardship, Compliance and Accountability (Continued)**

**C. Deficit Fund Equity**

The following funds had fund equity deficits at December 31, 2022:

Fund	Amount
Capital Projects	
Nonmajor	
Federal Grant	\$ 6,142
T.H. 19 Project	446,152
CIP 2023	102,185
CIP 2024	216
CIP 2025	216

The above deficits will be eliminated through future revenues, including long-term debt financing and other revenue sources.

**Note 3: Detailed Notes on All Funds**

**A. Deposits and Investments**

**Deposits**

Custodial credit risk for deposits and investments is the risk that in the event of a bank failure, the City's deposits and investments may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. In accordance with Minnesota statutes and as authorized by the Council, the City maintains deposits at those depository banks, all of which are members of the Federal Reserve System.

Minnesota statutes require that all City deposits be protected by insurance, surety bond or collateral. The fair value of collateral pledged must equal 110 percent of the deposits not covered by insurance, bonds, or irrevocable standby letters of credit from Federal Home Loan Banks.

Authorized collateral in lieu of a corporate surety bond includes:

- United States government Treasury bills, Treasury notes, Treasury bonds;
- Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- General obligation securities of any state or local government with taxing powers which is rated "A" or better by a national bond rating service, or revenue obligation securities of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service;
- General obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity;
- Irrevocable standby letters of credit issued by Federal Home Loan Banks to a municipality accompanied by written evidence that the bank's public debt is rated "AA" or better by Moody's Investors Service, Inc., or Standard & Poor's Corporation; and
- Time deposits that are fully insured by any federal agency.

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 3: Detailed Notes on All Funds (Continued)**

Minnesota statutes require that all collateral shall be placed in safekeeping in a restricted account at a Federal Reserve Bank, or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The selection should be approved by the City.

At year end, the City's carrying amount of deposits was \$10,653,538, including \$574,827 reported in the component unit. The bank balance was \$10,870,630. Of the bank balance, \$671,758 was covered by federal depository insurance and the remaining was collateralized with securities held by the pledging of financial institution's trust department in the City's name.

**Investments**

As of December 31, 2022, the City had the following investments that are insured or registered, or securities held by the City's agent in the City's name:

Types of Investments	Credit Quality/ Ratings (1)	Segmented Time Distribution (2)	Amount	Fair Value Measurement Using Level 1
Pooled Investments at Amortized Cost				
Broker Money Market Funds	N/A	less than 1 year	\$ 2,788,475	
Non-pooled Investments at Amortized Cost				
Money Market Funds	N/A	1 to 5 years	3,269	
Non-pooled Investments at Fair Value				
Government Agency Securities	Aaa	less than 1 year	49,800	\$ 49,800
Government Agency Securities	Aa2	less than 1 year	185,695	185,695
Government Agency Securities	N/A	less than 1 year	8,003,111	8,003,111
Government Agency Securities	Aa1	less than 1 year	74,399	74,399
Government Agency Securities	Aaa	1 to 5 years	877,644	877,644
Government Agency Securities	Aa1	1 to 5 years	298,670	298,670
Government Agency Securities	Aa2	1 to 5 years	321,581	321,581
Government Agency Securities	N/A	1 to 5 years	6,836,227	6,836,227
Government Agency Securities	Aaa	more than 5 years	389,501	389,501
Government Agency Securities	N/A	more than 5 years	251,174	251,174
Government Agency Securities	Aa2	more than 5 years	110,394	110,394
Government Agency Securities	Aa1	more than 5 years	81,681	81,681
Government Agency Securities	Aa3	more than 5 years	168,230	168,230
Government Agency Securities	A1	more than 5 years	93,517	93,517
Negotiable certificates of deposit	N/A	1 to 5 years	1,233,013	1,233,013
Total Investments			<u>\$ 21,766,381</u>	<u>\$ 17,741,624</u>

(1) Ratings are provided by various credit rating agencies where applicable to indicate associated credit risk.

(2) Interest rate risk is disclosed using the segmented time distribution method.

N/A Indicates not applicable or available

There were no investments measured at Level 2 or Level 3.

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 3: Detailed Notes on All Funds (Continued)**

A reconciliation of cash and investments as shown on the statement of net position for the City follows:

	Primary Government	Component Unit - EDA	Total
Deposits	\$ 10,078,711	\$ 574,827	\$ 10,653,538
Investments	21,766,381	-	21,766,381
Cash on Hand	2,600	-	2,600
Total	<u>\$ 31,847,692</u>	<u>\$ 574,827</u>	<u>\$ 32,422,519</u>
Cash and Temporary Investments	<u>\$ 31,847,692</u>	<u>\$ 574,827</u>	<u>\$ 32,422,519</u>

**Designated Cash and Investments**

During 1991, the Commission designated cash and investments of \$1,400,000 for future capital projects. Each year the Commission intends to increase the accumulated reserve account by 3 percent. Designated investments as of December 31, 2022 are shown in the charts below. The 3 percent increase will only occur when there are sufficient funds in undesignated cash.

The Commission has also designated the Electric enterprise fund cash and investments for the following:

Electric Fund Designated Cash	
Future Capital Improvements	<u>\$ 2,270,145</u>

The City has also designated the Sewer Utility enterprise fund cash and investments for the following:

Sewer Utility Fund Designated Cash	
Membrane Cartage Replacement	<u>\$ 210,000</u>

**B. Notes Receivable**

**Primary Government**

Notes receivable at December 31, 2022 consist of:

**Primary Government**

4.0 to 4.25 percent note receivable from the Rural Fire Department, payable in semiannual installments that are based on the City's 2007C CIP Plan Bonds through June 12, 2022. Annual obligations under this schedule vary between \$135,000 and \$147,000 per year.	\$ 685,000
---	------------

The City has made various economic development loans to businesses. These loans are receivable over 10 year period with interest at 2 percent.	36,584
--	--------

The City issued loans under the Small Cities Development Program Grant through the Minnesota Department of Trade and Economic Development, these loans are made eligible business owners. These loans will be forgiven after five years as long as the owners remain in compliance with the loan terms.

Loan receivable balance	27,376
Allowance	(27,376)
Total Notes Receivable	<u>\$ 721,584</u>

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 3: Detailed Notes on All Funds (Continued)**

**C. Capital Assets**

**Primary Government**

Capital asset activity for the City for the year ended December 31, 2022 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities</b>				
Capital Assets not Being Depreciated				
Land	\$ 2,013,415	\$ -	\$ -	\$ 2,013,415
Construction in progress	2,586,446	46,635	(7,665)	2,625,416
Total Capital Assets not Being Depreciated	<u>4,599,861</u>	<u>46,635</u>	<u>(7,665)</u>	<u>4,638,831</u>
Capital Assets Being Depreciated				
Infrastructure	30,402,348	55,630	-	30,457,978
Land improvements	1,293,038	-	(84,959)	1,208,079
Buildings and improvements	6,811,541	-	-	6,811,541
Furniture and equipment	5,119,487	104,040	-	5,223,527
Total Capital Assets Being Depreciated	<u>43,626,414</u>	<u>159,670</u>	<u>(84,959)</u>	<u>43,701,125</u>
Less Accumulated Depreciation for				
Infrastructure	(19,434,550)	(1,218,854)	-	(20,653,404)
Land improvements	(671,444)	(86,401)	84,959	(672,886)
Buildings and improvements	(3,261,549)	(147,967)	-	(3,409,516)
Furniture and equipment	(3,288,164)	(350,812)	-	(3,638,976)
Total Accumulated Depreciation	<u>(26,655,707)</u>	<u>(1,804,034)</u>	<u>84,959</u>	<u>(28,374,782)</u>
Total Capital Assets Being Depreciated, Net	<u>16,970,707</u>	<u>(1,644,364)</u>	<u>-</u>	<u>15,326,343</u>
Governmental Activities Capital Assets, Net	<u>\$ 21,570,568</u>	<u>\$ (1,597,729)</u>	<u>\$ (7,665)</u>	<u>\$ 19,965,174</u>

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 3: Detailed Notes on All Funds (Continued)**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type Activities</b>				
Capital Assets not Being Depreciated				
Land	\$ 178,148	\$ -	\$ -	\$ 178,148
Construction in progress	3,393,574	3,685,040	(101,068)	6,977,546
Total Capital Assets not Being Depreciated	<u>3,571,722</u>	<u>3,685,040</u>	<u>(101,068)</u>	<u>7,155,694</u>
Capital Assets Being Depreciated				
Land improvements	936,947	-	(26,657)	910,290
Building and improvements	41,236,821	39,150	(192,661)	41,083,310
Infrastructure	36,099,408	288,554	(246,351)	36,141,611
Furniture and equipment	17,254,564	486,161	(49,254)	17,691,471
Total Capital Assets Being Depreciated	<u>95,527,740</u>	<u>813,865</u>	<u>(514,923)</u>	<u>95,826,682</u>
Less Accumulated Depreciation for				
Land improvements	(927,099)	(1,465)	26,657	(901,907)
Building and improvements	(21,782,283)	(873,811)	192,661	(22,463,433)
Infrastructure	(16,649,933)	(1,144,934)	246,351	(17,548,516)
Furniture and equipment	(9,430,460)	(909,487)	49,254	(10,290,693)
Total Accumulated Depreciation	<u>(48,789,775)</u>	<u>(2,929,697)</u>	<u>514,923</u>	<u>(51,204,549)</u>
Total Capital Assets Being Depreciated, Net	<u>46,737,965</u>	<u>(2,115,832)</u>	<u>-</u>	<u>44,622,133</u>
Business-type Activities Capital Assets, Net	<u>\$ 50,309,687</u>	<u>\$ 1,569,208</u>	<u>\$ (101,068)</u>	<u>\$ 51,777,827</u>

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

**Governmental Activities**

General government	\$ 81,280
Public safety	198,291
Public works	1,322,109
Culture and recreation	202,354
Total Depreciation Expense - Governmental Activities	<u>\$ 1,804,034</u>

**Business-type Activities**

Water utility	\$ 430,721
Sewer utility	1,529,673
Storm utility	235,977
Electric utility	638,529
Golf	94,797
Total Depreciation Expense - Business-type Activities	<u>\$ 2,929,697</u>

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 3: Detailed Notes on All Funds (Continued)**

**Discretely Presented Component Units**

Capital asset activity for the EDA for the year ended December 31, 2022 was as follows:

	Beginning Balance	Adjustments	Increases	Decreases	Ending Balance
<b>Business-type Activities</b>					
Capital Assets Being Depreciated Infrastructure	\$ 88,676	\$ -	\$ -	\$ -	\$ 88,676
Less Accumulated Depreciation for Infrastructure	<u>(8,992)</u>	<u>-</u>	<u>(1,774)</u>	<u>-</u>	<u>(10,766)</u>
Business-type Activities Capital Assets, Net	<u>\$ 79,684</u>	<u>\$ -</u>	<u>\$ (1,774)</u>	<u>\$ -</u>	<u>\$ 77,910</u>

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

<b>Business-type Activities</b>	
Economic Development	<u>\$ 1,774</u>

**D. Interfund Receivables, Payables and Transfers**

Advances from/to other funds at December 31, 2022 is as follows:

Receivable Fund	Payable Fund	Amount
General	Enterprise Golf Course	<u>\$ 23,187</u>

The General fund has advanced funds to the Golf Course fund to purchase equipment.

The composition of interfund transfers for the year ended December 31, 2022 is as follows:

Funds	Transfer In			Total
	General	Nonmajor Governmental	Nonmajor Enterprise	
<b>Transfer Out</b>				
General	\$ -	\$ 7,592	\$ 121,270	\$ 128,862
Nonmajor Governmental	90,000	-	-	90,000
Enterprise Electric Utility	<u>40,000</u>	<u>-</u>	<u>-</u>	<u>40,000</u>
Total Transfers Out	<u>\$ 130,000</u>	<u>\$ 7,592</u>	<u>\$ 121,270</u>	<u>\$ 258,862</u>

During the year, transfers are used to 1) move revenues from the enterprise funds to the governmental funds to help reduce the tax levy and 2) move General fund resources to provide an annual subsidy to other funds. Further, during the year ended December 31, 2022, the City made the following one-time transfers:

- To transfer money to the CIP 2016-2019 fund from the General fund to close out due to inactivity (\$7,592).

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 3: Detailed Notes on All Funds (Continued)**

**E. Long-term Debt**

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. These bonds are reported in the proprietary funds if they are expected to be repaid from proprietary fund revenues. In addition, general obligation bonds have been issued to refund special assessments related bonds.

General obligation bonds are direct obligations and pledge the full faith and credit of the government. These obligations are being funded through ad valorem tax levies. General obligation bonds currently outstanding are as follows:

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Refunding Bonds of 2013B	\$ 4,185,000	2.00 - 2.55 %	08/21/13	12/01/28	<u>\$ 2,135,000</u>

The annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending December 31,	<b>General Obligation Bonds</b> Governmental Activities		
	Principal	Interest	Total
2023	\$ 405,000	\$ 47,480	\$ 452,480
2024	330,000	39,380	369,380
2025	340,000	32,780	372,780
2026	345,000	25,470	370,470
2027	350,000	17,708	367,708
2028	365,000	9,307	374,307
Total	<u>\$ 2,135,000</u>	<u>\$ 172,125</u>	<u>\$ 2,307,125</u>

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 3: Detailed Notes on All Funds (Continued)**

G.O. Special Assessment (Improvement) Bonds

The following bonds were issued to finance various improvements and will be repaid primarily from special assessments levied on the properties benefiting from the improvements. Some issues, however, are partly financed by ad valorem tax levies. All special assessment debt is backed by the full faith and credit of the City. Each year the combined assessment and tax levy equals 105 percent of the amount required for debt service. The excess of 5 percent is to cover any delinquencies in tax or assessment payments.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Improvement Bonds of 2009	\$ 521,227	3.00 - 4.20 %	08/01/09	02/01/25	\$ 112,421
G.O. Improvement Bonds of 2011	746,331	2.00 - 3.63	07/01/11	02/01/27	27,564
G.O. Improvement Bonds of 2014A	1,270,000	2.00 - 3.00	10/17/14	02/01/30	690,000
G.O. Improvement Bonds of 2015A	755,000	0.75 - 3.00	07/07/15	02/01/31	270,000
G.O. Improvement Bonds of 2019A	2,310,000	3.00 - 5.00	08/15/19	02/01/35	2,025,000
G.O. Refunding Bonds of 2020A	1,016,597	5.00	11/24/20	02/01/29	886,175
G.O. Refunding Bond 2021A	2,005,000	5.00	09/02/21	09/02/37	2,005,000
G.O. Refunding Bond 2022A	260,000	3.00 - 5.00	07/07/22	02/01/23	260,000
Total G.O. Special Assessment Bonds					<u>\$ 6,276,160</u>

The annual debt service requirements to maturity for general obligation special assessment bonds are as follows:

Year Ending December 31,	<b>G.O. Special Assessment Bonds</b> Governmental Activities		
	Principal	Interest	Total
2023	\$ 613,317	\$ 226,913	\$ 840,230
2024	675,097	196,572	871,669
2025	685,467	164,953	850,420
2026	652,023	133,457	785,480
2027	507,690	106,125	613,815
2028 - 2032	2,032,566	244,189	2,276,755
2033 - 2037	1,110,000	43,750	1,153,750
Total	<u>\$ 6,276,160</u>	<u>\$ 1,115,959</u>	<u>\$ 7,392,119</u>

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 3: Detailed Notes on All Funds (Continued)**

G.O. Revenue Bonds

The following bonds were issued to finance capital improvements in the enterprise funds. They will be retired from net revenues of the enterprise funds.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Sewer Revenue					
Bonds of 2008 (PFA)	\$ 32,280,687	3.13 %	11/20/08	08/24/38	\$ 24,126,000
G.O. Improvement Bonds of 2009	243,773	2.40 - 4.50	08/01/08	12/01/23	52,579
G.O. Improvement Bonds of 2011	488,669	2.00 - 3.625	07/01/11	02/01/27	182,436
G.O. Refunding Bonds of 2013B	680,000	2.00 - 2.55	08/21/13	12/01/28	150,000
G.O. Improvement Bonds of 2014A	430,000	2.00 - 3.00	10/17/14	02/01/30	265,000
G.O. Improvement Bonds of 2015A	245,000	0.75 - 3.00	07/07/15	02/01/31	155,000
G.O. Improvement Bonds of 2016A	160,000	2.05	10/20/16	02/01/27	84,000
G.O. Improvement Bonds of 2019A	520,000	3.00 - 5.00	08/15/19	02/01/35	480,000
G.O. Refunding Bonds of 2020A	1,228,403	5.00	11/24/20	02/01/29	1,063,825
G.O. Refunding Bonds of 2021A	3,460,000	5.00	09/02/21	09/02/37	3,460,000
G.O. Refunding Bonds of 2022A	625,000	3.00 - 5.00	07/07/22	02/01/28	625,000
					<u>\$ 30,643,840</u>
Total G.O. Revenue Bonds					<u>\$ 30,643,840</u>

The annual debt service requirements to maturity for general obligation revenue bonds are as follows:

Year Ending December 31,	<b>G.O. Revenue Bonds</b>		
	Business-type Activities		
	Principal	Interest	Total
2023	\$ 1,212,683	\$ 1,083,100	\$ 2,295,783
2024	1,819,903	1,031,600	2,851,503
2025	1,883,533	961,075	2,844,608
2026	1,915,977	888,653	2,804,630
2027	1,874,310	816,141	2,690,451
2028 - 2032	9,601,434	3,022,346	12,623,780
2033 - 2037	10,407,000	1,376,418	11,783,418
2038	1,929,000	68,885	1,997,885
Total	<u>\$ 30,643,840</u>	<u>\$ 9,248,218</u>	<u>\$ 39,892,058</u>

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 3: Detailed Notes on All Funds (Continued)**

Revenue Bonds

The following bonds were issued to finance capital improvements in the enterprise funds. They will be retired from net revenues of these funds.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
Golf Club Revenue Bonds Series 2014	\$ 50,000	2.00 - 2.50 %	10/17/14	02/01/24	\$ 10,000
Golf Club Revenue Bonds Series 2015	85,000	0.75 - 2.50	07/07/15	02/01/25	30,000
Golf Club Revenue Bonds Series 2016A	74,000	2.05	10/20/16	02/01/26	35,000
Golf Club Revenue Refunding Bonds Series 2020A	150,000	5.00	11/24/20	02/01/23	80,000
Golf Club Revenue Refunding Bonds Series 2022A	210,000	3.00 - 5.00	07/07/22	02/01/28	210,000
<b>Total Revenue Bonds</b>					<b><u>\$ 365,000</u></b>

The annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending December 31,	<b>Revenue Bonds</b>		
	Business-type Activities		
	Principal	Interest	Total
2023	\$ 103,000	14,648	\$ 117,648
2024	64,000	10,399	74,399
2025	59,000	7,902	66,902
2026	49,000	5,592	54,592
2027	45,000	3,375	48,375
2028	45,000	1,125	46,125
<b>Total</b>	<b><u>\$ 365,000</u></b>	<b><u>\$ 43,041</u></b>	<b><u>\$ 408,041</u></b>

Annual revenues from charges for services, principal and interest payments, and percentage of revenue required to cover principal and interest payments for the year ended December 31, 2022 are as follows:

	Water	Sewer	Storm Sewer	Golf
Revenues	\$ 1,789,818	\$ 3,562,137	\$ 402,103	\$ 1,064,465
Principal and Interest	438,987	1,759,234	119,615	101,753
Percentage of Revenues	24.5%	49.4%	29.7%	9.6%

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 3: Detailed Notes on All Funds (Continued)**

Indenture of Trust Payable (HRA)

The City's Housing and Redevelopment Authority (HRA) has participated in the financing of Phillip Square Apartment Project along with Scott County CDA. As part of the joint powers agreement in Section 2.2, the City HRA had pledged an annual payment of \$70,176 to the Phillip Square project commencing July 1, 2003 through January 1, 2036 to assist in the payment of the bonds issued by Scott County for the project. In 2020, \$593,232 of these bonds were refinanced and annual payments are now \$11,000.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
Scott County CDA Indenture of Trust	\$ 165,000	- %	10/21/20	12/01/35	<u>\$ 143,000</u>

The annual debt service requirements to maturity for indenture of trust payable (HRA) are as follows:

Year Ending December 31,	<b>Indenture of Trust</b> Governmental Activities		
	Principal	Interest	Total
2023	\$ 11,000	\$ -	\$ 11,000
2024	11,000	-	11,000
2025	11,000	-	11,000
2026	11,000	-	11,000
2027	11,000	-	11,000
2028 - 2032	55,000	-	55,000
2033 - 2035	33,000	-	33,000
Total	<u>\$ 143,000</u>	<u>\$ -</u>	<u>\$ 143,000</u>

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 3: Detailed Notes on All Funds (Continued)**

Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2022 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<b>Governmental Activities</b>					
Bonds Payable					
General obligation bonds	\$ 2,525,000	\$ -	\$ (390,000)	\$ 2,135,000	\$ 405,000
General obligation special assessment bonds	6,598,433	260,000	(582,273)	6,276,160	613,317
Bond premiums	828,823	26,328	(76,074)	779,077	-
Total Bonds Payable	9,952,256	286,328	(1,048,347)	9,190,237	1,018,317
Indenture of Trust	154,000	-	(11,000)	143,000	11,000
Compensated Absences	231,241	207,658	(263,298)	175,601	93,381
	<u>\$ 10,337,497</u>	<u>\$ 493,986</u>	<u>\$ (1,322,645)</u>	<u>\$ 9,508,838</u>	<u>\$ 1,122,698</u>
<b>Business-type Activities</b>					
Bonds Payable					
General obligation revenue bonds	\$ 31,244,567	\$ 625,000	\$ (1,225,727)	\$ 30,643,840	\$ 1,212,683
Revenue bonds	248,000	210,000	(93,000)	365,000	103,000
Bond premiums	687,463	84,372	(25,608)	746,227	-
Total Bonds Payable	32,180,030	919,372	(1,344,335)	31,755,067	1,315,683
Compensated Absences	234,210	180,613	(224,355)	190,468	49,220
	<u>\$ 32,414,240</u>	<u>\$ 1,099,985</u>	<u>\$ (1,568,690)</u>	<u>\$ 31,945,535</u>	<u>\$ 1,364,903</u>

**E. Segment Information for Enterprise Funds**

The City maintains six enterprise funds which provide services to City residents. Segment information for the three nonmajor funds for the year ended December 31, 2022 is as follows:

	Ambulance	Golf	Storm Water Utility	Total
Operating Revenues	\$ 20,186	\$ 1,060,992	\$ 397,312	\$ 1,478,490
Depreciation Expense	-	94,797	235,977	330,774
Operating Income (Loss)	5,998	(30,219)	51,075	26,854
Income (Loss) Before Transfers and Contributions	6,660	(34,312)	20,210	(7,442)
Transfers in (Out)	-	121,270	-	121,270
Capital Asset Additions	-	-	405,383	405,383
Total Assets	175,185	1,255,018	4,868,480	6,298,683
Net Working Capital	174,669	240,439	758,015	1,173,123
Noncurrent Liabilities	-	577,308	1,060,355	1,637,663
Total Net Position	174,669	428,144	3,714,096	4,316,909

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 4: Defined Benefit Pension Plan - Statewide**

**A. Plan Description**

The City participates in the following cost-sharing multiple-employer defined benefit pension plans 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.

General Employees Retirement Plan

All full-time and certain part-time employees of the City, other than teachers, are covered by the General Employees Plan. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

Public Employees Police and Fire Plan

The Police and Fire Plan, originally established for police officers and firefighters not covered by a local relief association, now covers all police officers and firefighters hired since 1980. Effective July 1, 1999, the Police and Fire Plan also covers police officers and firefighters belonging to a local relief association that elected to merge with and transfer assets and administration to PERA.

**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.

General Employee Plan Benefits

General Employees Plan benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.2 percent of average salary for each of the first 10 years of service and 1.7 percent of average salary for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7 percent for 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. The postretirement increase is equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. 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. 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.

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 4: Defined Benefit Pension Plan - Statewide (Continued)**

Police and Fire Plan Benefits

Benefits for Police and Fire Plan members first hired after June 30, 2010, but before July 1, 2014, vest on a prorated basis from 50 percent after five years up to 100 percent after ten years of credited service. Benefits for Police and Fire Plan members first hired after June 30, 2014 vest on a prorated basis from 50 percent after ten years up to 100 percent after twenty years of credited service. The annuity accrual rate is 3 percent of average salary for each year of service. For Police and Fire Plan members who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equal at least 90.

Benefit increases are provided to benefit recipients each January. The postretirement increase is fixed at 1 percent. Recipients that have been receiving the annuity or benefit for at least 36 months 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 25 months but less than 36 months as of the June 30 before the effective date of the increase will receive a reduced prorated increase.

**C. Contributions**

*Minnesota statutes* chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature.

General Employees Fund Contributions

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2022. The City was required to contribute 7.50 percent for Coordinated Plan members. The City's contributions to the General Employees Fund were equal to the required contributions for each year as set by state statute and are shown below.

	2022	2021	2020
General Employees Fund	\$ 271,681	\$ 258,977	\$ 236,832

Police and Fire Fund Contributions

Police and Fire Plan members were required to contribute 11.80 percent of their annual covered salary in fiscal year 2021 and the City was required to contribute 17.70 percent for Police and Fire Plan members. The City's contributions to the Police and Fire Fund were equal to the required contributions for each year as set by state statute and are shown below.

	2022	2021	2020
Police and Fire Fund	\$ 170,146	\$ 159,948	\$ 150,077

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 4: Defined Benefit Pension Plan - Statewide (Continued)**

**D. Pension Costs**

General Employees Fund Pension Costs

At December 31, 2022, the City reported a liability of \$3,659,055 for its proportionate share of the General Employees Fund's net pension liability. The City's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the City is shown in the table below. The net pension liability was measured as of June 30, 2022, 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, 2021 through June 30, 2022 relative to the total employer contributions received from all of PERA's participating employers.

City's Proportionate Share of the Net Pension Liability	\$ 3,659,054
State of Minnesota's Proportionate Share of the Net Pension Liability Associated with the City	<u>107,149</u>
Total	<u><u>\$ 3,766,203</u></u>

The City's proportionate percentage share is as follows:

	Proportionate Percentage Share		
	12/31/2021	Increase/ (Decrease)	12/31/2022
General Employees Fund	<u>0.0448 %</u>	<u>0.0014 %</u>	<u>0.0462 %</u>

As described in the pension expense table in Note 1 the City recognized pension expense for its proportionate share of General Employees Plan's pension expense and an additional pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

At December 31, 2022, the City reported its proportionate share of the General Employees Plan's deferred outflows of resources and deferred inflows of resources, related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 30,563	\$ 37,768
Changes in Actuarial Assumptions	803,775	13,851
Net Difference Between Projected and Actual Earnings on Plan Investments	96,129	-
Changes in Proportion	87,841	4,601
Contributions Paid to PERA Subsequent to the Measurement Date	<u>149,881</u>	<u>-</u>
Total	<u><u>\$ 1,168,189</u></u>	<u><u>\$ 56,220</u></u>

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 4: Defined Benefit Pension Plan - Statewide (Continued)**

The \$149,881 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

2023		\$	386,795
2024			346,870
2025			(102,484)
2026			330,907

Police and Fire Fund Pension Costs

At December 31, 2022, the City reported a liability of \$3,281,110 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2021 through June 30, 2022 relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate percentage share was as follows:

	Proportionate Percentage Share		
	12/31/2021	Increase/ (Decrease)	12/31/2022
Police and Fire Fund	0.0721 %	0.0033 %	0.0754 %

The State of Minnesota contributed \$18 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2021. The contribution consisted of \$9 million in direct state aid that does meet the definition of a special funding situation and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. The \$9 million direct state was paid on October 1, 2020. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid will continue until the fund is 90 percent funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90 percent funded, whichever occurs later.

The State of Minnesota is included as a non-employer contributing entity in the Police and Fire Retirement Plan Schedule of Employer Allocations and Schedule of Pension Amounts by Employer, Current Reporting Period Only (pension allocation schedules) for the \$9 million in direct state aid. Police and Fire Plan employers need to recognize their proportionate share of the State of Minnesota's pension expense (and grant revenue) under GASB 68 special funding situation accounting and financial reporting requirements. As described in the pension expense table in Note 1, the City recognized pension expense for its proportionate share of the Police and Fire Plan's pension expense and recognized an additional amount as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$9 million to the Police and Fire Fund.

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$9 million in fire state aid. The City also recognized \$6,786 for the year ended December 31, 2022 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 4: Defined Benefit Pension Plan - Statewide (Continued)**

At December 31, 2022, the City reported its proportionate share of the Police and Fire Plan's deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 197,144	\$ 2,322
Changes in Actuarial Assumptions	1,907,833	26,053
Net Difference Between Projected and Actual Earnings on Plan Investments	82,131	-
Changes in Proportion	53,740	22,361
Contributions Paid to PERA Subsequent to the Measurement Date	94,323	-
Total	\$ 2,335,171	\$ 50,736

The \$94,323 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

2023		\$ 422,908
2024		435,006
2025		386,847
2026		672,354
2027		272,997

**E. Long - term Expected Return on Investment**

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 Equity	33.5 %	5.10 %
International Equity	16.5	5.30
Fixed Income	25.0	0.75
Private Markets	25.0	5.90
Total	100.0 %	

## Note 4: Defined Benefit Pension Plan - Statewide (Continued)

### F. Actuarial Assumptions

The total pension liability in the June 30, 2022 actuarial valuation was determined using an individual entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 6.5 percent. This assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of return investment return rates deemed to be reasonable by the actuary. An investment return of 6.5 percent was deemed to be within that range of reasonableness for financial reporting purposes.

Inflation is assumed to be 2.25 percent for the General Employees Plan and 2.25 percent for the Police and Fire Plan. Benefit increases after retirement are assumed to be 1.25 percent for the General Employees Plan. The Police and Fire Plan benefit increase is fixed at 1 percent per year and that increase was used in the valuation.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25 percent after one year of service to 3.0 percent after 27 years of service. In the Police and Fire Plan, salary growth assumptions range from 11.75 percent after one year of service to 3.0 percent after 24 years of service.

Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table. Mortality rates for the Police and Fire Plan is based on the Pub-2010 Public Safety Employee Mortality tables. The tables are adjusted slightly to fit PERA's experience.

Actuarial assumptions used in the June 30, 2022 valuation were based on the results of actuarial experience studies. The most recent four-year experience study in the General Employees Plan was completed in 2019. The assumption changes were adopted by the Board and become effective with the July 1, 2020 actuarial valuation. The most recent four-year experience study for the Police and Fire Plan was completed in 2020 were adopted by the Board and became effective with the July 1, 2021 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2022:

#### General Employees Fund

##### Changes in Actuarial Assumptions

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

##### Changes in Plan Provisions:

- There were no changes in plan provisions since the previous valuation.

#### Police and Fire Fund

##### Changes in Actuarial Assumptions:

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.
- The single discount rate changed from 6.50 percent to 5.40 percent.

##### Changes in Plan Provisions:

- There have been no changes since the prior valuation.

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 4: Defined Benefit Pension Plan - Statewide (Continued)**

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 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:

**G. Discount Rate**

The discount rate used to measure the total pension liability in 2022 was 6.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees Fund was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

In the Police and Fire Fund, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members through June 30, 2060. Beginning in fiscal year ended June 30, 2061 for the Police and Fire Fund, projected benefit payments exceed the funds' projected fiduciary net position. Benefit payments projected after were discounted at the municipal bond rate of 3.69 percent (based on the weekly rate closest to but not later than the measurement date of the Fidelity "20-Year Municipal GO AA Index"). The resulting equivalent single discount rate of 5.40 percent for the Police and Fire Fund was determined to give approximately the same present value of projected benefits when applied to all years of projected benefits as the present value of projected benefits using 6.5 percent applied to all years of projected benefits through the point of asset depletion and 3.69 percent thereafter.

**H. 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 one percentage point lower or one percentage point higher than the current discount rate:

	City Proportionate Share of NPL		
	1 Percent Decrease (5.50%)	Current (6.50%)	1 Percent Increase (7.50%)
General Employees Fund	\$ 5,779,670	\$ 3,659,054	\$ 1,919,824
	City Proportionate Share of NPL		
	1 Percent Decrease (4.40%)	Current (5.40%)	1 Percent Increase (6.40%)
Police and Fire Fund	\$ 4,965,539	\$ 3,281,110	\$ 1,919,350

**I. Pension Plan Fiduciary Net Position**

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

Five council members of the City are covered by the Defined Contribution Plan, a multiple-employer deferred compensation plan administered by PERA. The Defined Contribution Plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 4: Defined Benefit Pension Plan - Statewide (Continued)**

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. *Minnesota Statutes*, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes five percent of salary which is matched by the elected official's employer. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives 2.0 percent of employer contributions and twenty-five hundredths of 1.0 percent (0.25 percent) of the assets in each member's account annually.

Total contributions made by the City during the fiscal year 2022 were:

Contribution Amount		Percentage of Covered Payroll		Required Rate
Employee	Employer	Employee	Employer	
\$ 1,035	\$ 1,035	5.00%	5.00%	5.00%

The City's contributions to the PEDCP for the years ended December 31, 2022, 2021 and 2020 were as follows:

	2022	2021	2020
PEDCP	\$ 1,035	\$ 1,014	\$ 780

**Note 5: Defined Benefit Pension Plans - Fire Relief Association**

**A. Plan Description**

All members of the New Prague Fire Department (the Department) are covered by a defined benefit plan administered by the New Prague Fire Department Relief Association (the Association). As of December 31, 2021, the plan covered 30 active firefighters and 3 vested terminated fire fighters whose pension benefits are deferred. The plan is a single employer retirement plan and is established and administered in accordance with Minnesota statute, chapter 69.

The Association maintains a separate Special fund to accumulate assets to fund the retirement benefits earned by the Department's membership. Funding for the Association is derived from an insurance premium tax in accordance with the Volunteer Firefighter's Relief Association Financing Guidelines Act of 1971 (chapter 261 as amended by chapter 509 of Minnesota statutes 1980). Funds are also derived from investment income.

**B. Benefits Provided**

A fire fighter who completes at least 20 years as an active member of the Department is entitled, after age 50, to a full-service pension upon retirement.

The bylaws of the Association also provide for an early vested service pension for a retiring member who has completed fewer than 20 years of service. The reduced pension, available to members with 10 years of service, shall be equal to 60 percent of the pension as prescribed by the bylaws. This percentage increases 4 percent per year so that at 20 years of service, the full amount prescribed is paid. Members who retire with less than 20 years of service and have reached the age of 50 years and have completed at least 10 years of active membership are entitled to a reduced service pension not to exceed the amount calculated by multiplying the member's service pension for the completed years of service times the applicable non-forfeitable percentage of pension.

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 5: Defined Benefit Pension Plans - Fire Relief Association (Continued)**

**C. Contributions**

Minnesota statutes, chapters 424 and 424A authorize pension benefits for volunteer fire relief associations. The plan is funded by fire state aid, investment earnings and, if necessary, employer contributions as specified in Minnesota statutes and voluntary City contributions (if applicable). The State of Minnesota contributed \$103,406 in fire state aid to the plan on behalf of the City Fire Department for the year ended December 31, 2021, which was recorded as a revenue. Required employer contributions are calculated annually based on statutory provisions. The City's statutorily-required contributions to the plan for the year ended December 31, 2022 were \$103,406. The City's contributions were equal to the required contributions as set by state statute. The City made no voluntary contributions to the plan. Furthermore, the firefighter has no obligation to contribute to the plan.

**D. Pension Costs**

At December 31, 2022, the City reported a net pension liability (asset) of (\$310,272) for the plan. The net pension liability (asset) was measured as of January 1, 2021. The total pension liability used to calculate the net pension liability (asset) in accordance with GASB 68 was determined by Hildi, Inc. applying an actuarial formula to specific census data certified by the Department as of January 1, 2021. The following table presents the changes in net pension liability (asset) during the year:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a-b)
Beginning Balance January 1, 2021	\$ 801,370	\$ 1,079,776	\$ (278,406)
Changes for the Year			
Service cost	52,713	-	52,713
Interest on pension liability (asset)	46,357	-	46,357
Plan Changes	88,063	-	88,063
Contributions (nonemployer)	-	96,262	(96,262)
Projected investment return	-	61,416	(61,416)
Asset (gain)/loss	-	61,346	(61,346)
Benefit payments	(22,472)	(22,472)	-
Administrative costs	-	(25)	25
Total Net Changes	<u>164,661</u>	<u>196,527</u>	<u>(31,866)</u>
Ending Balance December 31, 2021	<u>\$ 966,031</u>	<u>\$ 1,276,303</u>	<u>\$ (310,272)</u>

For the year ended December 31, 2022, the City recognized pension expense of \$196,774.

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 5: Defined Benefit Pension Plans - Fire Relief Association (Continued)**

At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,306	\$ 34,833
Changes in Actuarial Assumptions	16,979	25,707
Net Difference Between Projected and Actual Earnings on Plan Investments	-	92,604
State Aid to City Subsequent to the Measurement Date	103,406	-
Total	\$ 121,691	\$ 153,144

Deferred outflows of resources totaling \$103,406 related to pensions resulting from the City's contributions to the plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows and inflows of resources related to the plan will be recognized in pension expense as follows:

2023	\$ (22,732)
2024	(43,760)
2025	(23,755)
2026	(15,563)
2027	(6,378)
Thereafter	(22,671)

**E. Actuarial Assumptions**

The total pension liability at December 31, 2022 was determined using the entry age normal actuarial cost method and the following actuarial assumptions:

Retirement eligibility at 100 percent service pension at age 50 and 20 years of service, early vested retirement at age 50 with 10 years of service vested at 60 percent and increased by 4 percent for each additional year of service up to 20 and eligibility for deferred service pension payable at age 50 and 20 years of service.

Salary Increases	2.50% per year
Investment Rate of Return	5.50%
20-Year Municipal Bond Yield	N/A

There were no changes in actuarial assumptions in 2022.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates for expected future real rates of return (expected returns, net of inflation) were developed for each asset class using the plan's target investment allocation along with long-term return expectations by asset class. Inflation expectations were applied to derive the nominal rate of return for the portfolio.

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 5: Defined Benefit Pension Plans - Fire Relief Association (Continued)**

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Cash	7.00 %	1.80 %
Fixed Income	30.00	3.00
Equities	61.00	7.10
Other	<u>2.00</u>	7.00
Total	<u><u>100.00</u></u> %	

**F. Discount Rate**

The discount rate used to measure the total pension liability was 5.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions to the plan will be made as specified in statute. Based on that assumption and considering the funding ratio of the plan, the fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive 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 net pension liability (asset) for the plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate one percent lower or one percent higher than the current discount rate:

	<u>City Proportionate Share of NPL</u>		
	<u>1 Percent Decrease (4.50%)</u>	<u>Current (5.50%)</u>	<u>1 Percent Increase (6.50%)</u>
Defined Benefit Plan	\$ (261,485)	\$ (310,272)	\$ (356,821)

**H. Pension Plan Fiduciary Net Position**

The Association issues a publicly available financial report. The report may be obtained by writing to the New Prague Fire Department Relief Association, New Prague, MN 56044.

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 6: Postemployment Benefits Other Than Pensions**

**A. Plan Description**

The City operates a single-employer retiree benefit plan ("the Plan") that provides health, life and dental insurance to eligible employees and their families through the City's health insurance plan. The full cost of the benefits is covered by the retirees. Benefit and eligibility provisions are established through negotiations between the City and various unions representing City employees and are renegotiated each two-year bargaining period. The Plan does not issue a publicly available report.

At December 31, 2022, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	2
Active Plan Members	52
Total Plan Members	54

**B. Funding Policy**

Contribution requirements are also negotiated between the City and union representatives. The City does not make any contributions to eligible retired plan members and their spouses. For the year ended December 31, 2022, the City's average contribution rate was 7.75 percent of covered-employee payroll. For 2022, the City contributed \$13,593 to the Plan.

**C. Actuarial Methods and Assumptions**

The City's total OPEB liability of \$218,589 was measured as of January 1, 2022, and the total OPEB liability used to calculate the total OPEB liability was determined by an actuarial valuation as of January 1, 2021. Roll forward procedures were used to roll forward the total OPEB liability to the measurement date.

The total OPEB liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	2.00%
20-Year Municipal Bond Yield	2.00%
Inflation Rate	2.00%
Salary Increases	Service graded table
Medical Trend Rate	6.25% as of January 1, 2022 grading to 5.00% over 5 years and then to 4.00% over the next 47 years

The discount rate used to measure the total OPEB liability was 2.00 percent. Assets were projected using expected benefit payments and expected asset returns. Expected benefit payments by year were discounted using the expected asset return assumption for years in which the assets were sufficient to pay all benefit payments. Any remaining benefit payments after the trust fund is exhausted are discounted at the 20-year municipal bond rate. The equivalent single rate is the discount rate.

Mortality rates were based on the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2020 Generational Improvement Scale.

The actuarial assumptions used in the December 31, 2022 valuation were based on input from a variety of published sources of historical and projected future financial data. Each assumption was reviewed for reasonableness with the source information as well as for consistency with the other economic assumptions.

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 6: Postemployment Benefits Other Than Pensions (Continued)**

**D. Changes in the Total OPEB Liability**

	<u>Total OPEB Liability (a)</u>
Balances at December 31, 2021	\$ 209,193
Changes for the Year:	
Service cost	18,569
Interest	4,420
Benefit payments	<u>(13,593)</u>
Net Changes	<u>9,396</u>
Balances at December 31, 2022	<u>\$ 218,589</u>

**E. Sensitivity of the Total OPEB Liability**

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.00 percent) or one percentage-point higher (2.00 percent) than the current discount rate:

<u>1 Percent Decrease (1.00%)</u>	<u>Current (2.00%)</u>	<u>1 Percent Increase (3.00%)</u>
\$ 232,877	\$ 218,589	\$ 204,898

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a Healthcare Cost Trend Rates that is one percentage point lower (5.25 percent decreasing to 4.00 percent then 3.00 percent) or one percentage-point higher (7.25 percent decreasing to 6.00 percent then 5.00 percent) than the current cost trend rate:

<u>1 Percent Decrease (5.25% Decreasing to 4.00% then 3.00%)</u>	<u>Healthcare Cost Trend Rates (6.25% Decreasing to 5.00% then 4.00%)</u>	<u>1 Percent Increase (7.25% Decreasing to 6.00% then 5.00%)</u>
\$ 194,447	\$ 218,589	\$ 247,189

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 6: Postemployment Benefits Other Than Pensions (Continued)**

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

For the year ended December 31, 2022, the City recognized OPEB expense of \$7,805. At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 33,456	\$ 55,893
Changes in Actuarial Assumptions	5,360	-
Contributions to OPEB Subsequent to the Measurement Date	19,194	-
Total	\$ 58,010	\$ 55,893

Deferred outflows of resources totaling \$19,194 related to OPEB resulting from the City's contributions to OPEB subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended December 31, 2023. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31	
2023	\$ 1,079
2024	1,079
2025	1,079
2026	1,079
2027	(10,156)
Thereafter	(11,237)

**Note 7: Other Information**

**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; injuries to employees; and natural disasters for which the City carries insurance. The City obtains insurance through participation in the League of Minnesota Cities Insurance Trust (LMCIT) which is a risk sharing pool with approximately 800 other governmental units. The City pays an annual premium to LMCIT for its workers compensation and property and casualty insurance. The LMCIT is self-sustaining through member premiums and will reinsure for claims above a prescribed dollar amount for each insurance event. Settled claims have not exceeded the City's coverage in any of the past three fiscal years.

Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities, if any, include an amount for claims that have been incurred but not reported (IBNRs). The City's management is not aware of any incurred but not reported claims.

**B. Contingent Liabilities**

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 7: Other Information (Continued)**

**C. Commitments and Contingencies**

The PUC, together with 17 other member utilities, purchases power from Southern Minnesota Municipal Power Agency (SMMPA) under a Power Sales Contract which extends to April 1, 2050. In addition, on November 1, 1997, the PUC entered into a Capacity Purchase Agreement with SMMPA, whereby SMMPA is entitled to the exclusive use of the net electric generating capability of the Diesel Generating Facilities and the electric energy associated therewith. The agreement is cancelable by either party upon a five-year written notice. The first date of notice can be given by the SMMPA at any time. The first date of notice can be given by the PUC at any time after November 1, 2000. Under the terms of the agreement, SMMPA is responsible for all costs associated with operations, maintenance, repairs, and other liabilities of operating the diesel generating facilities.

The PUC has entered into an Amended and Restated Capacity Purchase Agreement dated December 1, 2000, with SMMPA under which the City operated the Plant for the benefit of and upon the direction of SMMPA. Such contract was an amendment and an extension of an earlier 1996 contract. Under the terms of these contracts, certain capital improvements to the Plant (the "SMMPA additions") have been and will be made and owned by SMMPA. Since 1995, SMMPA additions totaling \$3,113,592 have been made by SMMPA, the depreciated value of which is \$814,452. If the contract is terminated by the PUC, the PUC is obligated to purchase the SMMPA additions from SMMPA at their then depreciated cost and to pay SMMPA for the then depreciated value of Unit #6 of the Plant, as scheduled in the contract. Otherwise, SMMPA has the right, but not the obligation, to remove the SMMPA additions at the termination of the contract.

**D. Legal Debt Margin**

In accordance with Minnesota statutes, the City may not incur or be subject to net debt in excess of three percent of the market value of taxable property within the City. Net debt is payable solely from ad valorem taxes and therefore, excludes debt financed partially or entirely by special assessments, enterprise fund revenues or tax increments. As of December 31, 2022, the City is under the legal debt margin.

**E. Agreement with the New Prague Public Utilities Commission (PUC)**

During 1990, an agreement between the PUC and the City Council states that the PUC shall transfer \$40,000 to the City, which represents payment in lieu of taxes. In addition, the PUC incurred the following costs for various departments of the City:

	2022	2021
Maintaining Street Lights and Signals	\$ 25,038	\$ 28,577
Capital - Street Lighting	62,124	846,304
Other Services	12,027	9,811
Total Costs	\$ 99,189	\$ 884,692

**F. Joint Venture - SCALE**

The City and all Scott County cities have joined with Scott County to create a public safety training facility. The facility is to be located at the former alternative county jail site north of Jordan. The City's annual obligation toward the facility is \$8,353.

City of New Prague, Minnesota  
Notes to the Financial Statements  
December 31, 2022

**Note 7: Other Information (Continued)**

**G. Tax Increment Districts**

The City's tax increment districts are subject to review by the State of Minnesota Office of the State Auditor (OSA). Any disallowed claims or misuse of tax increments could become a liability of the applicable fund. Management has indicated that they are not aware of any instances of noncompliance which would have a material effect on the financial statements.

**H. Concentrations**

The City receives a significant amount of its annual General fund revenues from the State of Minnesota from the Local Government Aid (LGA) and Market Value Homestead Credit (MVHC) programs. The amount received in 2022 was \$964,655 and \$178 for LGA and MVHC, respectively. This accounted for 18.0 percent of General fund revenues.

**I. Joint Powers Agreement**

The City and the Independent School District No. 721 (the District) amended and restated their joint powers agreement on September 17, 2018 regarding the construction and operation of the indoor pool and Fitness Center facility located at the Central Education Campus; along with the operations of the outdoor pool facility on Lexington and the operations of the summer recreation program. Per the agreement, the City will be invoiced for half of any operating losses for the prior fiscal year. In 2022 the City paid their portion of the loss totaling \$152,058.

**J. Service Territory Agreement**

The PUC entered into Service Territory Agreement with Minnesota Valley Electric Cooperative (MVEC) to provide electric service to all customers within the City limits, of which, some were previously served by MVEC. The PUC purchased the facilities in 2018 and will annually pay MVEC a loss of revenue payment of \$0.02716 times each kilowatt hour of electric energy sold by the PUC. The payment made in 2022 to MVEC was \$417,179.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF NEW PRAGUE  
NEW PRAGUE, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2022

City of New Prague, Minnesota  
Required Supplementary Information  
For the Year Ended December 31, 2022

**Schedule of Employer's Share of PERA Net Pension Liability - General Employees Fund**

Fiscal Year Ending	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the City (b)	Total (a+b)	City's Covered-Employee Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered-Employee Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
06/30/22	0.0462 %	\$ 3,659,054	\$ 107,149	\$ 3,766,203	\$ 3,454,201	105.9 %	76.7 %
06/30/21	0.0448	1,913,161	58,591	1,971,752	3,355,684	57.0 %	87.0
06/30/20	0.0430	2,578,047	79,451	2,657,498	2,940,549	87.7	79.0
06/30/19	0.0413	2,283,384	70,997	2,354,381	2,920,424	78.2	80.2
06/30/18	0.0422	2,341,083	76,820	2,417,903	2,838,209	82.5	79.5
06/30/17	0.0415	2,649,332	33,370	2,682,702	2,678,131	98.9	75.9
06/30/16	0.0413	3,353,357	43,754	3,397,111	2,556,248	131.2	68.9
06/30/15	0.0418	2,166,293	-	2,166,293	2,453,947	88.3	78.2

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.

**Schedule of Employer's PERA Contributions - General Employees Fund**

Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/22	\$ 271,681	\$ 271,681	\$ -	\$ 3,622,406	7.5 %
12/31/21	258,977	258,977	-	3,453,031	7.5
12/31/20	236,832	236,832	-	3,157,764	7.5
12/31/19	227,229	227,229	-	3,029,706	7.5
12/31/18	214,780	214,780	-	2,863,722	7.5
12/31/17	205,361	205,361	-	2,738,159	7.5
12/31/16	197,159	197,159	-	2,628,794	7.5
12/31/15	186,002	186,002	-	2,480,031	7.5

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.

City of New Prague, Minnesota  
Required Supplementary Information (Continued)  
For the Year Ended December 31, 2022

**Notes to the Required Supplementary Information - General Employees Fund**

Changes in Actuarial Assumptions

2022 - The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

2021 - The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes. The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

2020 - The price inflation assumption was decreased from 2.50% to 2.25%. The payroll growth assumption was decreased from 3.25% to 3.00%. Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates. Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements. Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter. Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females. The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments. The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019. The assumed spouse age difference was changed from two years older for females to one year older. The assumed number of married male new retirees electing the 100% Joint & 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.

2019 - The mortality projection scale was changed from MP-2017 to MP-2018.

2018 - The mortality projection scale was changed from MP-2015 to MP-2017. The assumed benefit increase was changed from 1.00 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year.

2017 - The Combined Service Annuity (CSA) loads were changed from 0.8 percent for active members and 60 percent for vested and non-vested deferred members. The revised CSA loads are now 0.0 percent for active member liability, 15.0 percent for vested deferred member liability and 3.0 percent for non-vested deferred member liability. The assumed post-retirement benefit increase rate was changed from 1.0 percent per year for all years to 1.0 percent per year through 2044 and 2.5 percent per year thereafter.

2016 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2035 and 2.5 percent per year thereafter to 1.0 percent per year for all future years. The assumed investment return was changed from 7.9 percent to 7.5 percent. The single discount rate was changed from 7.9 percent to 7.5 percent. 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 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

2015 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2030 and 2.5 percent per year thereafter to 1.0 percent per year through 2035 and 2.5 percent per year thereafter.

City of New Prague, Minnesota  
Required Supplementary Information (Continued)  
For the Year Ended December 31, 2022

**Notes to the Required Supplementary Information - General Employees Fund (Continued)**

Changes in Plan Provisions

2022 - There were no changes in plan provisions since the previous valuation.

2021 - There were no changes in plan provisions since the previous valuation.

2020 - 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 - 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 - The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024. Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018. Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply. Contribution stabilizer provisions were repealed. Postretirement benefit increases were changed from 1.00 percent per year with a provision to increase to 2.50 percent upon attainment of 90.00 percent funding ratio to 50.00 percent of the Social Security Cost of Living Adjustment, not less than 1.00 percent and not more than 1.50 percent, beginning January 1, 2019. For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors. Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

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

2016 - There were no changes in plan provisions since the previous valuation.

2015 - On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised.

City of New Prague, Minnesota  
Required Supplementary Information (Continued)  
For the Year Ended December 31, 2022

**Schedule of Employer's Share of PERA Net Pension Liability - Police and Fire Fund**

Fiscal Year Ending	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the City (b)	Total (a+b)	City's Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
06/30/22	0.0754 %	\$ 3,281,110	\$ 143,348	\$ 3,424,458	\$ 916,031	358.2 %	70.5 %
06/30/21	0.0721	556,536	25,007	581,543	885,240	62.9	93.7
06/30/20	0.0741	976,717	23,026	999,743	840,095	116.3	87.2
06/30/19	0.0713	759,061	-	759,061	752,686	100.8	89.3
06/30/18	0.0690	735,469	-	735,469	727,088	101.2	88.8
06/30/17	0.0720	972,086	-	972,086	741,712	131.1	85.4
06/30/16	0.0680	2,728,958	-	2,728,958	658,689	414.3	63.9
06/30/15	0.0740	840,813	-	840,813	681,114	123.4	86.6

*Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.*

**Schedule of Employer's PERA Contributions - Police and Fire Fund**

Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/22	\$ 170,146	\$ 170,146	\$ -	\$ 961,276	17.70 %
12/31/21	159,948	159,948	-	903,663	17.70
12/31/20	150,077	150,077	-	885,409	16.95
12/31/19	134,539	134,539	-	793,738	16.95
12/31/18	118,485	118,485	-	731,387	16.20
12/31/17	120,459	120,459	-	743,572	16.20
12/31/16	113,183	113,183	-	698,658	16.20
12/31/15	108,510	108,510	-	669,815	16.20

*Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.*

City of New Prague, Minnesota  
Required Supplementary Information (Continued)  
For the Year Ended December 31, 2022

**Notes to the Required Supplementary Information - Police and Fire Fund**

Changes in Actuarial Assumptions

2022 - The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021. The single discount rate changed from 6.50 percent to 5.40 percent.

2021 - The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes. The inflation assumption was changed from 2.50 percent to 2.25 percent. The payroll growth assumption was changed from 3.25 percent to 3.00 percent. The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to MN-2020. The base mortality table for disabled annuitants was changed from the RP-2014 healthy annuitant mortality table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety disabled annuitant mortality table (with future mortality improvement according to Scale MP-2020). Assumed rates of salary increase were modified as recommended in the July 14, 2020 experience study. The overall impact is a decrease in gross salary increase rates. Assumed rates of retirement were changed as recommended in the July 14, 2020 experience study. The changes result in slightly more unreduced retirements and fewer assumed early retirements. Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations. Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities. Assumed percent married for active female members was changed from 60 percent to 70 percent. Minor changes to form of payment assumptions were applied.

2020 - The mortality projection scale was changed from MP-2018 to MP-2019.

2019 - The mortality projection scale was changed from MP-2017 to MP-2018.

2018 - The mortality projection scale was changed from MP-2016 to MP-2017.

2017 - Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates. Assumed rates of retirement were changed, resulting in fewer retirements. The Combined Service Annuity (CSA) load was 30 percent for vested and non-vested deferred members. The CSA has been changed to 33 percent for vested members and 2 percent for non-vested members. The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees. Assumed termination rates were decreased to 3.0 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall. Assumed percentage of married female members was decreased from 65 percent to 60 percent. Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females. The assumed percentage of female members electing joint and survivor annuities was increased. The assumed post-retirement benefit increase rate was changed from 1.00 percent for all years to 1.00 percent per year through 2064 and 2.50 percent thereafter. The single discount rate was changed from 5.6 percent to 7.5 percent.

2016 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2037 and 2.5 percent per year thereafter to 1.0 percent per year for all future years. The assumed investment return was changed from 7.9 percent to 7.5 percent. The single discount rate was changed from 7.9 percent to 5.6 percent. The assumed future salary increases, payroll growth and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

2015 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2030 and 2.5 percent per year thereafter to 1.0 percent per year through 2037 and 2.5 percent per year thereafter.

City of New Prague, Minnesota  
Required Supplementary Information (Continued)  
For the Year Ended December 31, 2022

**Notes to the Required Supplementary Information - Police and Fire Fund (Continued)**

Changes in Plan Provisions

2022 - There were no changes in plan provisions since the previous valuation.

2021 - There were no changes in plan provisions since the previous valuation.

2020 - There were no changes in plan provisions since the previous valuation.

2019 - There were no changes in plan provisions since the previous valuation.

2018 - As set by statute, the assumed post-retirement benefit increase was changed from 1.0 percent per year through 2064 and 2.5 percent per year, thereafter, to 1.0 percent for all years, with no trigger. An end date of July 1, 2048 was added to the existing \$9.0 million state contribution. New annual state aid will equal \$4.5 million in fiscal years 2019 and 2020, and \$9.0 million thereafter until the plan reaches 100 percent funding, or July 1, 2048, if earlier. Member contributions were changed from 10.80 percent to 11.30 percent of pay, effective January 1, 2019 and 11.80 percent of pay, effective January 1, 2020. Employer contributions were changed from 16.20 percent to 16.95 percent of pay, effective January 1, 2019 and 17.70 percent of pay, effective January 1, 2020. Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018. Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply. Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 - Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates. Assumed rates of retirement were changed, resulting in fewer retirements. The combined service annuity (CSA) load was 30.00 percent for vested and non-vested, deferred members. The CSA has been changed to 33.00 percent for vested members and 2.00 percent for non-vested members. The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees. Assumed termination rates were decreased to 3.00 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall. Assumed percentage of married female members was decreased from 65.00 percent to 60.00 percent. Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females. The assumed percentage of female members electing joint and survivor annuities was increased. The assumed postretirement benefit increase rate was changed from 1.00 percent for all years to 1.00 percent per year through 2064 and 2.50 percent thereafter. The single discount rate was changed from 5.60 percent per annum to 7.50 percent per annum.

2016 - There were no changes in plan provisions since the previous valuation.

2015 - The post-retirement benefit increase to be paid after attainment of the 90 percent funding threshold was changed, from inflation up to 2.5 percent, to a fixed rate of 2.5 percent.

City of New Prague, Minnesota  
Required Supplementary Information (Continued)  
For the Year Ended December 31, 2022

**Schedule of Changes in the Fire Relief Association's Net Pension Liability (Asset) and Related Ratios**

	2022 (Fire Relief Report Date 2021)	2021 (Fire Relief Report Date 2020)	2020 (Fire Relief Report Date 2019)	2019 (Fire Relief Report Date 2018)	2018 (Fire Relief Report Date 2017)	2017 (Fire Relief Report Date 2016)	2016 (Fire Relief Report Date 2015)	2015 (Fire Relief Report Date 2014)
<b>Total Pension Liability</b>								
Service cost	\$ 52,713	\$ 57,911	\$ 56,499	\$ 58,185	\$ 56,766	\$ 49,482	\$ 50,930	\$ 49,688
Interest	46,357	44,169	46,208	41,189	43,689	49,553	43,697	43,111
Assumption changes	-	(17,732)	-	(17,603)	-	42,449	-	-
Plan changes	88,063	-	-	-	-	-	-	-
Changes of benefit terms	-	-	-	-	-	90,272	-	-
Gain or loss	-	(36,864)	-	2,054	-	(11,693)	-	-
Benefit payments, including refunds of employee contributions	(22,472)	(143,174)	(146,600)	-	(314,875)	-	(75,250)	-
<b>Net Change in Total Pension Liability</b>	<b>164,661</b>	<b>(95,690)</b>	<b>(43,893)</b>	<b>83,825</b>	<b>(214,420)</b>	<b>220,063</b>	<b>19,377</b>	<b>92,799</b>
Total Pension Liability - January 1	801,370	897,060	940,953	857,128	1,071,548	851,485	832,108	739,309
<b>Total Pension Liability - December 31 (A)</b>	<b>\$ 966,031</b>	<b>\$ 801,370</b>	<b>\$ 897,060</b>	<b>\$ 940,953</b>	<b>\$ 857,128</b>	<b>\$ 1,071,548</b>	<b>\$ 851,485</b>	<b>\$ 832,108</b>
<b>Plan Fiduciary Net Position</b>								
Nonemployer contributions	\$ 96,262	\$ 94,261	\$ 87,728	\$ 82,430	\$ 84,276	\$ 80,395	\$ 79,903	\$ 104,264
Projected investment return	61,416	50,641	46,039	43,673	43,128	54,623	52,893	-
Gain or Loss	61,346	40,914	100,036	(105,168)	43,225	-	-	-
Net investment income	-	-	-	-	-	(14,114)	(63,941)	35,160
Benefit payments, including refunds of employee contributions	(22,472)	(143,174)	(146,600)	-	(314,875)	-	(75,250)	-
Administrative expense	(25)	(267)	(30)	-	(306)	-	(44)	(5,493)
<b>Net Change in Plan Fiduciary Net Position</b>	<b>196,527</b>	<b>42,375</b>	<b>87,173</b>	<b>20,935</b>	<b>(144,552)</b>	<b>120,904</b>	<b>(6,439)</b>	<b>133,931</b>
Plan Fiduciary Net Position - January 1	1,079,776	1,037,401	950,228	929,293	1,073,845	952,941	959,380	825,449
<b>Plan Fiduciary Net Position - December 31 (B)</b>	<b>\$ 1,276,303</b>	<b>\$ 1,079,776</b>	<b>\$ 1,037,401</b>	<b>\$ 950,228</b>	<b>\$ 929,293</b>	<b>\$ 1,073,845</b>	<b>\$ 952,941</b>	<b>\$ 959,380</b>
<b>Fire Relief's Net Pension Liability (Asset) - December 31 (A-B)</b>	<b>\$ (310,272)</b>	<b>\$ (278,406)</b>	<b>\$ (140,341)</b>	<b>\$ (9,275)</b>	<b>\$ (72,165)</b>	<b>\$ (2,297)</b>	<b>\$ (101,456)</b>	<b>\$ (127,272)</b>
<b>Plan Fiduciary Net Position As a Percentage of the total pension liability (b/a)</b>	<b>132.12%</b>	<b>134.74%</b>	<b>115.64%</b>	<b>100.99%</b>	<b>108.42%</b>	<b>100.21%</b>	<b>111.92%</b>	<b>115.30%</b>
Covered-Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Fire Relief's Net Pension Liability (Asset) As a Percentage of covered-employee payroll</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

*Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.*

City of New Prague, Minnesota  
 Required Supplementary Information (Continued)  
 For the Year Ended December 31, 2022

**Notes to the Required Supplementary Information – Fire Relief Association**

Changes in Actuarial Assumptions

2022 - None  
 2021 - The Discount Rate changed from 5.00% to 5.50%  
 2020 - None  
 2019 – The Discount Rate changed from 4.50% to 5.00%  
 2018 - None  
 2017 - None  
 2016 - None  
 2015 - None

Changes in Plan Provisions

2022 - None  
 2021 - None  
 2020 - None  
 2019 - None  
 2018 - None  
 2017 - None  
 2016 - None  
 2015 - None

**Schedule of Employer’s Fire Relief Association Contributions**

Year Ending	Actuarial Determined Contribution (a)	Actual Contributions Paid (b)	Contribution Deficiency (Excess) (a-b)
12/31/22	\$ 103,406	\$ 103,406	\$ -
12/31/21	95,262	95,262	-
12/31/20	91,261	91,261	-
12/31/19	85,728	85,728	-
12/31/18	82,430	82,430	-
12/31/17	80,276	80,276	-
12/31/16	79,903	79,903	-
12/31/15	104,264	104,264	-

*Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.*

City of New Prague, Minnesota  
 Required Supplementary Information (Continued)  
 For the Year Ended December 31, 2022

**Schedule of Changes in the City's Total OPEB Liability and Related Ratios**

	2022	2021	2020	2019	2018	2017
Total OPEB Liability						
Service cost	\$ 18,569	\$ 18,028	\$ 15,170	\$ 14,728	\$ 12,262	\$ 11,905
Interest	4,420	10,740	10,533	7,270	6,880	6,560
Differences between expected and actual experience	-	(78,250)	-	78,064	-	-
Changes in assumptions	-	7,159	-	583	-	-
Benefit payments	(13,593)	(25,913)	(20,378)	(10,154)	(12,523)	(8,319)
Net Change in Total OPEB Liability	9,396	(68,236)	5,325	90,491	6,619	10,146
Total Opeb Liability - Beginning	209,193	277,429	272,104	181,613	174,994	164,848
Total OPEB Liability - Ending	<u>\$ 218,589</u>	<u>\$ 209,193</u>	<u>\$ 277,429</u>	<u>\$ 272,104</u>	<u>\$ 181,613</u>	<u>\$ 174,994</u>
Covered - Employee Payroll	\$ 4,135,324	\$ 4,014,878	\$ 3,581,627	\$ 3,477,308	\$ 3,337,280	\$ 3,240,078
City's Total OPEB Liability As a Percentage of Covered Employee Payroll	5.29 %	5.21 %	7.75 %	7.83 %	5.44 %	5.40 %

*Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.*

**Notes to the Required Supplementary Information – Other Postemployment Benefits**

Changes in Benefits:

2022 - None

2021 - None

2020 - None

2019 - None

2018 - None

Changes in Assumptions:

2022 - None

2021 - The health care trend rates were changed to better anticipate short term and long term medical increases. The mortality tables were updated from the RP-2014 Mortality Tables (Blue Collar for Public Safety, White Collar for Others) with MP-2018 Generational Improvement Scale to the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2020 Generational Improvement Scale. The salary increase rates were changed from a flat 3.00% per year for all employees to rates which vary by service and contract group. The retirement and withdrawal rates for non-public safety employees were updated. The inflation rate was changed from 2.50% to 2.00%. The discount rate was changed from 3.80% to 2.00%.

2020 - None

2019 - The health care trend rates were changed to better anticipate short term and long term medical increases. The mortality tables were updated from the RP-2014 White Collar Mortality Tables with MP-2016 Generational Improvement Scale (with Blue Collar adjustment for Police and Fire Personnel) to the RP-2014 White Collar Mortality Tables with MP-2018 Generational Improvement Scale (with Blue Collar adjustment for Police and Fire Personnel). The retirement and withdrawal tables for Police and Fire Personnel were updated.

2018 - None

COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES

CITY OF NEW PRAGUE  
NEW PRAGUE, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2022

City of New Prague, Minnesota  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 December 31, 2022

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
<b>Assets</b>			
Cash and temporary investments	\$ 1,954,869	\$ 2,540,893	\$ 4,495,762
Receivables			
Accounts	-	32,500	32,500
Notes, net of allowance	36,585	-	36,585
Special assessments	-	251,070	251,070
Intergovernmental	-	974,353	974,353
	<u>\$ 1,991,454</u>	<u>\$ 3,798,816</u>	<u>\$ 5,790,270</u>
<b>Liabilities</b>			
Accounts and contracts payable	\$ 9,960	\$ 91,707	\$ 101,667
Deposits payable	9,775	-	9,775
Due to other governments	1,349	-	1,349
Unearned revenue	866,221	272,685	1,138,906
Total Liabilities	<u>887,305</u>	<u>364,392</u>	<u>1,251,697</u>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue - special assessments	-	251,070	251,070
Unavailable revenue - leases	-	7,500	7,500
Unavailable revenue - grants	-	854,756	854,756
Total Deferred Inflows of Resources	<u>-</u>	<u>1,113,326</u>	<u>1,113,326</u>
<b>Fund Balances</b>			
Restricted for			
Debt service	-	162,534	162,534
Economic development	991,509	-	991,509
Upgrades	-	59,810	59,810
Capital project	-	93,003	93,003
Park improvements	-	34,836	34,836
Assigned for			
ARPA	3,981	-	3,981
Economic development	62,256	-	62,256
Crime prevention	46,403	-	46,403
Capital projects	-	2,274,582	2,274,582
Park improvements	-	251,244	251,244
Unassigned	-	(554,911)	(554,911)
Total Fund Balances	<u>1,104,149</u>	<u>2,321,098</u>	<u>3,425,247</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>			
	<u>\$ 1,991,454</u>	<u>\$ 3,798,816</u>	<u>\$ 5,790,270</u>

City of New Prague, Minnesota  
 Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Year Ended December 31, 2022

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
Revenues			
Taxes	\$ -	\$ 20,823	\$ 20,823
Special assessments	-	2,217	2,217
Intergovernmental	36,778	640,498	677,276
Charges for services	19,481	47,535	67,016
Investment earnings	8,117	11,662	19,779
Miscellaneous	963	200	1,163
Total Revenues	<u>65,339</u>	<u>722,935</u>	<u>788,274</u>
Expenditures			
Current			
Public safety	19,790	-	19,790
Public works	-	1,789	1,789
Capital outlay			
General government	36,778	-	36,778
Public safety	5,005	-	5,005
Public works	-	820,169	820,169
Culture and recreation	-	1,444	1,444
Total Expenditures	<u>61,573</u>	<u>823,402</u>	<u>884,975</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,766</u>	<u>(100,467)</u>	<u>(96,701)</u>
Other Financing Sources (Uses)			
Transfers in	-	7,592	7,592
Transfers out	-	(90,000)	(90,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(82,408)</u>	<u>(82,408)</u>
Net Change in Fund Balances	3,766	(182,875)	(179,109)
Fund Balances, January 1	<u>1,100,383</u>	<u>2,503,973</u>	<u>3,604,356</u>
Fund Balances, December 31	<u>\$ 1,104,149</u>	<u>\$ 2,321,098</u>	<u>\$ 3,425,247</u>

City of New Prague, Minnesota  
Nonmajor Proprietary Funds  
Combining Statement of Net Position  
December 31, 2022

	Business-type Activities - Enterprise Funds			
	651	603	606	Totals
	Ambulance	Golf	Storm Water Utility	
<b>Assets</b>				
<b>Current Assets</b>				
Cash and temporary investments	\$ 175,185	\$ 519,837	\$ 837,880	\$ 1,532,902
Receivables				
Accounts	-	19,335	30,878	50,213
Inventories	-	49,705	-	49,705
Prepaid items	-	178	154	332
Total Current Assets	<u>175,185</u>	<u>589,055</u>	<u>868,912</u>	<u>1,633,152</u>
<b>Noncurrent Assets</b>				
<b>Capital assets</b>				
Land improvements	-	910,290	-	910,290
Buildings and structures	-	1,094,511	-	1,094,511
Infrastructure	-	-	7,326,497	7,326,497
Machinery and equipment	-	1,404,067	29,296	1,433,363
Construction in progress	-	-	430,491	430,491
Less accumulated depreciation	-	(2,742,905)	(3,786,716)	(6,529,621)
Total capital assets	<u>-</u>	<u>665,963</u>	<u>3,999,568</u>	<u>4,665,531</u>
Total Assets	<u>175,185</u>	<u>1,255,018</u>	<u>4,868,480</u>	<u>6,298,683</u>
<b>Deferred Outflows of Resources</b>				
Deferred other post employment benefit resources	-	1,273	958	2,231
Deferred pension resources	-	105,179	17,721	122,900
Total Deferred Outflows of Resources	<u>-</u>	<u>106,452</u>	<u>18,679</u>	<u>125,131</u>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Accounts and contracts payable	516	22,921	362	23,799
Current portion of advances from other funds	-	23,187	-	23,187
Accrued interest payable	-	5,391	15,243	20,634
Accrued wages payable	-	5,494	676	6,170
Accrued compensated absences payable	-	-	-	-
Customer deposits payable	-	57,890	-	57,890
Unearned revenue	-	130,733	-	130,733
Bonds payable - current	-	103,000	94,616	197,616
Total Current Liabilities	<u>516</u>	<u>348,616</u>	<u>110,897</u>	<u>460,029</u>
<b>Noncurrent Liabilities</b>				
Accrued compensated absences payable	-	11,311	-	11,311
Bonds payable - net of current portion	-	291,920	998,999	1,290,919
Net pension liability	-	269,281	57,747	327,028
Other post employment benefits	-	4,796	3,609	8,405
Total Noncurrent Liabilities	<u>-</u>	<u>577,308</u>	<u>1,060,355</u>	<u>1,637,663</u>
Total Liabilities	<u>516</u>	<u>925,924</u>	<u>1,171,252</u>	<u>2,097,692</u>
<b>Deferred Inflows of Resources</b>				
Deferred other post employment benefit resources	-	1,226	923	2,149
Deferred pension resources	-	6,176	888	7,064
Total Deferred Inflows of Resources	<u>-</u>	<u>7,402</u>	<u>1,811</u>	<u>9,213</u>
<b>Net Position</b>				
Net investment in capital assets	-	501,874	2,905,953	3,407,827
Unrestricted	174,669	(73,730)	808,143	909,082
Total Net Position	<u>\$ 174,669</u>	<u>\$ 428,144</u>	<u>\$ 3,714,096</u>	<u>\$ 4,316,909</u>

City of New Prague, Minnesota  
 Nonmajor Proprietary Funds  
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position  
 For the Year Ended December 31, 2022

	Business-type Activities - Enterprise Funds			
	651	603	606	Totals
	Ambulance	Golf	Storm Water Utility	
Operating Revenues				
Sales	\$ -	\$ 466,590	\$ -	\$ 466,590
Cost of sales	-	(211,178)	-	(211,178)
Gross profit	-	255,412	-	255,412
Charges for services	-	805,580	397,312	1,202,892
Miscellaneous	20,186	-	-	20,186
Total Operating Revenues	<u>20,186</u>	<u>1,060,992</u>	<u>397,312</u>	<u>1,478,490</u>
Operating Expenses				
Salaries and benefits	-	617,357	86,931	704,288
Supplies	146	148,606	194	148,946
Other services and charges	11,695	119,521	23,135	154,351
Insurance	2,347	11,834	-	14,181
Utilities	-	99,096	-	99,096
Depreciation	-	94,797	235,977	330,774
Total Operating Expenses	<u>14,188</u>	<u>1,091,211</u>	<u>346,237</u>	<u>1,451,636</u>
Operating Income (Loss)	<u>5,998</u>	<u>(30,219)</u>	<u>51,075</u>	<u>26,854</u>
Nonoperating Revenues (Expenses)				
Investment income	662	2,293	4,791	7,746
Intergovernmental	-	1,180	253	1,433
Amortization of bond premium	-	7,441	2,705	10,146
Bond issuance costs	-	(5,164)	(3,935)	(9,099)
Interest expense	-	(9,843)	(34,679)	(44,522)
Total Nonoperating Revenues (Expenses)	<u>662</u>	<u>(4,093)</u>	<u>(30,865)</u>	<u>(34,296)</u>
Income (Loss) Before Transfers	6,660	(34,312)	20,210	(7,442)
Transfers In	-	121,270	-	121,270
Change in Net Position	6,660	86,958	20,210	113,828
Net Position, January 1	<u>168,009</u>	<u>341,186</u>	<u>3,693,886</u>	<u>4,203,081</u>
Net Position, December 31	<u>\$ 174,669</u>	<u>\$ 428,144</u>	<u>\$ 3,714,096</u>	<u>\$ 4,316,909</u>

City of New Prague, Minnesota  
 Nonmajor Proprietary Funds  
 Combining Statement of Cash Flows (Continued on the Following Page)  
 For the Year Ended December 31, 2022

	Business-type Activities - Enterprise Funds			Totals
	651 Ambulance	603 Golf	606 Storm Water Utility	
Cash Flows from Operating Activities				
Receipts from customers	\$ -	\$ 1,263,755	\$ 390,315	\$ 1,654,070
Payments to suppliers and vendors	(14,250)	(586,175)	(45,231)	(645,656)
Payments to and on behalf of employees	-	(584,634)	(85,955)	(670,589)
Other receipts	20,186	-	-	20,186
Net Cash Provided (Used) by Operating Activities	<u>5,936</u>	<u>92,946</u>	<u>259,129</u>	<u>358,011</u>
Cash Flows from Noncapital Financing Activities				
State grants received	-	1,180	253	1,433
Transfers from other funds	-	121,270	-	121,270
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>122,450</u>	<u>253</u>	<u>122,703</u>
Cash Flows from Capital Financing Activities				
Payments on advances from other funds	-	(26,460)	(13,456)	(39,916)
Acquisition and construction of capital assets	-	-	(405,383)	(405,383)
Proceeds from debt instruments, net of discounts/premiums	-	230,831	176,247	407,078
Principal paid on debt instruments	-	(93,000)	(84,936)	(177,936)
Interest paid on debt instruments	-	(8,753)	(34,679)	(43,432)
Issuance costs paid on debt instruments	-	(5,164)	(3,935)	(9,099)
Net Cash Provided (Used) by Capital Financing Activities	<u>-</u>	<u>97,454</u>	<u>(366,142)</u>	<u>(268,688)</u>
Cash Flows from Investing Activities				
Interest received	662	2,293	4,791	7,746
Net Increase (Decrease) In Cash and Cash Equivalents	6,598	315,143	(101,969)	219,772
Cash and Cash Equivalents, January 1	<u>168,587</u>	<u>204,694</u>	<u>939,849</u>	<u>1,313,130</u>
Cash and Cash Equivalents, December 31	<u>\$ 175,185</u>	<u>\$ 519,837</u>	<u>\$ 837,880</u>	<u>\$ 1,532,902</u>
Cash and Cash Equivalents Undesignated	<u>\$ 175,185</u>	<u>\$ 519,837</u>	<u>\$ 837,880</u>	<u>\$ 1,532,902</u>

City of New Prague, Minnesota  
Nonmajor Proprietary Funds  
Combining Statements of Cash Flows (Continued)  
For the Year Ended December 31, 2022

	Business-type Activities - Enterprise Funds			
	651	603	606	Totals
	Ambulance	Golf	Storm Water Utility	
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ 5,998	\$ (30,219)	\$ 51,075	\$ 26,854
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation	-	94,797	235,977	330,774
(Increase) decrease in assets				
Accounts receivable	-	(15,058)	(6,997)	(22,055)
Inventories	-	(6,357)	-	(6,357)
Prepaid items	-	866	444	1,310
(Increase) decrease in deferred outflows of resources				
Deferred other post employment benefit resources	-	213	205	418
Deferred pension resources	-	(6,185)	6,094	(91)
Increase (decrease) in liabilities				
Accounts and contracts payable	(62)	9,551	(22,346)	(12,857)
Accrued wages payable	-	1,578	42	1,620
Accrued compensated absences payable	-	550	996	1,546
Customer deposits payable	-	7,117	-	7,117
Unearned revenue	-	(474)	-	(474)
Other post employment benefit resources	-	196	11	207
Net pension liability	-	149,708	24,173	173,881
Increase (decrease) in deferred inflows of resources				
Deferred other post employment benefit resources	-	(248)	(231)	(479)
Deferred pension resources	-	(113,089)	(30,314)	(143,403)
Net Cash Provided (Used) by Operating Activities	<u>\$ 5,936</u>	<u>\$ 92,946</u>	<u>\$ 259,129</u>	<u>\$ 358,011</u>
Noncash Financing Activities				
Amortization of bond (premium) discount	\$ -	\$ (7,441)	\$ (2,705)	\$ (10,146)
Bond premium issued	-	20,831	16,247	37,078

City of New Prague, Minnesota  
 Nonmajor Special Revenue Funds  
 Combining Balance Sheet  
 December 31, 2022

	<b>203</b>	<b>204</b>	<b>206</b>	<b>207</b>
	Development Revolving Loan	Small Cities Grant	Economic Development	2016 Small Cities Project
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Assets</b>				
Cash and temporary investments	\$ 162,256	\$ 13,632	\$ 226,229	\$ 152,836
Receivables				
Notes, net of allowance	<u>          -</u>	<u>          -</u>	<u>          -</u>	<u>          36,585</u>
<b>Total Assets</b>	<u><u>\$ 162,256</u></u>	<u><u>\$ 13,632</u></u>	<u><u>\$ 226,229</u></u>	<u><u>\$ 189,421</u></u>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Unearned revenue	<u>          -</u>	<u>          -</u>	<u>          -</u>	<u>          -</u>
<b>Total Liabilities</b>	<u><u>          -</u></u>	<u><u>          -</u></u>	<u><u>          -</u></u>	<u><u>          -</u></u>
<b>Fund Balances</b>				
Restricted for				
Economic development	100,000	13,632	226,229	189,421
Assigned for				
ARPA	-	-	-	-
Economic development	62,256	-	-	-
Crime prevention	-	-	-	-
Unassigned	<u>          -</u>	<u>          -</u>	<u>          -</u>	<u>          -</u>
<b>Total Fund Balances</b>	<u><u>162,256</u></u>	<u><u>13,632</u></u>	<u><u>226,229</u></u>	<u><u>189,421</u></u>
<b>Total Liabilities and Fund Balances</b>	<u><u>\$ 162,256</u></u>	<u><u>\$ 13,632</u></u>	<u><u>\$ 226,229</u></u>	<u><u>\$ 189,421</u></u>

<b>208</b>	<b>209</b>	<b>233</b>	
<u>2017 Small Cities Project</u>	<u>American Rescue Aid</u>	<u>Crime Prevention</u>	<u>Total Nonmajor</u>
\$ 462,227	\$ 870,202	\$ 67,487	\$ 1,954,869
-	-	-	36,585
<u>\$ 462,227</u>	<u>\$ 870,202</u>	<u>\$ 67,487</u>	<u>\$ 1,991,454</u>
\$ -	\$ -	\$ 9,960	\$ 9,960
-	-	9,775	9,775
-	-	1,349	1,349
-	866,221	-	866,221
-	<u>866,221</u>	<u>21,084</u>	<u>887,305</u>
462,227	-	-	991,509
-	3,981	-	3,981
-	-	-	62,256
-	-	46,403	46,403
-	-	-	-
<u>462,227</u>	<u>3,981</u>	<u>46,403</u>	<u>1,104,149</u>
<u>\$ 462,227</u>	<u>\$ 870,202</u>	<u>\$ 67,487</u>	<u>\$ 1,991,454</u>

City of New Prague, Minnesota  
 Nonmajor Special Revenue Funds  
 Combining Statement of Revenues, Expenditures and  
 Changes in Fund Balances  
 For the Year Ended December 31, 2022

	<b>203</b>	<b>204</b>	<b>206</b>	<b>207</b>
	Development Revolving Loan	Small Cities Grant	Economic Development	2016 Small Cities Project
Revenues				
Intergovernmental				
Other federal grant	\$ -	\$ -	\$ -	\$ -
Charges for services				
Public safety	-	-	-	-
Investment earnings	619	51	1,002	686
Miscellaneous				
Other	-	-	-	963
Total Revenues	<u>619</u>	<u>51</u>	<u>1,002</u>	<u>1,649</u>
Expenditures				
Current				
Public safety	-	-	-	-
Capital outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	619	51	1,002	1,649
Fund Balances, January 1	<u>161,637</u>	<u>13,581</u>	<u>225,227</u>	<u>187,772</u>
Fund Balances, December 31	<u>\$ 162,256</u>	<u>\$ 13,632</u>	<u>\$ 226,229</u>	<u>\$ 189,421</u>

<b>208</b>	<b>209</b>	<b>233</b>	
<u>2017 Small Cities Project</u>	<u>American Rescue Aid</u>	<u>Crime Prevention</u>	<u>Total Nonmajor</u>
\$ -	\$ 36,778	\$ -	\$ 36,778
-	-	19,481	19,481
1,638	3,862	259	8,117
-	-	-	963
<u>1,638</u>	<u>40,640</u>	<u>19,740</u>	<u>65,339</u>
-	-	19,790	19,790
-	36,778	-	36,778
-	-	5,005	5,005
-	-	-	-
<u>-</u>	<u>36,778</u>	<u>24,795</u>	<u>61,573</u>
1,638	3,862	(5,055)	3,766
<u>460,589</u>	<u>119</u>	<u>51,458</u>	<u>1,100,383</u>
<u>\$ 462,227</u>	<u>\$ 3,981</u>	<u>\$ 46,403</u>	<u>\$ 1,104,149</u>

**City of New Prague, Minnesota**  
 Development Revolving Loan Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual  
 For the Year Ended December 31, 2022  
 (With Comparative Actual Amounts for the Year Ended December 31, 2021)

	2022				2021
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
Revenues					
Investment earnings	\$ 100	\$ 100	\$ 619	\$ 519	\$ 116
Fund Balances, January 1	161,637	161,637	161,637	-	161,521
Fund Balances, December 31	<u>\$ 161,737</u>	<u>\$ 161,737</u>	<u>\$ 162,256</u>	<u>\$ 519</u>	<u>\$ 161,637</u>

**City of New Prague, Minnesota**  
 2016 Small Cities Project Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual  
 For the Year Ended December 31, 2022  
 (With Comparative Actual Amounts for the Year Ended December 31, 2021)

	2022				2021
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
Revenues					
Investment earnings	\$ 100	\$ 100	\$ 686	\$ 586	\$ 37
Miscellaneous					
Other	1,010	1,010	963	(47)	1,181
Total Revenues	<u>1,110</u>	<u>1,110</u>	<u>1,649</u>	<u>539</u>	<u>1,218</u>
Expenditures					
Current					
Economic development					
Other services and charges	-	-	-	-	24,960
Net Change in Fund Balances	1,110	1,110	1,649	539	(23,742)
Fund Balances, January 1	<u>187,772</u>	<u>187,772</u>	<u>187,772</u>	<u>-</u>	<u>211,514</u>
Fund Balances, December 31	<u>\$ 188,882</u>	<u>\$ 188,882</u>	<u>\$ 189,421</u>	<u>\$ 539</u>	<u>\$ 187,772</u>

City of New Prague, Minnesota  
 2017 Small Cities Project Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual  
 For the Year Ended December 31, 2022  
 (With Comparative Actual Amounts for the Year Ended December 31, 2021)

	2022				2021
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
Revenues					
Investment earnings	\$ 450	\$ 450	\$ 1,638	\$ 1,188	\$ 457
Fund Balances, January 1	460,589	460,589	460,589	-	460,132
Fund Balances, December 31	<u>\$ 461,039</u>	<u>\$ 461,039</u>	<u>\$ 462,227</u>	<u>\$ 1,188</u>	<u>\$ 460,589</u>

**City of New Prague, Minnesota**  
**Crime Prevention Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual**  
**For the Year Ended December 31, 2022**  
 (With Comparative Actual Amounts for the Year Ended December 31, 2021)

	2022				2021
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
Revenues					
Charges for services					
Public safety	\$ 14,500	\$ 14,500	\$ 19,481	\$ 4,981	\$ 4,585
Investment earnings	50	50	259	209	608
Total Revenues	<u>14,550</u>	<u>14,550</u>	<u>19,740</u>	<u>5,190</u>	<u>5,193</u>
Expenditures					
Current					
Public safety					
Supplies	4,000	4,000	15,033	(11,033)	1,865
Other services and charges	9,900	9,900	4,757	5,143	4,205
Capital outlay					
Public safety	3,000	3,000	5,005	(2,005)	-
Total Expenditures	<u>16,900</u>	<u>16,900</u>	<u>24,795</u>	<u>(7,895)</u>	<u>6,070</u>
Net Change in Fund Balances	(2,350)	(2,350)	(5,055)	(2,705)	(877)
Fund Balances, January 1	<u>51,458</u>	<u>51,458</u>	<u>51,458</u>	<u>-</u>	<u>52,335</u>
Fund Balances, December 31	<u>\$ 49,108</u>	<u>\$ 49,108</u>	<u>\$ 46,403</u>	<u>\$ (2,705)</u>	<u>\$ 51,458</u>

City of New Prague, Minnesota  
 Nonmajor Capital Projects Funds  
 Combining Balance Sheet  
 December 31, 2022

	210 10th Ave Federal Grant	228 Park Dedication Fees	230 Park Improvements	235 Sidewalk	236 Sirens	455 Trunk Sewer	472 T.H. 19/ 11th Ave. Street
<b>Assets</b>							
Cash and temporary investments	\$ (2,785)	\$ 203,421	\$ 84,992	\$ 39,501	\$ 20,309	\$ 2,008,893	\$ 152,592
Receivables							
Accounts	-	25,000	-	-	-	-	-
Special assessments	-	-	-	-	-	-	137,778
Intergovernmental	-	-	-	-	-	-	-
<b>Total Assets</b>	<b><u>\$ (2,785)</u></b>	<b><u>\$ 228,421</u></b>	<b><u>\$ 84,992</u></b>	<b><u>\$ 39,501</u></b>	<b><u>\$ 20,309</u></b>	<b><u>\$ 2,008,893</u></b>	<b><u>\$ 290,370</u></b>
<b>Liabilities</b>							
Accounts and contracts payable	\$ 3,357	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned revenue	-	27,333	-	-	-	-	-
<b>Total Liabilities</b>	<b><u>3,357</u></b>	<b><u>27,333</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Deferred Inflows of Resources</b>							
Unavailable revenue - special assessments	-	-	-	-	-	-	137,778
Unavailable revenue - leases	-	-	-	-	-	-	-
Unavailable revenue - grants	-	-	-	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>137,778</u></b>
<b>Fund Balances</b>							
<b>Restricted for</b>							
Debt service	-	-	-	-	-	-	-
Upgrades	-	-	-	39,501	20,309	-	-
Capital projects	-	-	-	-	-	-	-
Park improvements	-	34,836	-	-	-	-	-
<b>Assigned for</b>							
Capital projects	-	-	-	-	-	2,008,893	152,592
Park improvements	-	166,252	84,992	-	-	-	-
Unassigned	(6,142)	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b><u>(6,142)</u></b>	<b><u>201,088</u></b>	<b><u>84,992</u></b>	<b><u>39,501</u></b>	<b><u>20,309</u></b>	<b><u>2,008,893</u></b>	<b><u>152,592</u></b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b><u>\$ (2,785)</u></b>	<b><u>\$ 228,421</u></b>	<b><u>\$ 84,992</u></b>	<b><u>\$ 39,501</u></b>	<b><u>\$ 20,309</u></b>	<b><u>\$ 2,008,893</u></b>	<b><u>\$ 290,370</u></b>

499	417	418	420	422	423	424	Total Nonmajor
General Projects	CIP 2016 - 2019	T.H. 19 Project	CIP 2019	CIP 2023	CIP 2024	CIP 2025	
\$ 274,796	\$ -	\$ (316,652)	\$ 93,003	\$ (16,745)	\$ (216)	\$ (216)	\$ 2,540,893
7,500	-	-	-	-	-	-	32,500
113,292	-	-	-	-	-	-	251,070
855,591	-	118,762	-	-	-	-	974,353
<u>\$ 1,251,179</u>	<u>\$ -</u>	<u>\$ (197,890)</u>	<u>\$ 93,003</u>	<u>\$ (16,745)</u>	<u>\$ (216)</u>	<u>\$ (216)</u>	<u>\$ 3,798,816</u>
\$ -	\$ -	\$ 2,910	\$ -	\$ 85,440	\$ -	\$ -	\$ 91,707
-	-	245,352	-	-	-	-	272,685
-	-	248,262	-	85,440	-	-	364,392
113,292	-	-	-	-	-	-	251,070
7,500	-	-	-	-	-	-	7,500
854,756	-	-	-	-	-	-	854,756
975,548	-	-	-	-	-	-	1,113,326
162,534	-	-	-	-	-	-	162,534
-	-	-	-	-	-	-	59,810
-	-	-	93,003	-	-	-	93,003
-	-	-	-	-	-	-	34,836
113,097	-	-	-	-	-	-	2,274,582
-	-	-	-	-	-	-	251,244
-	-	(446,152)	-	(102,185)	(216)	(216)	(554,911)
275,631	-	(446,152)	93,003	(102,185)	(216)	(216)	2,321,098
<u>\$ 1,251,179</u>	<u>\$ -</u>	<u>\$ (197,890)</u>	<u>\$ 93,003</u>	<u>\$ (16,745)</u>	<u>\$ (216)</u>	<u>\$ (216)</u>	<u>\$ 3,798,816</u>

City of New Prague, Minnesota  
 Nonmajor Capital Projects Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Year Ended December 31, 2022

	210 10th Ave Federal Grant	228 Park Dedication Fees	230 Park Improvements	235 Sidewalk	236 Sirens	455 Trunk Sewer	472 T.H. 19/ 11th Ave. Street
Revenues							
Taxes							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Connection charges	-	-	-	-	-	17,518	-
Charges for services	-	9,718	5,299	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Investment earnings	-	853	375	174	83	7,133	678
Miscellaneous							
Other	-	-	-	200	-	-	-
Total Revenues	<u>-</u>	<u>10,571</u>	<u>5,674</u>	<u>374</u>	<u>83</u>	<u>24,651</u>	<u>678</u>
Expenditures							
Current							
Public works	-	-	-	-	-	-	-
Capital outlay							
Public works	6,142	-	-	-	-	-	-
Culture and recreation	-	-	1,444	-	-	-	-
Total Expenditures	<u>6,142</u>	<u>-</u>	<u>1,444</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(6,142)</u>	<u>10,571</u>	<u>4,230</u>	<u>374</u>	<u>83</u>	<u>24,651</u>	<u>678</u>
Other Financing Sources (Uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(6,142)	10,571	4,230	374	83	24,651	678
Fund Balances, January 1	<u>-</u>	<u>190,517</u>	<u>80,762</u>	<u>39,127</u>	<u>20,226</u>	<u>1,984,242</u>	<u>151,914</u>
Fund Balances, December 31	<u>\$ (6,142)</u>	<u>\$ 201,088</u>	<u>\$ 84,992</u>	<u>\$ 39,501</u>	<u>\$ 20,309</u>	<u>\$ 2,008,893</u>	<u>\$ 152,592</u>

499	417	418	420	422	423	424	Total Nonmajor
General Projects	CIP 2016 - 2019	T.H. 19 Project	CIP 2019	CIP 2023	CIP 2024	CIP 2025	
\$ 20,823	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,823
2,217	-	-	-	-	-	-	2,217
-	-	-	-	-	-	-	17,518
15,000	-	-	-	-	-	-	30,017
-	-	640,498	-	-	-	-	640,498
1,666	-	48	652	-	-	-	11,662
-	-	-	-	-	-	-	200
<u>39,706</u>	<u>-</u>	<u>640,546</u>	<u>652</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>722,935</u>
1,789	-	-	-	-	-	-	1,789
-	-	655,780	55,630	102,185	216	216	820,169
-	-	-	-	-	-	-	1,444
<u>1,789</u>	<u>-</u>	<u>655,780</u>	<u>55,630</u>	<u>102,185</u>	<u>216</u>	<u>216</u>	<u>823,402</u>
<u>37,917</u>	<u>-</u>	<u>(15,234)</u>	<u>(54,978)</u>	<u>(102,185)</u>	<u>(216)</u>	<u>(216)</u>	<u>(100,467)</u>
-	7,592	-	-	-	-	-	7,592
<u>(90,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(90,000)</u>
<u>(90,000)</u>	<u>7,592</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(82,408)</u>
(52,083)	7,592	(15,234)	(54,978)	(102,185)	(216)	(216)	(182,875)
<u>327,714</u>	<u>(7,592)</u>	<u>(430,918)</u>	<u>147,981</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,503,973</u>
<u>\$ 275,631</u>	<u>\$ -</u>	<u>\$ (446,152)</u>	<u>\$ 93,003</u>	<u>\$ (102,185)</u>	<u>\$ (216)</u>	<u>\$ (216)</u>	<u>\$ 2,321,098</u>

THIS PAGE IS LEFT  
BLANK INTENTIONALLY

City of New Prague, Minnesota  
General Fund  
Comparative Balance Sheets  
December 31, 2022 and 2021

	2022	2021
<b>Assets</b>		
Cash and temporary investments	\$ 6,001,079	\$ 5,681,744
Receivables		
Interest	90,666	-
Delinquent taxes	25,935	31,535
Accounts	128,918	117,091
Special assessments	4,109	7,092
Intergovernmental	46,316	39,232
Advances to other funds	23,187	49,647
Prepaid items	3,650	17,513
<b>Total Assets</b>	<b>\$ 6,323,860</b>	<b>\$ 5,943,854</b>
<b>Liabilities</b>		
Accounts payable	\$ 180,384	\$ 133,415
Due to other governments	41,864	15,413
Accrued wages payable	118,694	47,361
Deposits payable	24,173	35,832
Unearned revenue	630	-
<b>Total Liabilities</b>	<b>365,745</b>	<b>232,021</b>
<b>Deferred Inflows of Resources</b>		
Unavailable revenue - property taxes	25,935	31,535
Unavailable revenue - special assessments	4,109	7,092
<b>Total Deferred Inflows of Resources</b>	<b>30,044</b>	<b>38,627</b>
<b>Fund Balances</b>		
Nonspendable for		
Prepaid items	3,650	17,513
Committed for		
Emergency weather/disaster purposes	100,000	100,000
Future athletic field	143,987	143,987
Public facilities and infrastructure	500,000	500,000
Assigned for		
Acquisition of equipment and vehicles	288,059	524,814
Renovation/replacement of public facilities	1,605,374	1,607,628
Rental house	61,381	56,519
Unassigned	3,225,620	2,722,745
<b>Total Fund Balances</b>	<b>5,928,071</b>	<b>5,673,206</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 6,323,860</b>	<b>\$ 5,943,854</b>

City of New Prague, Minnesota  
 General Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual (Continued on the Following Pages)  
 For the Year Ended December 31, 2022  
 (With Comparative Actual Amounts for the Year Ended December 31, 2021)

	2022			Variance with Final Budget	2021
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Revenues					
Taxes					
Property taxes	\$ 3,660,878	\$ 3,660,878	\$ 3,659,814	\$ (1,064)	\$ 3,354,741
Franchise taxes	106,000	106,000	98,409	(7,591)	99,616
Total taxes	<u>3,766,878</u>	<u>3,766,878</u>	<u>3,758,223</u>	<u>(8,655)</u>	<u>3,454,357</u>
Licenses and permits					
Business	39,810	39,810	44,818	5,008	27,658
Nonbusiness	198,750	198,750	306,179	107,429	263,432
Total licenses and permits	<u>238,560</u>	<u>238,560</u>	<u>350,997</u>	<u>112,437</u>	<u>291,090</u>
Intergovernmental					
Federal					
CARES act	-	-	-	-	14,022
State					
Local government aid	964,655	964,655	964,655	-	946,819
Property tax credits and aids	-	-	183	183	178
Highway aid	97,500	97,500	109,758	12,258	97,496
Police state aid	97,000	97,000	105,779	8,779	102,230
Fire state aid	94,000	94,000	107,789	13,789	106,452
Other state aid	-	-	3,750	3,750	-
Total state	<u>1,253,155</u>	<u>1,253,155</u>	<u>1,291,914</u>	<u>38,759</u>	<u>1,253,175</u>
County					
Other County grants	7,000	7,000	6,187	(813)	9,302
Local					
Other Local grants	3,000	3,000	3,000	-	11,000
Total intergovernmental	<u>1,263,155</u>	<u>1,263,155</u>	<u>1,301,101</u>	<u>37,946</u>	<u>1,287,499</u>
Charges for services					
General government	11,500	11,500	10,567	(933)	19,617
Public safety	129,460	129,460	98,797	(30,663)	106,773
Streets and highways	500	500	4,954	4,454	1,278
Culture and recreation	7,230	7,230	5,709	(1,521)	7,582
Miscellaneous	9,600	9,600	9,200	(400)	9,300
Total charges for services	<u>158,290</u>	<u>158,290</u>	<u>129,227</u>	<u>(29,063)</u>	<u>144,550</u>
Fines and forfeits	30,000	30,000	22,063	(7,937)	24,820
Interest earnings	10,000	10,000	91,811	81,811	3,357
Miscellaneous					
Other	9,500	9,500	53,847	44,347	49,646
Contributions and donations	5,000	5,000	540	(4,460)	4,842
Total miscellaneous	<u>14,500</u>	<u>14,500</u>	<u>54,387</u>	<u>39,887</u>	<u>54,488</u>
Total Revenues	<u>5,481,383</u>	<u>5,481,383</u>	<u>5,707,809</u>	<u>226,426</u>	<u>5,260,161</u>

City of New Prague, Minnesota  
 General Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual (Continued)  
 For the Year Ended December 31, 2022  
 (With Comparative Actual Amounts for the Year Ended December 31, 2021)

	2022			Variance with Final Budget	2021
	Budgeted Amounts		Actual		Actual
	Original	Final	Amounts		Amounts
Expenditures					
Current					
General government					
Mayor and council					
Personal services	\$ 23,420	\$ 23,420	\$ 23,365	\$ 55	\$ 23,028
Supplies	200	200	4,677	(4,477)	744
Other services and charges	39,520	39,520	45,348	(5,828)	61,927
Total mayor and council	<u>63,140</u>	<u>63,140</u>	<u>73,390</u>	<u>(10,250)</u>	<u>85,699</u>
City clerk/administration					
Personal services	432,535	432,535	459,905	(27,370)	463,579
Supplies	3,100	3,100	2,284	816	2,983
Other services and charges	47,775	47,775	71,090	(23,315)	46,550
Total city clerk/administration	<u>483,410</u>	<u>483,410</u>	<u>533,279</u>	<u>(49,869)</u>	<u>513,112</u>
Technical network					
Supplies	60,000	60,000	56,744	3,256	57,342
Other services and charges	34,655	34,655	32,375	2,280	23,805
Total technical network	<u>94,655</u>	<u>94,655</u>	<u>89,119</u>	<u>5,536</u>	<u>81,147</u>
Elections					
Personal services	15,485	15,485	10,086	5,399	-
Supplies	2,700	2,700	3,461	(761)	-
Other services and charges	2,330	2,330	1,954	376	1,201
Total elections	<u>20,515</u>	<u>20,515</u>	<u>15,501</u>	<u>5,014</u>	<u>1,201</u>
Assessing					
Other services and charges	43,100	43,100	43,100	-	41,800
Legal					
Other services and charges	73,675	73,675	70,008	3,667	73,644
Planning and zoning					
Personal services	242,990	242,990	236,114	6,876	202,280
Supplies	2,191	2,191	2,420	(229)	880
Other services and charges	53,435	53,435	15,250	38,185	13,639
Total planning and zoning	<u>298,616</u>	<u>298,616</u>	<u>253,784</u>	<u>44,832</u>	<u>216,799</u>
General government building					
Personal services	15,475	15,475	15,366	109	14,621
Supplies	4,600	4,600	3,986	614	3,496
Other services and charges	76,370	76,370	67,362	9,008	40,331
Total general government building	<u>96,445</u>	<u>96,445</u>	<u>86,714</u>	<u>9,731</u>	<u>58,448</u>
Total general government	<u>1,173,556</u>	<u>1,173,556</u>	<u>1,164,895</u>	<u>8,661</u>	<u>1,071,850</u>

City of New Prague, Minnesota  
General Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual (Continued)  
For the Year Ended December 31, 2022  
(With Comparative Actual Amounts for the Year Ended December 31, 2021)

	2022			Variance with Final Budget	2021
	Budgeted Amounts		Actual		Actual
	Original	Final	Amounts		Amounts
Expenditures (Continued)					
Current (continued)					
Public safety					
Police					
Personal services	\$ 1,561,330	\$ 1,561,330	\$ 1,644,952	\$ (83,622)	\$ 1,448,934
Supplies	32,750	32,750	31,241	1,509	29,023
Other services and charges	110,635	110,635	118,120	(7,485)	110,963
Total police	<u>1,704,715</u>	<u>1,704,715</u>	<u>1,794,313</u>	<u>(89,598)</u>	<u>1,588,920</u>
Fire					
Personal services	140,740	140,740	155,233	(14,493)	142,839
Supplies	20,500	20,500	13,666	6,834	16,495
Other services and charges	35,630	35,630	57,747	(22,117)	26,624
Total fire	<u>196,870</u>	<u>196,870</u>	<u>226,646</u>	<u>(29,776)</u>	<u>185,958</u>
Building inspection					
Personal services	296,150	296,150	264,440	31,710	266,158
Supplies	4,021	4,021	2,940	1,081	3,510
Other services and charges	18,632	18,632	20,064	(1,432)	15,396
Total building inspection	<u>318,803</u>	<u>318,803</u>	<u>287,444</u>	<u>31,359</u>	<u>285,064</u>
Emergency management					
Supplies	350	350	-	350	-
Other services and charges	16,985	16,985	14,820	2,165	17,313
Total emergency management	<u>17,335</u>	<u>17,335</u>	<u>14,820</u>	<u>2,515</u>	<u>17,313</u>
Animal control					
Other services and charges	150	150	87	63	197
Total public safety	<u>2,237,873</u>	<u>2,237,873</u>	<u>2,323,310</u>	<u>(85,437)</u>	<u>2,077,452</u>
Public works					
Streets and highways					
Personal services	689,205	689,205	726,602	(37,397)	658,522
Supplies	68,255	68,255	66,115	2,140	53,380
Other services and charges	276,967	276,967	234,872	42,095	228,600
Total streets and highways	<u>1,034,427</u>	<u>1,034,427</u>	<u>1,027,589</u>	<u>6,838</u>	<u>940,502</u>
Engineering					
Other services and charges	15,000	15,000	7,068	7,932	13,113
Street lighting					
Other services and charges	71,325	71,325	59,689	11,636	63,938
Total public works	<u>1,120,752</u>	<u>1,120,752</u>	<u>1,094,346</u>	<u>26,406</u>	<u>1,017,553</u>

City of New Prague, Minnesota  
 General Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual (Continued)  
 For the Year Ended December 31, 2022  
 (With Comparative Actual Amounts for the Year Ended December 31, 2021)

	2022			Variance with Final Budget	2021
	Budgeted Amounts		Actual		Actual
	Original	Final	Amounts		Amounts
Expenditures (Continued)					
Current (continued)					
Culture and recreation					
Parks					
Personal services	\$ 363,440	\$ 363,440	\$ 366,234	\$ (2,794)	\$ 315,449
Supplies	61,740	61,740	63,454	(1,714)	55,583
Other services and charges	301,372	301,372	254,769	46,603	367,480
Total parks	<u>726,552</u>	<u>726,552</u>	<u>684,457</u>	<u>42,095</u>	<u>738,512</u>
Library					
Supplies	2,300	2,300	1,193	1,107	894
Other services and charges	27,620	27,620	29,748	(2,128)	21,596
Total library	<u>29,920</u>	<u>29,920</u>	<u>30,941</u>	<u>(1,021)</u>	<u>22,490</u>
Total culture and recreation	<u>756,472</u>	<u>756,472</u>	<u>715,398</u>	<u>41,074</u>	<u>761,002</u>
Miscellaneous					
Rental property					
Other services and charges	2,865	2,865	4,868	(2,003)	2,863
Unallocated					
Other services and charges	<u>54,010</u>	<u>54,010</u>	<u>21,826</u>	<u>32,184</u>	<u>31,318</u>
Total miscellaneous	<u>56,875</u>	<u>56,875</u>	<u>26,694</u>	<u>30,181</u>	<u>34,181</u>
Total current	<u>5,345,528</u>	<u>5,345,528</u>	<u>5,324,643</u>	<u>20,885</u>	<u>4,962,038</u>
Capital outlay					
General government					
Technology network	-	-	-	-	79,566
Elections	8,950	8,950	9,717	(767)	-
Planning	-	-	-	-	3,835
Government buildings	-	-	5	(5)	47,825
Public safety					
Police	56,400	56,400	7,841	48,559	10,451
Fire	7,500	7,500	12,685	(5,185)	-
Streets and highways	-	-	33,825	(33,825)	6,350
Culture and recreation					
Parks	65,000	65,000	65,366	(366)	12,990
Total capital outlay	<u>137,850</u>	<u>137,850</u>	<u>129,439</u>	<u>8,411</u>	<u>161,017</u>
Total Expenditures	<u>5,483,378</u>	<u>5,483,378</u>	<u>5,454,082</u>	<u>29,296</u>	<u>5,123,055</u>
Excess of Revenues					
Over Expenditures	<u>(1,995)</u>	<u>(1,995)</u>	<u>253,727</u>	<u>255,722</u>	<u>137,106</u>
Other Financing Sources (Uses)					
Transfers in	130,000	130,000	130,000	-	40,000
Transfers out	<u>(121,270)</u>	<u>(121,270)</u>	<u>(128,862)</u>	<u>(7,592)</u>	<u>(121,270)</u>
Total Other Financing Sources (Uses)	<u>8,730</u>	<u>8,730</u>	<u>1,138</u>	<u>(7,592)</u>	<u>(81,270)</u>
Net Change in Fund Balances	6,735	6,735	254,865	248,130	55,836
Fund Balances, January 1	<u>5,673,206</u>	<u>5,673,206</u>	<u>5,673,206</u>	-	<u>5,617,370</u>
Fund Balances, December 31	<u>\$ 5,679,941</u>	<u>\$ 5,679,941</u>	<u>\$ 5,928,071</u>	<u>\$ 248,130</u>	<u>\$ 5,673,206</u>

City of New Prague, Minnesota  
Debt Service Funds  
Combining Balance Sheet  
December 31, 2022

	380 HRA - Senior Housing	375 2007 CIP	395 2009 CIP	311 2011 CIP	315 2013B Refunding Bonds	316 2014 CIP	317 2015 CIP
<b>Assets</b>							
Cash and temporary investments	\$ 10,088	\$ 155,171	\$ 80,314	\$ 279,891	\$ 419,820	\$ 251,384	\$ 179,113
Receivables							
Notes	-	-	-	-	684,999	-	-
Special assessments	-	-	28,672	31,544	7,601	124,555	74,333
Intergovernmental	-	-	-	-	-	-	-
<b>Total Assets</b>	<u>\$ 10,088</u>	<u>\$ 155,171</u>	<u>\$ 108,986</u>	<u>\$ 311,435</u>	<u>\$ 1,112,420</u>	<u>\$ 375,939</u>	<u>\$ 253,446</u>
<b>Liabilities</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Deferred Inflows of Resources</b>							
Unavailable revenue - special assessments	-	-	28,672	31,544	7,601	124,555	74,333
<b>Fund Balances</b>							
Restricted for							
Debt service	10,088	155,171	80,314	279,891	1,104,819	251,384	179,113
<b>Total Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 10,088</u>	<u>\$ 155,171</u>	<u>\$ 108,986</u>	<u>\$ 311,435</u>	<u>\$ 1,112,420</u>	<u>\$ 375,939</u>	<u>\$ 253,446</u>

<b>318</b> TIF New Prague Senior Housing	<b>319</b> 2019 CIP	<b>320</b> 2020A Refunding Bonds	<b>321</b> CIP 2020 - 2021	<b>322</b> CIP 2022	Totals
\$ 57,427	\$ 592,363	\$ 1,345,954	\$ 387,741	\$ 168,888	\$ 3,928,154
-	-	-	-	-	684,999
-	674,937	286,627	559,384	443,813	2,231,466
-	93	-	1,292	-	1,385
<u>\$ 57,427</u>	<u>\$ 1,267,393</u>	<u>\$ 1,632,581</u>	<u>\$ 948,417</u>	<u>\$ 612,701</u>	<u>\$ 6,846,004</u>
\$ 61,001	\$ -	\$ -	\$ -	\$ -	\$ 61,001
-	674,937	286,627	559,384	443,813	2,231,466
(3,574)	592,456	1,345,954	389,033	168,888	4,553,537
<u>\$ 57,427</u>	<u>\$ 1,267,393</u>	<u>\$ 1,632,581</u>	<u>\$ 948,417</u>	<u>\$ 612,701</u>	<u>\$ 6,846,004</u>

City of New Prague, Minnesota  
Debt Service Funds  
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended December 31, 2022

	380 HRA - Senior Housing	375 2007 CIP	395 2009 CIP	311 2011 CIP	315 2013B Refunding Bonds	316 2014 CIP	317 2015 CIP
<b>Revenues</b>							
Taxes							
Property taxes	\$ 11,550	\$ 86,193	\$ 17,918	\$ -	\$ 328,191	\$ 64,526	\$ 1,624
Tax increment district taxes	-	-	-	-	-	-	-
Special assessments	-	10,693	10,415	9,244	9,483	19,484	17,317
Investment earnings	46	1,125	390	1,017	2,569	1,068	714
Miscellaneous							
Other	-	-	-	-	-	-	-
Loan interest	-	-	-	-	17,393	-	-
<b>Total Revenues</b>	<u>11,596</u>	<u>98,011</u>	<u>28,723</u>	<u>10,261</u>	<u>357,636</u>	<u>85,078</u>	<u>19,655</u>
<b>Expenditures</b>							
Current							
Economic development	-	-	-	-	-	-	-
Debt service							
Principal	11,000	93,000	37,475	6,378	390,000	80,000	30,000
Interest and other	436	4,603	5,851	5,712	56,466	21,836	8,886
Bond issue costs and fees	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<u>11,436</u>	<u>97,603</u>	<u>43,326</u>	<u>12,090</u>	<u>446,466</u>	<u>101,836</u>	<u>38,886</u>
<b>Net Change in Fund Balances</b>	160	408	(14,603)	(1,829)	(88,830)	(16,758)	(19,231)
<b>Fund Balances, January 1</b>	<u>9,928</u>	<u>154,763</u>	<u>94,917</u>	<u>281,720</u>	<u>1,193,649</u>	<u>268,142</u>	<u>198,344</u>
<b>Fund Balances, December 31</b>	<u>\$ 10,088</u>	<u>\$ 155,171</u>	<u>\$ 80,314</u>	<u>\$ 279,891</u>	<u>\$ 1,104,819</u>	<u>\$ 251,384</u>	<u>\$ 179,113</u>

318 TIF New Prague Senior Housing	319 2019 CIP	320 2020A Refunding Bonds	321 CIP 2020 - 2021	322 CIP 2022	Totals
\$ -	\$ 183,434	\$ 239,719	\$ 3,319	\$ -	\$ 936,474
128,422	-	-	-	-	128,422
-	92,048	110,507	86,039	171,140	536,370
288	2,758	5,678	1,725	854	18,232
-	-	406	-	-	406
-	-	-	-	-	17,393
<u>128,710</u>	<u>278,240</u>	<u>356,310</u>	<u>91,083</u>	<u>171,994</u>	<u>1,637,297</u>
128,858	-	-	-	-	128,858
-	205,000	130,420	-	-	983,273
-	89,111	48,006	58,185	-	299,092
-	550	500	481	3,106	4,637
<u>128,858</u>	<u>294,661</u>	<u>178,926</u>	<u>58,666</u>	<u>3,106</u>	<u>1,415,860</u>
(148)	(16,421)	177,384	32,417	168,888	221,437
<u>(3,426)</u>	<u>608,877</u>	<u>1,168,570</u>	<u>356,616</u>	<u>-</u>	<u>4,332,100</u>
<u>\$ (3,574)</u>	<u>\$ 592,456</u>	<u>\$ 1,345,954</u>	<u>\$ 389,033</u>	<u>\$ 168,888</u>	<u>\$ 4,553,537</u>

City of New Prague, Minnesota  
Discretely Presented Component Unit  
Economic Development Authority  
Statement of Net Position  
December 31, 2022

	<b>680</b>	<b>681</b>	
	Economic Development Authority	Economic Development Authority Industrial Park	Totals
<b>Assets</b>			
<b>Current Assets</b>			
Cash and temporary investments	\$ 420,295	\$ 154,532	\$ 574,827
Receivables			
Intergovernmental	170	-	170
Prepaid items	8	-	8
Total Current Assets	<u>420,473</u>	<u>154,532</u>	<u>575,005</u>
<b>Noncurrent Assets</b>			
Land held for resale	-	1,100,344	1,100,344
Capital assets			
Infrastructure	-	88,676	88,676
Less accumulated depreciation	-	(10,766)	(10,766)
Total Capital Assets (net of accumulated depreciation)	<u>-</u>	<u>77,910</u>	<u>77,910</u>
Total Noncurrent Assets	<u>-</u>	<u>1,178,254</u>	<u>1,178,254</u>
Total Assets	<u>420,473</u>	<u>1,332,786</u>	<u>1,753,259</u>
<b>Deferred Outflows of Resources</b>			
Deferred other post employment benefit resources	147	-	147
Deferred pension resources	5,912	-	5,912
Total Deferred Outflows of Resources	<u>6,059</u>	<u>-</u>	<u>6,059</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payable	1,932	-	1,932
Accrued wages payable	666	-	666
Total Current Liabilities	<u>2,598</u>	<u>-</u>	<u>2,598</u>
<b>Noncurrent Liabilities</b>			
Net pension liability	19,266	-	19,266
Other post employment benefits	554	-	554
Total Noncurrent Liabilities	<u>19,820</u>	<u>-</u>	<u>19,820</u>
Total Liabilities	<u>22,418</u>	<u>-</u>	<u>22,418</u>
<b>Deferred Inflows of Resources</b>			
Deferred other post employment benefit resources	142	-	142
Deferred pension resources	296	-	296
Total Deferred Inflows of Resources	<u>438</u>	<u>-</u>	<u>438</u>
<b>Net Position</b>			
Investment in capital assets	-	77,910	77,910
Unrestricted	<u>403,676</u>	<u>1,254,876</u>	<u>1,658,552</u>
Total Net Position	<u>\$ 403,676</u>	<u>\$ 1,332,786</u>	<u>\$ 1,736,462</u>

City of New Prague, Minnesota  
Discretely Presented Component Unit  
Economic Development Authority  
Statement of Revenues, Expenses and Changes in Net Position  
For the Year Ended December 31, 2022

	<b>680</b>	<b>681</b>	
	Economic Development Authority	Economic Development Authority Industrial Park	Totals
Operating Revenues			
Miscellaneous	\$ 38	\$ -	\$ 38
Operating Expenses			
Salaries and benefits	39,903	-	39,903
Supplies	3	-	3
Other services and charges	13,062	146	13,208
Depreciation	-	1,774	1,774
Total Operating Expenses	<u>52,968</u>	<u>1,920</u>	<u>54,888</u>
Operating Income (Loss)	<u>(52,930)</u>	<u>(1,920)</u>	<u>(54,850)</u>
Nonoperating Revenues (Expenses)			
Taxes	49,917	-	49,917
Investment income	1,699	593	2,292
Intergovernmental	84	-	84
Gain (loss) in market value on land held for resale	-	161,508	161,508
Total Nonoperating Revenues (Expenses)	<u>51,700</u>	<u>162,101</u>	<u>213,801</u>
Change in Net Position	(1,230)	160,181	158,951
Net Position, January 1	<u>404,906</u>	<u>1,172,605</u>	<u>1,577,511</u>
Net Position, December 31	<u>\$ 403,676</u>	<u>\$ 1,332,786</u>	<u>\$ 1,736,462</u>

City of New Prague, Minnesota  
Discretely Presented Component Unit  
Economic Development Authority  
Statement of Cash Flows  
For the Year Ended December 31, 2022

	<b>680</b>	<b>681</b>	
	Economic Development Authority	Economic Development Authority Industrial Park	Totals
Cash Flows from Operating Activities			
Receipts from customers	\$ 38	\$ -	\$ 38
Payments to suppliers and vendors	(11,405)	(146)	(11,551)
Payments to and on behalf of employees	(25,038)	-	(25,038)
Net Cash Provided (Used) by Operating Activities	<u>(36,405)</u>	<u>(146)</u>	<u>(36,551)</u>
Cash Flows from Noncapital Financing Activities			
Intergovernmental			
Property taxes received	49,937	-	49,937
Federal grants received	84	-	84
Net Cash Provided (Used) by Noncapital Financing Activities	<u>50,021</u>	<u>-</u>	<u>50,021</u>
Cash Flows from Investing Activities			
Interest received	<u>1,699</u>	<u>593</u>	<u>2,292</u>
Net Increase in Cash and Cash Equivalents	15,315	447	15,762
Cash and Cash Equivalents, January 1	<u>404,980</u>	<u>154,085</u>	<u>559,065</u>
Cash and Cash Equivalents, December 31	<u><u>\$ 420,295</u></u>	<u><u>\$ 154,532</u></u>	<u><u>\$ 574,827</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating income (loss)	\$ (52,930)	\$ (1,920)	\$ (54,850)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Depreciation and amortization	-	1,774	1,774
(Increase) decrease in assets			
Prepaid items	23	-	23
(Increase) decrease in deferred outflows of resources			
Deferred other post employment benefit resources	(147)	-	(147)
Deferred pension resources	(5,912)	-	(5,912)
Increase (decrease) in liabilities			
Accounts payable	1,637	-	1,637
Accrued wages payable	666	-	666
Other post employment benefits payable	554	-	554
Net pension liability	19,266	-	19,266
Increase (decrease) in deferred inflows of resources			
Deferred other post employment benefit resources	142	-	142
Deferred pension resources	296	-	296
Net Cash Provided (Used) by Operating Activities	<u><u>\$ (36,405)</u></u>	<u><u>\$ (146)</u></u>	<u><u>\$ (36,551)</u></u>

City of New Prague, Minnesota  
 Summary Financial Report  
 Revenues and Expenditures for General Operations -  
 Governmental Funds  
 For the Years Ended December 31, 2022 and 2021

	Total		Percent Increase (Decrease)
	2022	2021	
Revenues			
Taxes	\$ 4,843,942	\$ 4,534,524	6.82 %
Special assessments	538,587	720,424	(25.24)
Licenses and permits	350,997	291,090	20.58
Intergovernmental	3,571,207	7,963,762	(55.16)
Charges for services	196,243	241,982	(18.90)
Fines and forfeits	22,063	24,820	(11.11)
Investment earnings	130,968	12,868	917.78
Miscellaneous	73,349	104,320	(29.69)
Total Revenues	<u>\$ 9,727,356</u>	<u>\$ 13,893,790</u>	(29.99) %
Per Capita	\$ 1,183	\$ 1,702	(30.49) %
Expenditures			
Current			
General government	\$ 1,164,895	\$ 1,071,850	8.68 %
Public safety	2,343,100	2,083,522	12.46
Public works	1,096,135	1,074,231	2.04
Culture and recreation	715,398	761,002	(5.99)
Economic development	128,858	156,865	(17.85)
Miscellaneous	26,694	34,181	(21.90)
Capital outlay			
General government	46,500	131,226	(64.56)
Public safety	25,531	10,451	144.29
Public works	2,409,148	8,458,060	(71.52)
Culture and recreation	66,810	19,611	240.68
Debt service			
Principal	983,273	2,975,530	(66.95)
Interest and other	299,092	300,736	(0.55)
Bond issuance costs and fees	8,607	34,365	(74.95)
Total Expenditures	<u>\$ 9,314,041</u>	<u>\$ 17,111,630</u>	(45.57) %
Per Capita	\$ 1,133	\$ 2,097	(45.96) %
Total long-term indebtedness	\$ 8,554,160	\$ 9,277,433	(7.80) %
Per Capita	1,041	1,137	(8.46)
General fund balance - December 31	\$ 5,928,071	\$ 5,673,206	4.49 %
Per Capita	721	695	3.74

The purpose of this report is to provide a summary of financial information concerning the City of New Prague to interested citizens. The complete financial statements may be examined at 118 Central Avenue North. Questions about this report should be directed to Joshua Tetzlaff, City Administrator at 952-758-4401.

THIS PAGE IS LEFT  
BLANK INTENTIONALLY

OTHER REQUIRED REPORTS

CITY OF NEW PRAGUE  
NEW PRAGUE, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2022

THIS PAGE IS LEFT  
BLANK INTENTIONALLY

**INDEPENDENT AUDITOR'S REPORT ON  
MINNESOTA LEGAL COMPLIANCE**

Honorable Mayor and City Council  
City of New Prague, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, the each major fund and the aggregate remaining fund information of the City of New Prague, Minnesota, (the City) as of and for the year ended December 31, 2022, which collectively comprise the City's basic financial statements, and have issued our report thereon dated April 21, 2023.

In connection with our audit, nothing came to our attention that caused us to believe that the City failed to comply with the provisions of the contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and tax increment financing sections of the Minnesota Legal Compliance Audit Guide for Cities, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65 except as described in the Schedule of Findings and Responses as item 2022-002. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

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



**Abdo**  
Mankato, Minnesota  
April 21, 2023

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and City Council  
City of New Prague, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of New Prague, Minnesota (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated April 21, 2023.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as item 2022-001 that we consider to be a significant deficiency.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* described in the accompanying Schedule of Findings and Responses as item 2022-002.

### Response to Finding

The City's response to the finding identified in our audit are described in the accompanying Schedule of Findings, and Responses. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**Abdo**  
Mankato, Minnesota  
April 21, 2023



City of New Prague, Minnesota  
Schedule of Findings and Responses  
For the Year Ended December 31, 2022

<u>Finding</u>	<u>Description</u>
<b>2022-001</b>	<b>Segregation of Duties</b>
<i>Condition:</i>	During our audit we reviewed internal control procedures over payroll, disbursements, cash receipts, utility billing and investments and found the City to have limited segregation of duties in these areas as noted below.
<i>Criteria:</i>	There are four general categories of duties: authorization, custody, record keeping and reconciliation. In an ideal system, different employees perform each of these four major functions. In other words, no one person has control of two or more of these responsibilities.
<i>Effect:</i>	The existence of this limited segregation of duties increases the risk of fraud.

**Internal Control Over Payroll**

<i>Cause:</i>	Currently, the Finance Director has control of payroll checks, sets up and maintains all employee records, issues checks to employees, initiates payroll transfers for direct deposit, and approves payroll. The Accounting Technician runs the payroll, posts activity to the general ledger and prepares the payroll tax returns. The Finance Director and Accounting Technician alternate the reconciliation of bank accounts.
<i>Recommendation:</i>	We recommend the City review the spreadsheet provided to see if any duties can be adjusted to properly segregate the four categories of duties. It is important that the Council is aware of this condition and monitors all financial information.

*Management Response:*

The City has already taken measures to attempt to comply even though they are relatively small and the number of clerical/bookkeeping staff they can employ is limited. The Council has addressed this circumstance by active participation in the City's affairs. This includes approval of expenditures, regular review of financial statements and budget comparisons.

*Updated Progress from Prior Year:*

No update from the prior year.

City of New Prague, Minnesota  
Schedule of Findings and Responses (Continued)  
For the Year Ended December 31, 2022

<u>Finding</u>	<u>Description</u>
2022-001	<b>Segregation of Duties (Continued)</b>

**Internal Control Over Disbursements**

*Cause:* The Accounting Technician maintains the signature plate, sets up and maintains vendors, posts to the general ledger, prepares checks, and maintains accounts payable records. The Planning Technician Receptionist opens mail and mails checks to vendors. The Purchase/Inventory Clerk matches invoices to purchase orders and maintains the purchase journal. The Finance Director and Accounting Technician alternate the reconciliation of the bank accounts.

*Recommendation:* We recommend the City review the spreadsheet provided to see if any duties can be adjusted to properly segregate the four categories of duties. It is important that the Council is aware of this condition and monitors all financial information.

*Management Response:*

The City has already taken measures to attempt to comply even though they are relatively small and the number of clerical/bookkeeping staff they can employ is limited. The Council has addressed this circumstance by active participation in the City's affairs. This includes approval of expenditures, regular review of financial statements, regular review of bank reconciliations and budget comparisons. The duties of setting up and maintain vendors, opening the mail, maintaining the general ledger, preparing checks, and mailing the checks have been separated as much as allowed with the limited number of staff.

*Updated Progress from Prior Year:*

No update from the prior year.

**Internal Control Over Cash Receipts**

*Cause:* The Planning Technician Receptionist opens mail and takes deposits to the bank. The Billing Clerk receives and endorses checks/currency and prepares the deposit.

*Recommendation:* We recommend the City review the spreadsheet provided to see if any duties can be adjusted to properly segregate the four categories of duties. It is important that the Council is aware of this condition and monitors all financial information.

*Management Response:*

The City has already taken measures to attempt to comply even though they are relatively small and the number of clerical/bookkeeping staff they can employ is limited. The Council has addressed this circumstance by active participation in the City's affairs. This includes review of deposits, regular review of financial statements, regular review of bank reconciliations and budget comparisons.

*Updated Progress from Prior Year:*

No update from the prior year.

City of New Prague, Minnesota  
Schedule of Findings and Responses (Continued)  
For the Year Ended December 31, 2022

Finding                      Description

**2022-001                      Segregation of Duties (Continued)**

**Internal Control Over Utility Billing**

*Cause:*                      The Billing Clerk sets up and maintains customers and rates, generates billing statements, mails billing statements, and prepares the deposit.

*Recommendation:*      We recommend the City review the spreadsheet provided to see if any duties can be adjusted to properly segregate the four categories of duties. It is important that the Council is aware of this condition and monitors all financial information.

*Management Response:*

The City has already taken measures to attempt to comply even though they are relatively small and the number of clerical/bookkeeping staff they can employ is limited. The Council has addressed this circumstance by active participation in the City's affairs. This includes review of deposits, regular review of financial statements, regular review of bank reconciliations and budget comparisons.

*Updated Progress from Prior Year:*

No update from the prior year.

**2022-002                      Municipal Payment to Fire Relief Association**

*Condition:*                      During the audit we noted the 2022 state aid contribution to the New Prague Fire Relief Association was not paid within 30 days.

*Cause:*                      Minnesota statute 477B.042 Subd. 2 state the following:

“Subd. 6. Municipal payment. (a) (a) The municipality or independent nonprofit firefighting corporation and the affiliated relief association may agree to allocate fire state aid between the relief association and the public employees police and fire retirement plan by entering into an aid allocation agreement described in subdivision 3.  
(b) If an aid allocation agreement has been filed with the state auditor and is in effect, then within 30 days of receipt of the fire state aid the treasurer of the municipality must transmit to the relief association the amount of the fire state aid as determined in the aid allocation agreement. If a municipality receives fire state aid on behalf of an independent nonprofit firefighting corporation, the municipality must also transmit any remaining fire state aid to the independent nonprofit firefighting corporation.

*Effect:*                      The City is required by statute to transmit the fire state aid to the relief association within 30 days of receipt of that fire state aid. The City received the state aid on 09/30/2022 but did not transmit it until 12/01/2022.

*Recommendation:*      We recommend the City set up a payment to the fire relief as soon as receipt of the fire state aid is received.

*Management Response:*

The City has already taken measures to attempt to comply even though they are relatively small and the number of clerical/bookkeeping staff they can employ is limited.

OPERATIONAL STATISTICS AND  
SUPPLEMENTARY SCHEDULES (UNAUDITED)

CITY OF NEW PRAGUE  
NEW PRAGUE, MINNESOTA

FOR THE YEARS ENDED  
DECEMBER 31, 2022 AND 2021

New Prague Utilities Commission  
New Prague, Minnesota  
Electric Utility Fund  
Schedules of Operating Revenues  
(Unaudited)  
For the Years Ended December 31, 2022 and 2021

Type of Service	2022		
	K.W.H. Sold	Income	Average Income Per K.W.H. Sold
Residential	27,036,908	\$ 3,695,866	\$ 0.13670
Commercial phase 1	2,028,451	524,872	0.25876
Commercial phase 3	1,723,479	-	-
Commercial interruptible	147,600	12,325	0.08350
Small industrial	15,095,979	1,675,374	0.11098
Industrial	21,316,380	2,086,969	0.09790
Other departments	1,134,476	127,921	0.11276
Street lights	421,334	58,623	0.13914
Security lights	-	4,204	-
Unbilled revenue	-	183,486	-
<b>Total Sales</b>	<b><u>68,904,607</u></b>	<b><u>\$ 8,369,640</u></b>	<b><u>\$ 0.12147</u></b>
Total K.W.H. - Generated	914,600		
Total K.W.H. - Purchases	<u>72,403,121</u>		
<b>Total K.W.H.</b>	<b><u>73,317,721</u></b>		
Distribution Lost	<u>4,413,114</u>		
Percentage of Distribution Lost	<u>6.0%</u>		
Cost of Power Purchased	<u>\$ 6,025,681</u>		
Average Cost Per K.W.H. Purchased	<u>\$ 0.08322</u>		

2021

<u>K.W.H. Sold</u>	<u>Income</u>	<u>Average Income Per K.W.H. Sold</u>
27,518,541	\$ 3,628,544	\$ 0.13186
2,148,557	529,055	0.24624
1,766,527	-	-
123,800	10,154	0.08202
15,636,460	1,653,774	0.10576
20,532,810	1,911,003	0.09307
994,852	125,117	0.12576
460,263	61,987	0.13468
-	3,449	-
-	39,063	-
<u>69,181,810</u>	<u>\$ 7,962,146</u>	<u>\$ 0.11509</u>
30,700		
<u>72,086,211</u>		
<u>72,116,911</u>		
<u>2,935,101</u>		
<u>4.1%</u>		
<u>\$ 5,808,602</u>		
<u>\$ 0.08058</u>		

THIS PAGE IS LEFT  
BLANK INTENTIONALLY

New Prague Utilities Commission  
New Prague, Minnesota  
Water Fund  
Schedules of Operations Statement Per 1,000 Gallons  
(Unaudited)  
For the Years Ended December 31, 2022 and 2021

	2022	2021
Operating Revenues		
Water sales		
Residential	\$ 4.72787	\$ 4.41786
Commercial	2.25680	2.11588
Other departments	0.00857	0.01053
Unbilled revenue	0.08849	(0.00519)
Other operating revenues	0.07443	0.07052
Total Operating Revenues	7.15615	6.60959
Operating Expenses		
Power for pumping	0.49624	0.48850
Maintenance - wells, pumps, and storage facilities	0.05285	0.06809
Maintenance - water main	0.06494	0.06510
Purification	0.28387	0.29086
Distribution	1.06980	0.97717
Salaries	0.77069	0.72676
General expenses	0.23668	0.18100
Professional fees	0.16307	0.09918
Insurance	0.06625	0.05450
Employee pension and benefits	0.78470	0.53692
Maintenance - general property	0.09490	0.09690
Depreciation	1.81048	1.69218
Total Operating Expenses	5.89447	5.27716
Operating Income	1.26168	1.33243
Nonoperating Income (Expenses)		
Investment income (loss)	(0.24743)	(0.04499)
State aid	0.00854	0.00228
Other income	0.04896	0.11100
Water meter income	0.02969	0.06062
Hookup fees	0.10904	0.19348
Water access charges	-	0.05959
Gain (loss) on disposal of capital assets	-	-
Special assessments	0.41832	2.11776
Interest expense	(0.43351)	(0.27782)
Bond issuance costs	(0.03101)	(0.13087)
Amortization expense	0.00933	0.00879
Total Nonoperating Income (Expenses)	(0.08807)	2.09984
Change in Net Position	\$ 1.17361	\$ 3.43227
1,000 Gallons Sold	237,904	252,326

New Prague Utilities Commission  
New Prague, Minnesota  
Electric Utility Fund  
Schedule of Plant Assets and Accumulated Depreciation  
(Unaudited)  
For the Year Ended December 31, 2022

	Cost				Balance December 31, 2022
	Balance December 31, 2021	Asset Transferred from City	Additions	Disposals	
Land	\$ 41,648	\$ -	\$ -	\$ -	\$ 41,648
Construction in progress	548,772	-	1,740,415	203,512	2,085,675
Production plant					
Structures and improvements	1,598,319	-	-	-	1,598,319
Boilers and generators	5,527,534	-	-	-	5,527,534
Total Production Plant	<u>7,125,853</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,125,853</u>
Transmission and distribution system					
Transmission station equipment	601,833	-	-	-	601,833
Overhead conductors, poles and fixtures	87,734	-	-	-	87,734
Distribution station equipment	832,234	-	-	-	832,234
Poles, towers, and fixtures	204,140	-	-	-	204,140
Overhead conductors and devices	678,998	-	-	-	678,998
Underground conductors and devices	5,884,310	-	106,705	3,823	5,987,192
Line transformers	1,958,881	-	13,756	-	1,972,637
Services	338,234	-	9,378	-	347,612
Electric meters	1,040,094	-	18,661	-	1,058,755
Fiber Optic	32,520	-	-	-	32,520
Street lighting	1,655,114	-	61,886	-	1,717,000
Load management	326,157	-	11,109	242,528	94,738
SCADA system	123,865	-	-	-	123,865
Total transmission and distribution system	<u>13,764,114</u>	<u>-</u>	<u>221,495</u>	<u>246,351</u>	<u>13,739,258</u>
General plant					
Structures and improvement	224,059	-	-	-	224,059
Office furniture and fixtures	89,730	-	-	-	89,730
Transportation equipment	1,281,600	-	393,181	11,950	1,662,831
Shop equipment	56,994	-	-	-	56,994
Tools and work equipment	244,252	-	-	6,669	237,583
Miscellaneous work equipment	115,221	-	-	18,112	97,109
Total general plant	<u>2,011,856</u>	<u>-</u>	<u>393,181</u>	<u>36,731</u>	<u>2,368,306</u>
Total Electric Plant Assets	<u>\$ 23,492,243</u>	<u>\$ -</u>	<u>\$ 2,355,091</u>	<u>\$ 486,594</u>	<u>\$ 25,360,740</u>

Accumulated Depreciation

Balance December 31, 2021	Asset Transferred from City	Current Year Depreciation	Disposals	Balance December 31, 2022	Depreciated Value December 31, 2022
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,648
-	-	-	-	-	2,085,675
1,196,842	-	27,104	-	1,223,946	374,373
5,445,033	-	10,233	-	5,455,266	72,268
<u>6,641,875</u>	<u>-</u>	<u>37,337</u>	<u>-</u>	<u>6,679,212</u>	<u>446,641</u>
483,361	-	14,383	-	497,744	104,089
86,706	-	182	-	86,888	846
617,821	-	23,375	-	641,196	191,038
193,034	-	1,767	-	194,801	9,339
547,380	-	17,564	-	564,944	114,054
2,761,338	-	208,656	3,823	2,966,171	3,021,021
731,210	-	64,006	-	795,216	1,177,421
108,594	-	10,495	-	119,089	228,523
339,611	-	57,799	-	397,410	661,345
1,482	-	1,084	-	2,566	29,954
423,145	-	73,225	-	496,370	1,220,630
278,991	-	12,060	242,528	48,523	46,215
109,973	-	1,630	-	111,603	12,262
<u>6,682,646</u>	<u>-</u>	<u>486,226</u>	<u>246,351</u>	<u>6,922,521</u>	<u>6,816,737</u>
181,164	-	3,831	-	184,995	39,064
29,565	-	16,250	-	45,815	43,915
912,491	-	89,855	11,950	990,396	672,435
56,994	-	-	-	56,994	-
243,037	-	275	6,669	236,643	940
67,669	-	4,755	18,112	54,312	42,797
<u>1,490,920</u>	<u>-</u>	<u>114,966</u>	<u>36,731</u>	<u>1,569,155</u>	<u>799,151</u>
<u>\$ 14,815,441</u>	<u>\$ -</u>	<u>\$ 638,529</u>	<u>\$ 283,082</u>	<u>\$ 15,170,888</u>	<u>\$ 10,189,852</u>

New Prague Utilities Commission  
New Prague, Minnesota  
Water Utility Fund  
Schedule of Plant Assets and Accumulated Depreciation  
(Unaudited)  
For the Year Ended December 31, 2022

	Cost				Balance December 31, 2022
	Balance December 31, 2021	Asset Transferred from City	Additions	Disposals	
Land	\$ 79,520	\$ -	\$ -	\$ -	\$ 79,520
Construction in progress	1,496,563	-	1,446,166	-	2,942,729
Production plant					
Wells, pumps and pump house	2,112,422	-	39,150	434	2,151,138
Building	1,440,600	-	-	-	1,440,600
Water treatment building	53,117	-	-	-	53,117
Water treatment equipment	1,253,269	-	-	-	1,253,269
Total Production Plant	<u>4,859,408</u>	<u>-</u>	<u>39,150</u>	<u>434</u>	<u>4,898,124</u>
Distribution system					
Elevated storage tank	1,988,570	-	-	-	1,988,570
Reservoirs	732,530	-	-	-	732,530
Distribution system	4,437,145	-	41,241	-	4,478,386
Water meters	1,077,054	-	2,120	-	1,079,174
PRU valves	903	-	-	-	903
Main Street water treatment upgrade	215,848	-	-	-	215,848
SCADA system	208,572	-	9,940	-	218,512
Total Distribution System	<u>8,660,622</u>	<u>-</u>	<u>53,301</u>	<u>-</u>	<u>8,713,923</u>
General plant					
Building improvements - office	5,534	-	-	-	5,534
Office furniture and fixtures	29,980	-	-	-	29,980
Transportation equipment	243,942	-	-	-	243,942
Miscellaneous equipment	39,308	-	-	-	39,308
Unearned maintenance	24,794	-	-	-	24,794
Shop equipment	1,418	-	-	-	1,418
Total General Plant	<u>344,976</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>344,976</u>
Total Water Plant Assets	<u>\$ 15,441,089</u>	<u>\$ -</u>	<u>\$ 1,538,617</u>	<u>\$ 434</u>	<u>\$ 16,979,272</u>

Accumulated Depreciation

Balance December 31, 2021	Asset Transferred from City	Current Year Depreciation	Disposals	Balance December 31, 2022	Depreciated Value December 31, 2022
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 79,520
-	-	-	-	-	2,942,729
1,931,934	-	35,584	434	1,967,084	184,054
943,091	-	57,662	-	1,000,753	439,847
35,512	-	1,274	-	36,786	16,331
1,040,912	-	44,105	-	1,085,017	168,252
<u>3,951,449</u>	<u>-</u>	<u>138,625</u>	<u>434</u>	<u>4,089,640</u>	<u>808,484</u>
1,022,203	-	62,571	-	1,084,774	903,796
406,994	-	23,907	-	430,901	301,629
1,613,287	-	110,883	-	1,724,170	2,754,216
430,415	-	54,822	-	485,237	593,937
513	-	37	-	550	353
171,161	-	5,958	-	177,119	38,729
176,359	-	3,680	-	180,039	38,473
<u>3,820,932</u>	<u>-</u>	<u>261,858</u>	<u>-</u>	<u>4,082,790</u>	<u>4,631,133</u>
3,664	-	138	-	3,802	1,732
22,218	-	1,312	-	23,530	6,450
131,430	-	25,550	-	156,980	86,962
28,522	-	3,238	-	31,760	7,548
24,794	-	-	-	24,794	-
1,418	-	-	-	1,418	-
<u>212,046</u>	<u>-</u>	<u>30,238</u>	<u>-</u>	<u>242,284</u>	<u>102,692</u>
<u>\$ 7,984,427</u>	<u>\$ -</u>	<u>\$ 430,721</u>	<u>\$ 434</u>	<u>\$ 8,414,714</u>	<u>\$ 8,564,558</u>