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City of Marshall  
Audit Presentation

June 14, 2022

# Components of the Audit

- **Opinion on the City's Basic Financial Statements**
  - Unmodified Opinion – Best opinion an auditor is able to offer  
Provides assurance that the financial statements are fairly presented in all material respects
- **Report on the results of an audit performed in accordance with *Government Auditing Standards***
  - No findings
- **Report on Compliance for each Major Program and on Internal Control over Compliance Required by the Uniform Guidance**
  - Capitalization Grants for Clean Water State Revolving Funds, Unmodified opinion on compliance and no internal control findings

# Components of the Audit (Continued)

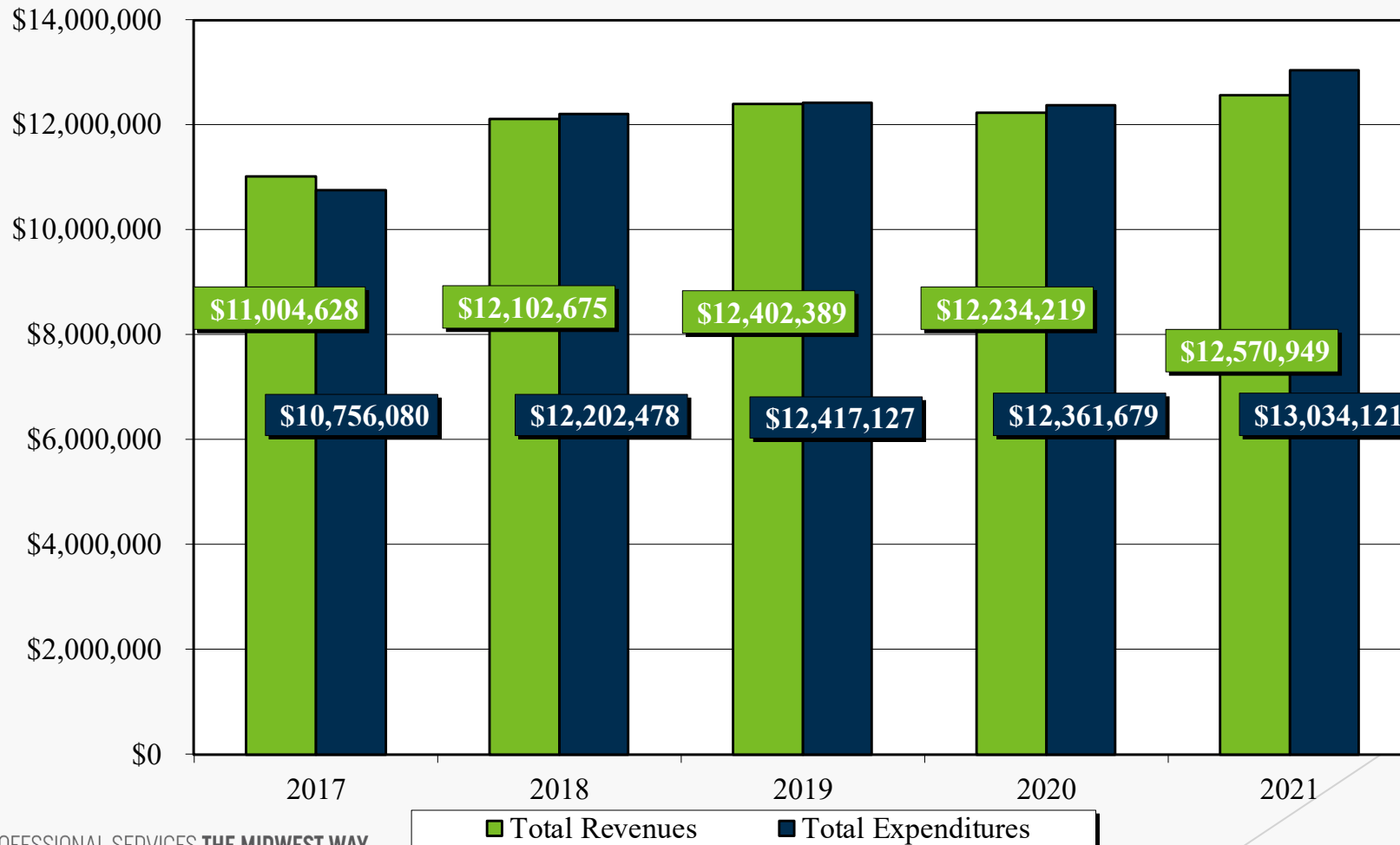
- Report on the results of testing on *Minnesota Legal Compliance*
  - No findings
- Required Communication
- Financial Analysis as provided in our Communications Letter

# General Fund

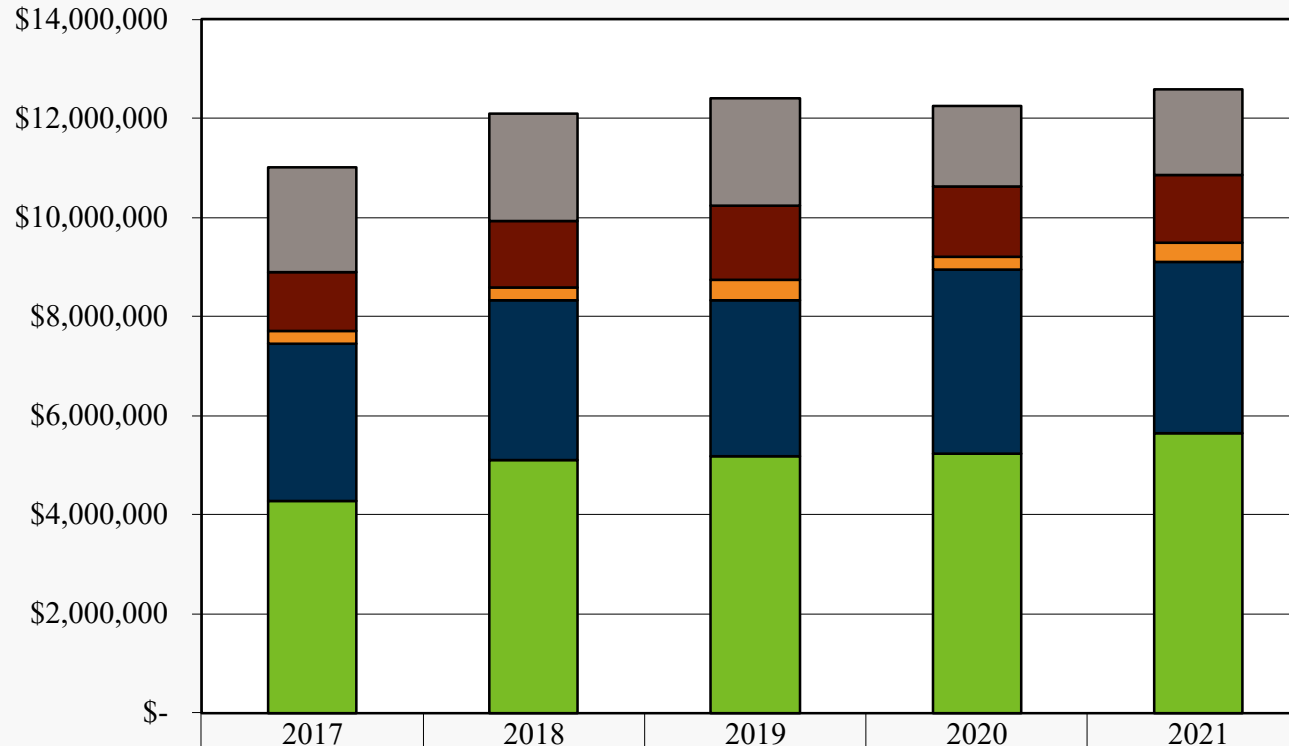
## Revenues and Expenditures

	2017	2018	2019	2020	2021
Revenues	\$ 11,004,628	\$ 12,102,675	\$ 12,402,389	\$ 12,234,219	\$ 12,570,949
Expenditures	10,756,080	12,202,478	12,417,127	12,361,679	13,034,121
Proceeds from the sale of capital assets	29,945	5,160	-	-	-
Net transfers	252,105	327,105	(375,000)	300,000	50,000
<b>Net change in fund balance</b>	<b>\$ 530,598</b>	<b>\$ 232,462</b>	<b>\$ (389,738)</b>	<b>\$ 172,540</b>	<b>\$ (413,172)</b>

# General Fund Revenues and Expenditures

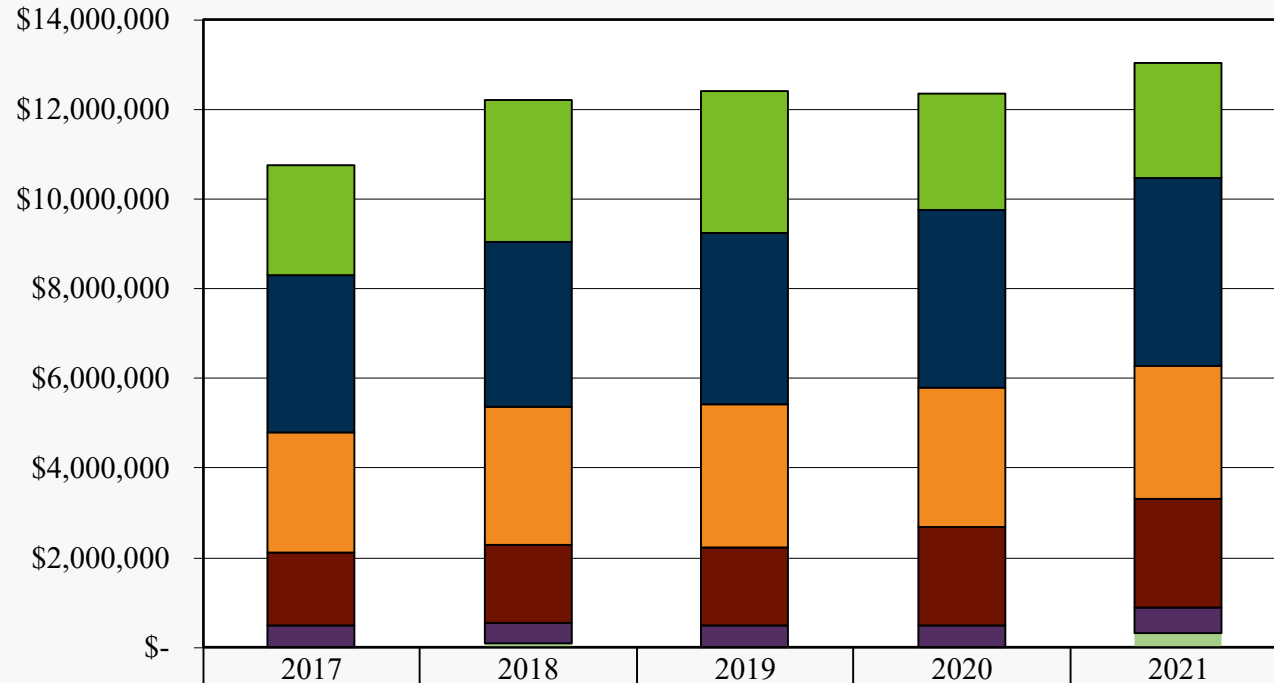


# General Fund Revenues



	2017	2018	2019	2020	2021
Charges for Services	\$2,121,421	\$2,180,174	\$2,161,714	\$1,617,579	1,723,984
Other	1,186,877	1,331,357	1,512,000	1,414,461	1,361,435
Licenses and Permits	248,761	262,748	409,622	251,480	398,207
Intergovernmental	3,183,908	3,233,991	3,151,228	3,731,984	3,439,496
Taxes	4,263,661	5,094,405	5,167,825	5,218,715	5,647,827

# General Fund Expenditures



	2017	2018	2019	2020	2021
General Government	\$2,447,986	\$3,154,434	\$3,180,045	\$2,605,957	2,570,769
Public Safety	3,501,282	3,691,773	3,810,175	3,971,645	4,185,451
Public Works	2,684,962	3,053,572	3,182,712	3,086,069	2,949,491
Culture and Recreation	1,628,759	1,765,202	1,742,781	2,197,312	2,432,995
Airport	493,091	451,632	489,969	500,696	567,140
Capital Outlay	-	85,865	11,445	-	328,275

# General Fund

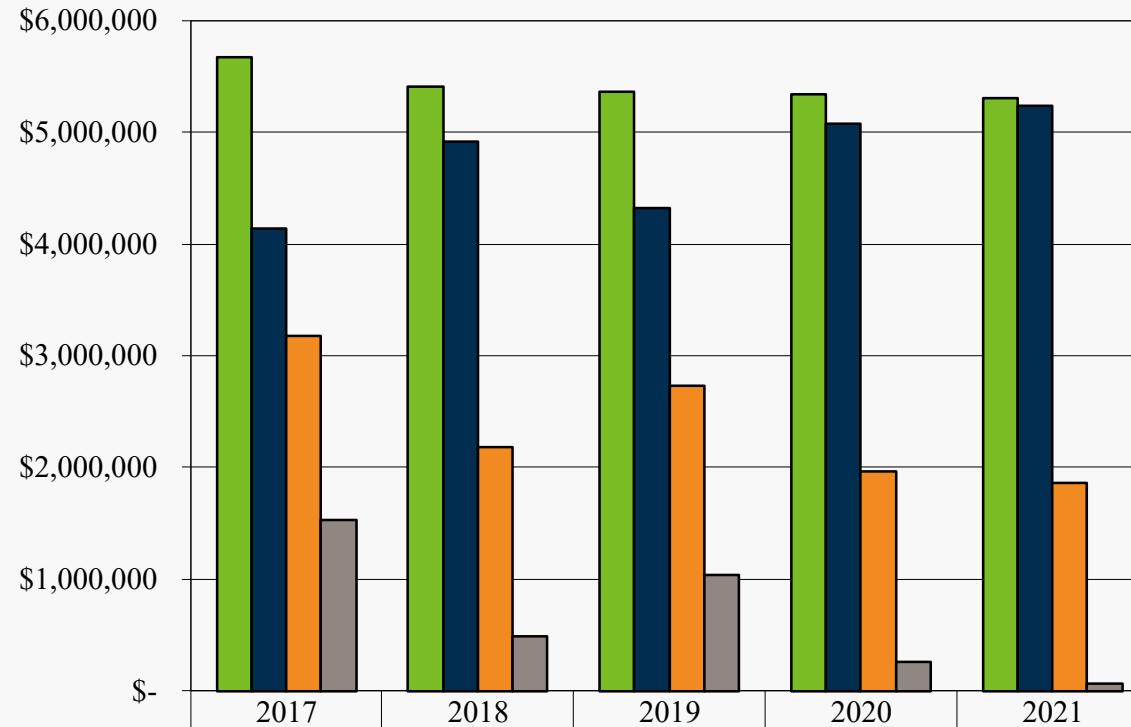
## Budgetary Comparison

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget - Over (Under)
<b>Revenues</b>				
Taxes	\$5,569,630	\$5,569,630	\$5,647,827	\$ 78,197
Licenses and permits	361,340	361,340	398,207	36,867
Special assessments	-	-	2,420	2,420
Intergovernmental	3,197,350	3,197,350	3,439,496	242,146
Charges for services	2,267,076	2,267,076	1,723,984	(543,092)
Fines and forfeitures	112,450	112,450	73,248	(39,202)
Investment earnings	147,000	147,000	18,127	(128,873)
Miscellaneous	1,158,773	1,158,773	1,267,640	108,867
Total revenue	<u>12,813,619</u>	<u>12,813,619</u>	<u>12,570,949</u>	<u>(242,670)</u>
<b>Expenditures</b>				
General government	2,769,358	2,769,358	2,570,769	(198,589)
Public safety	4,183,959	4,183,959	4,185,451	1,492
Public works	3,154,719	3,154,719	2,949,491	(205,228)
Culture and recreation	2,625,633	2,625,633	2,432,995	(192,638)
Airport	546,948	546,948	567,140	20,192
Capitl outlay	-	-	328,275	328,275
Total expenditures	<u>13,280,617</u>	<u>13,280,617</u>	<u>13,034,121</u>	<u>(246,496)</u>
Excess of revenue over (under) expenditures	(466,998)	(466,998)	(463,172)	3,826
<b>Other Financing Sources (Uses)</b>				
Net transfers	<u>300,000</u>	<u>300,000</u>	<u>50,000</u>	<u>(250,000)</u>
<b>Net change in fund balances</b>	<u>\$ (166,998)</u>	<u>\$ (166,998)</u>	<u>\$ (413,172)</u>	<u>\$ (246,174)</u>



# Enterprise Funds

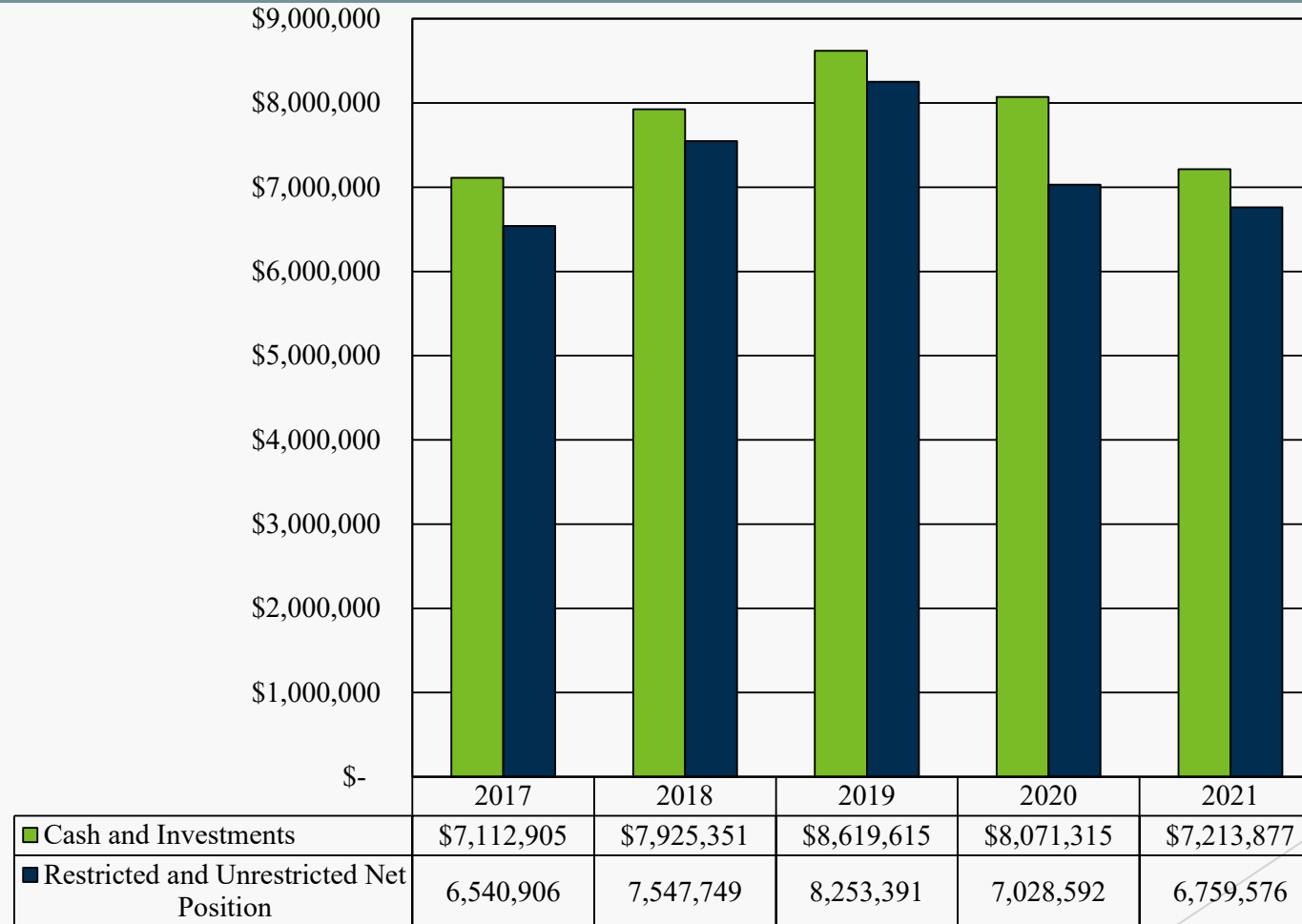
## Wastewater Treatment Operations



Operating Revenues	\$5,672,749	\$5,410,581	\$5,359,354	\$5,338,470	\$5,301,123
Operating Expenses	4,137,225	4,916,211	4,323,619	5,078,376	5,234,921
Operating Income without Depreciation	3,176,129	2,178,806	2,733,510	1,967,281	1,867,995
Operating Income	1,535,524	494,370	1,035,735	260,094	66,202

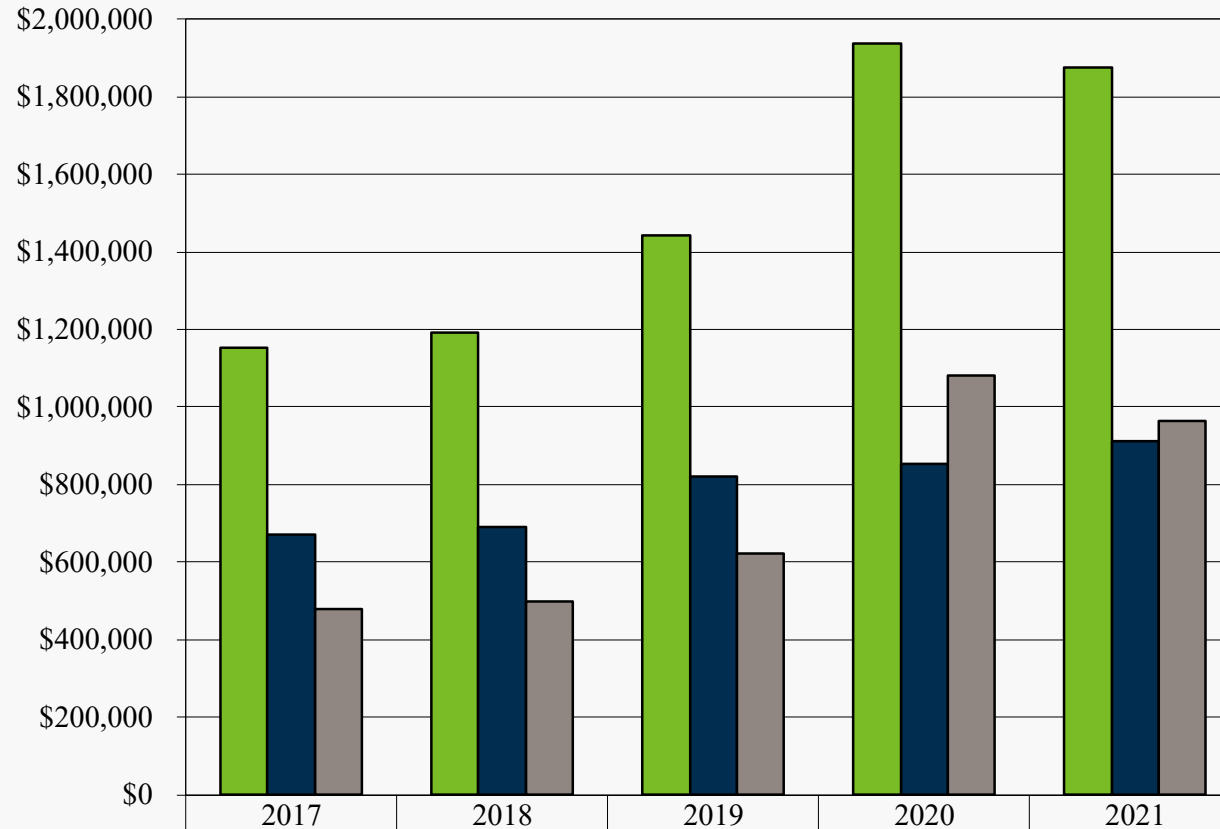
# Enterprise Funds

## Wastewater Treatment Fund



# Enterprise Funds

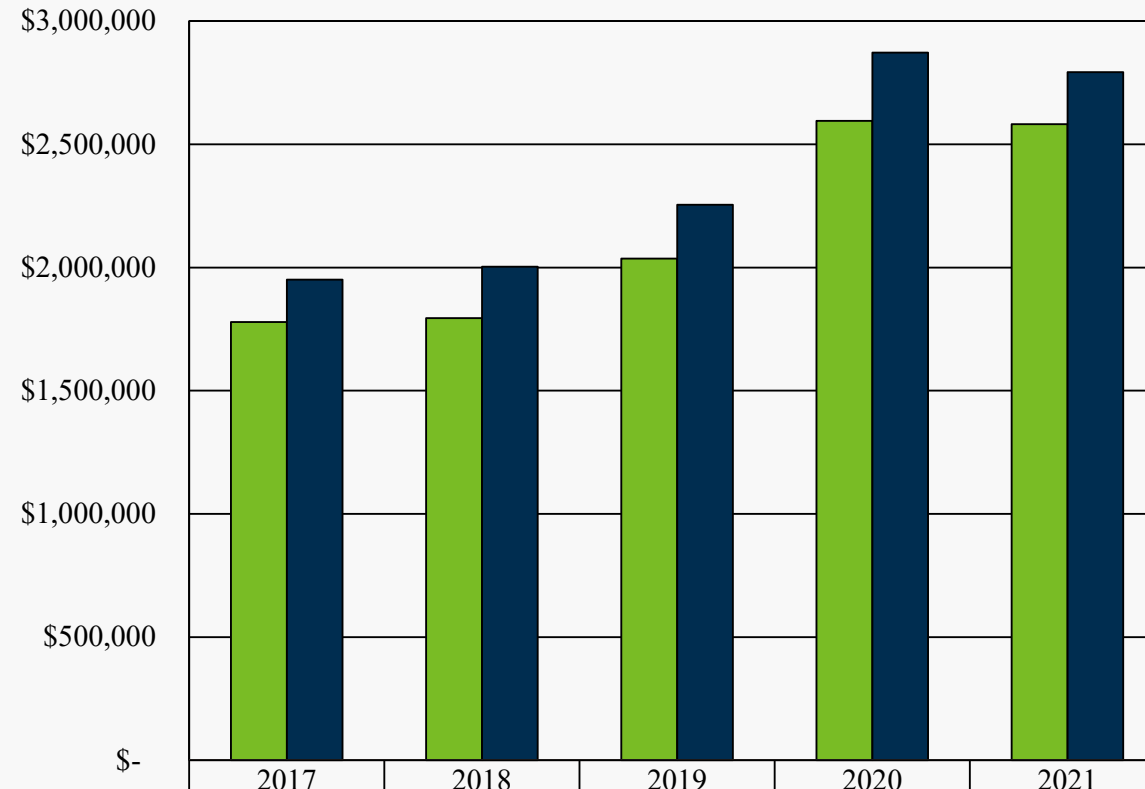
## Municipal Liquor Store Operations



	2017	2018	2019	2020	2021
<b>Gross Profit</b>	\$1,152,404	\$1,191,248	\$1,443,780	\$1,937,105	\$1,875,898
<b>Operating Expenses</b>	671,924	691,343	821,280	855,089	912,143
<b>Operating Income</b>	480,480	499,905	622,500	1,082,016	963,755

# Enterprise Funds

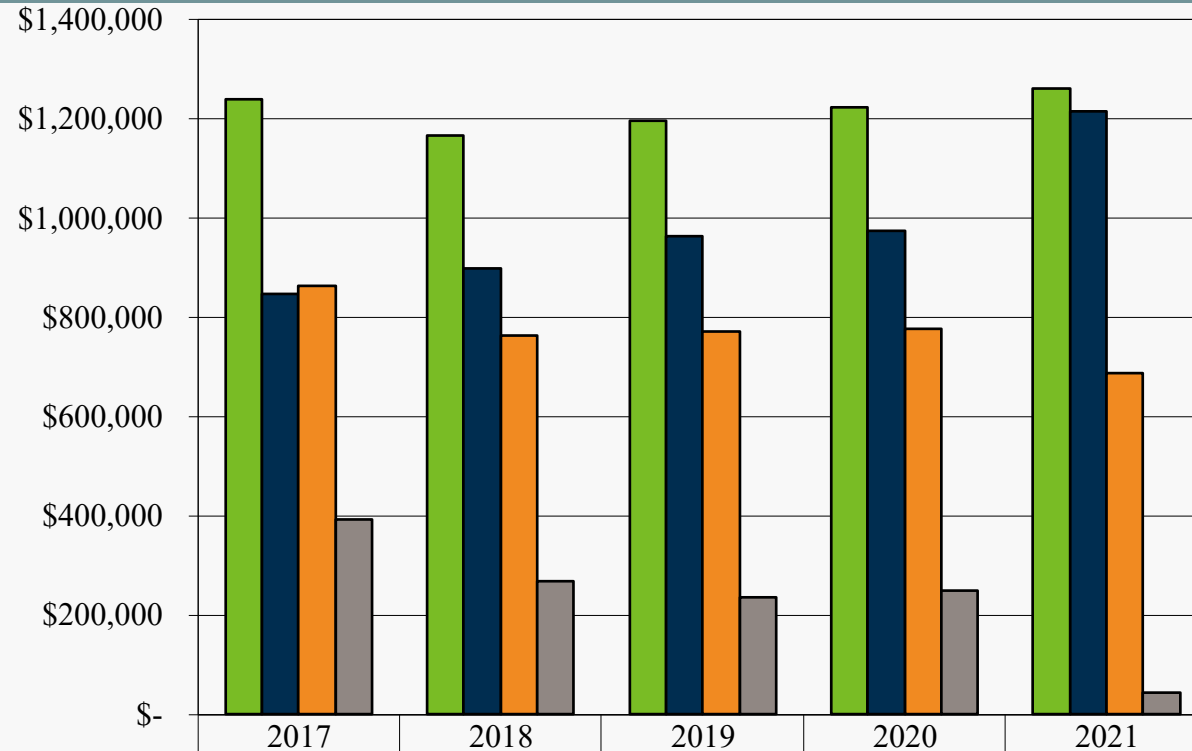
## Municipal Liquor Store Fund



■ Cash and Investments	\$1,778,769	\$1,794,175	\$2,036,309	\$2,595,721	\$2,581,630
■ Restricted and Unrestricted Net Position	1,950,601	2,003,097	2,254,908	2,872,515	2,793,064

# Enterprise Funds

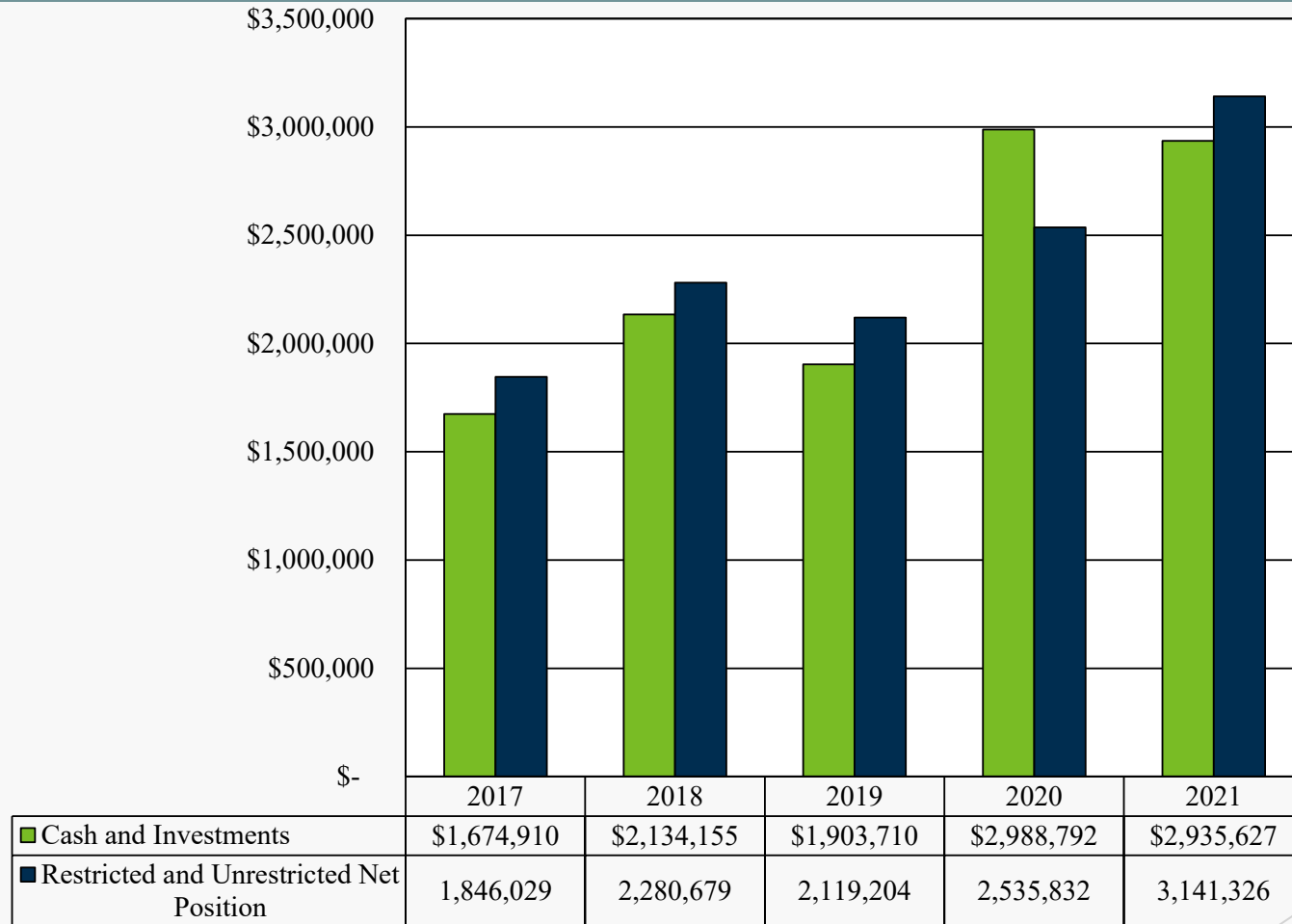
## Surface Water Management Operations



	2017	2018	2019	2020	2021
Operating Revenues	\$1,241,042	\$1,165,997	\$1,197,997	\$1,223,517	\$1,260,382
Operating Expenses	848,636	897,843	962,843	974,188	1,215,366
Operating Income without Depreciation	863,592	764,837	773,137	778,150	687,502
Operating Income	392,406	268,154	235,154	249,329	45,016

# Enterprise Funds

## Surface Water Management Fund



# Governmental Funds

## Revenue Per Capita

### Governmental Funds Revenue Per Capita with State-Wide Averages by Population Class

Year	State-Wide*			City of Marshall**		
	December 31, 2020			2019	2020	2021
Population	2,500-10,000	10,000-20,000	20,000-100,000	13,651	13,604	13,421
Property taxes	\$ 540	\$ 517	\$ 537	\$ 661	\$ 672	\$ 737
Tax increments	34	33	44	23	27	34
Franchise fees and other taxes	49	61	45	36	28	31
Special assessments	54	39	54	101	61	95
Licenses and permits	36	39	46	30	19	30
Intergovernmental revenues	474	367	273	671	466	465
Charges for services	112	89	90	181	143	152
Other	83	69	69	193	187	164
<b>Total revenue</b>	<b>\$ 1,382</b>	<b>\$ 1,214</b>	<b>\$ 1,158</b>	<b>\$ 1,896</b>	<b>\$ 1,603</b>	<b>\$ 1,708</b>

# Governmental Funds

## Expenditures Per Capita

### Governmental Funds Expenditures Per Capita with State-Wide Averages by Population Class

Year	State-Wide*			City of Marshall**		
	December 31, 2020			2019	2020	2021
Population	2,500-10,000	10,000-20,000	20,000-100,000	13,651	13,604	13,421
<b>Current</b>						
General government	\$ 176	\$ 140	\$ 118	\$ 254	\$ 194	\$ 195
Public safety	315	288	320	293	304	326
Public works	147	122	112	234	287	258
Parks and recreation	100	112	95	256	294	319
Other	96	108	104	61	124	92
<b>Total current</b>	<b>\$ 834</b>	<b>\$ 770</b>	<b>\$ 749</b>	<b>\$ 1,098</b>	<b>\$ 1,203</b>	<b>\$ 1,190</b>
<b>Capital outlay and construction</b>	<b>\$ 585</b>	<b>\$ 428</b>	<b>\$ 331</b>	<b>\$ 496</b>	<b>\$ 612</b>	<b>\$ 549</b>
<b>Debt service</b>						
Principal	\$ 172	\$ 149	\$ 91	\$ 326	\$ 266	\$ 263
Interest and fiscal	45	42	33	78	84	83
<b>MIDWEST WAY</b>						
<b>Total debt service</b>	<b>\$ 217</b>	<b>\$ 191</b>	<b>\$ 124</b>	<b>\$ 404</b>	<b>\$ 350</b>	<b>\$ 346</b>



# Questions?

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